Overview:

• Background
• Purpose
• Requested Action
Background:

• Initial VCE Procurement Guide approved January 18, 2018.
  —Procurement strategy, delegations, and directives for the power procurement activities to take place in 2018
• 2018 Power Procurements were completed.
  —Within the budget and delegation levels authorized by the Board
• 2019 Power Procurements mostly completed.
  —PCC-2 Renewable Power
  —Resource Adequacy
• 2019 is the year to complete 2020 procurements.
  —Some 2021 and 2022 procurements
Background:

- Procurement Objectives:
  - Procure the Energy Products necessary to form VCE’s power portfolio:
    - PCC-1 and PCC-2 renewable energy volumes to achieve 42% renewable content
    - 33% non-RPS clean energy (large hydro)
    - Resource Adequacy
    - CAISO Market Power
    - Fixed price market power for fixing VCE’s power cost (hedging)
  - Procure needed Energy Products at lowest cost
Purpose:

• Procurement Guide lays out the criteria for the products purchased.

• Guide also includes a section on specific procurement strategy (which has been redacted because of the commercially sensitive nature of the information).

• The specific delegation allows SMUD to procure forward products for 2020 within certain dollar limits:
  
  – $41.49 million (plus a 5% contingency)
Recommendations:

Adopt resolution that:

1. Approves the revised Procurement Guide, a redacted version of which is attached.

2. Approves specific Directives and Delegations to SMUD for procuring all of VCE’s power portfolio for calendar 2020, and portions of the power portfolio for 2021 and 2022, which is the table in Exhibit B of the Procurement Guide.

3. Approves the Calendar 2019 Power Budget of $41.49 million with an additional 5% contingency.

4. Approves continuing the portfolio mix of 42% renewable and 33% clean large hydro into 2019.
WELCOME TO THE NEIGHBORHOOD!
As a new resident or business, you are automatically a Valley Clean Energy (VCE) customer, your source for cleaner electricity!
With VCE, you now have a say in where your electricity comes from. As a customer, you will automatically receive a higher percentage of renewable electricity at rates that are competitive with PG&E.
Learn more at ValleyCleanEnergy.org

BIENVENIDO AL VECINDARIO!
Como nuevo residente o negocio, usted es automáticamente un cliente de Valley Clean Energy (VCE), fuente de electricidad más limpia.
Con VCE, ahora puedes decidir de dónde viene tu electricidad. Automáticamente recibirá un mayor porcentaje de energía renovable a tasas competitivas con PG&E.
Obtenga más información en ValleyCleanEnergy.org

Item 15 - Customer Care and Marketing Update
Item 15 - Customer Care and Marketing Update - Agenda

- Activities to date
- Current activities
- Planned activities
Item 15 - Customer Notices

- Required to send 4 notices to new customers at start-up—2 prior to start-up and 2 after start-up
  - We sent these notices in April and May (pre- start-up) and June and July (post start-up)
  - 210,000 notices were sent
- For new customers (move-ins and new construction) we are required to send 2 notices letting them know they are getting generation from VCE
  - We are sending approximately 5,000 notices/month, which represents 2,500 new/move-in customers/month
Item 15 - Enrollment Update

Status Date: 1/14/19

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4,446 Opt Outs
6.8% of customers

Daily Opt Outs

102 Opt Ups

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[Graphs and charts showing enrollment data and opt-out percentages by location]
Item 15 - Opt-Out Reasons

Monthly Opt Out Reason - VCEA

Service Address: Opt Out Reason
-  
Rate/Cost concerns  
Service/Billing Concerns  
Dislike being Automatically Enrolled  
Renewable Energy Reliability Concerns  
Concerns about Government-run Power Agency  
Other  
Decline to Provide a Reason

Enrollment Action Log: Created Date
Item 15 - Customer Service Rep Interactions

Weekly CSR Interaction Type VCEA

Call Type
- Bill inquiry
- Opt out - 6 months
- Opt out - Immediately
- Opt in - Base
- Opt in - Up
- Opt up
- Opt down
- Escalation - Internal
- Escalation - To CCA
- PGE related question (moves-outage-payment)
- Other

Record Count

- April 2018
- May 2018
- June 2018
- July 2018
- August 2018
- September 2018
- October 2018
- November 2018
- December 2018
- January 2019
Item 15 - Net Energy Metering Activities

- We were originally scheduled to begin enrolling solar customers on June 1
- Issues with our NEM policy were pointed out, so we delayed enrollments to 2019 to review and revise policy
- Gathered input from public, CAC and staff to develop revised policy for implementation beginning 1/1/2019
- NEM enrollments delayed again due to PCIA changes
- Existing VCE customers that install solar remain with VCE—we currently have 1,235 NEM customers, 1,175 residential, 30 commercial and 30 agriculture
Item 15 - Recent NEM Activities

- Letter sent to NEM customers re: delayed enrollment
- Website Solar text updated
- Solar Info sheets (3 pgs) designed and added to website
- OpEd submitted to local papers and blogs
- Social media postings, directing reader to website for more info
Item 15 - NEM Customers

- **Record Count**
  - Not Yet Enrolled: 8,644
  - Opt In: 1,235
  - Opt Out Immediately: 158
  - Opt Out after 6 months: 4
  - Terminated: 174
  - **Grand Total**: 10,215
Item 15 - Earned Media

