

Valley Clean Energy – Special Board Meeting



4 p.m. Thursday, April 9, 2020 via Teleconference

Public Comments

To Provide Public Comment on any agenda item please email 300 words or less to:

meetings@valleycleanenergy.org

Comments received **before** the item has concluded will be read into the record.

Comments received <u>after</u> the item has concluded but before the end of the meeting will not be read but will be included in the meeting record.





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Item 12 - VCE Response to COVID - 19

VCE responses to COVID-19 impacts on VCE customers, communities, and staff.

Customer Support

- VCE Customer Support Center operated by SMUD has been in continuous operation during normal business hours.
- VCE temporarily suspended collections on past due accounts.
- VCE outreach/web page/social media:
 - Added a COVID-19 VCE web page with VCE's response and other useful information/links.
 - Updated the website with a one-time, can't miss, banner stating "COVID-19 WILL NOT AFFECT YOUR ELECTRICITY".
 - o Issued press release on March 24 providing an update on VCE's response to COVID-19.
 - Issued press release explaining the FERA program (a low income program offered by PG&E) was issued on March 27.
 - Issuing regular COVID messages through Facebook and Twitter.

Community

- VCE made donation to the Yolo Food Bank to support increased need due to COVID crisis.
- VCE is coordinating local energy related COVID funding support for creation of new local jobs in the energy sector.

Item 12 - VCE Response to COVID - 19

<u>Staff</u>

- Implemented Shelter in Place policy effective Monday, March 16 at noon. VCE employees have been working from home since except for occasional trips to the office to retrieve mail or other necessary items.
- VCE staff are in regular communication through scheduled video conferencing twice per day, as well as frequent emails, texts and phone calls.

CCA Community

- The entire CCA community has shelter in place policies and has quickly transitioned to meeting online. CCA's are supporting their communities with donations, deferrals of collections and direct customer support programs.
- CalCCA is coordinating on IOU related COVID activities.





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Item 13 - Long Term Renewable Power Purchase Agreement - Background

Staff seeking approval for a 72 MW Power Purchase Agreement