• 12/7/18 - Op Ed 1 - Lucas Frerichs (PCIA)
  • Picked up by Davis Enterprise, Davis Vanguard blog, Davisite blog, Winters Express, West Sac News-Ledger

• 12/11/18 - SACOG Grant news release
  • Included in Davis Enterprise story by Anne Ternus-Bellamy on 12/13 (online) and 12/14 (font page print edition)
  • Also picked up by Daily Democrat, Vanguard blog, Davisite blog

• 12/19/18 - The Davis Enterprise “Our View” published
  • Voicing support for VCE, and urging patience with CPUC challenges

• 1/14/19 - News release on VCE’s response to PG&E plan
  • Davis Enterprise and Winters Express are writing staff-written stories using this
  • Included in Daily Democrat broader story 12/15, in Davisite blog, and in West Sac Web 12/15

• 1/15/19 - Op Ed 2 - by Stallard/Saylor (Solar)
Item 15 - Earned Media

Full media list for all news releases:

- Sebastian Oñate, editor, The Davis Enterprise: sonate@davisenterprise.net
- Jim Smith, editor, The Daily Democrat: jsmith@dailydemocrat.com
- David Greenwald, editor, The Davis Vanguard blog: info@davisvanguard.org
- Roberta Millstein, editor, The Davisite blog: Roberta.millstein@rlm.net
- Emma Johnson, editor, The Winters Express: news@wintersexpress.com
- Matthew Keys, staff writer, The Winters Express: matthew@wintersexpress.com (included at his request)
- Monica Stark, editor, West Sacramento News-Ledger: editor@news-ledger.com
- Danny Luna, editor, West Sac Web: westsacweb@wavecable.com
- Paul V. Scholl, publisher, West Sacramento Sun: publisher@mpg8.com
Item 15 - Social Media

• Program postings twice weekly
• Special topical postings additional—boosted with modest budget ($25 per posting) to increase reach, on topics such as:
  • Cool Davis workshop
  • PG&E plan to file Chapter 11
• “Hit” numbers low. Working to bring them up.
Item 15 - SACOG Grant

- $2.9 million grant jointly with VCE, Davis, Yolo County and Woodland to install electric vehicle charging infrastructure
- Social media employed to spread the good news
- OpEd (sent 1/15/19) included reference in overview of accomplishments in 2018
- Social media updates planned
- Website updates planned
Item 15 - Presentations/Outreach

- 35 community presentations made in 2018 including:
  - Rotary Clubs
  - Kiwanis
  - Chamber of Commerce
  - League of Women Voters
  - Citizens Advisory Committees—Esparto, Clarksburg, Madison
  - Homeowners Associations
  - Senior Center
  - School Districts
- Participated in numerous community events including the Davis Farmer’s Market, Woodland Farmer’s Market, Tomato Festival and the Honey Festival
Item 15 - CAC Outreach Committee Assistance

CAC Assisted With—

• NEM policy change and documents
• NEM Letters
• Evaluation of marketing consultant proposals
• Website recommendations
• Ongoing reviews marketing collateral

Moving Forward

• Consulting with staff and Green Ideals on short-term and long-term outreach strategies
• Helping to define audience segments and consulting on appropriate messages and communications approaches
• Providing a sounding board to assist in message development and copy testing
• Soliciting input from individual Community Advisory Committee members on audience segments, messages, and other issues that may impact VCE
• Reviewing development procedures for marketing communications projects
• Conducting review of marketing materials at the draft (pre-release) stage
• Preparing concise monthly summaries for the CAC on all marketing materials currently in the development pipeline
Item 15 - Planned/Future Activities

• Re-scheduling presentations with community groups
• Continued support of farmers markets and other events include the Heating and Cooling Workshop (1/27), Almond Festival in Esparto (2/24), Interfaith Summit in Davis (3/16)
• Write/distribute Op Eds on topics of interest/concern, as needed
• Develop radio/TV pitch list to arrange for interviews of VCE leaders re: program achievements and topics of special interest
• Revise website for freshness, optimism, updated information, ease of navigation, relevant news, info banner on HOME page
• Update communication plan to:
  • Detail cost-effective opportunities to create positive impressions via traditional and social media channels
  • Build brand awareness
  • Shift focus away from cost to emphasize other benefits of VCE, such as taking control of power resources, responding to climate change, and investing in our communities
Item 15 - Summary

- We have successfully launched and have weathered the bumps
- Our opt-out rate is within the expected range
- We will continue to get the word out about our program, emphasizing its community benefits and helping customers to realize why it’s important—not merely what it is
Item 17 – Update on Potential PG&E Bankruptcy

Background

• PG&E 15 day notice to file bankruptcy; file on or about January 29, 2019; PG&E estimates a 2 year process

• PG&E CEO and Senior Management step down

• Would be 2\(^{nd}\) bankruptcy since 2001

VCE/CCA related topics

• PG&E role in CCA operations; 12 operating CCA’s in PG&E service area; 41% of load in 2019

• No expected interruption in service by PG&E (same as 2001 bankruptcy); “business as usual” for VCE customers and VCE operations

• Additional wildfire related fees? Unknown; will be determined by CPUC; CCA’s plan to participate in CPUC proceedings on bankruptcy related issues

• VCE activities – monitoring closely; participating in CalCCA joint efforts
### Item 15 - Opt-Out Summary

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### Item 15 - Opt-Out Reasons

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## Item 15 - CSR Interactions and Reasons

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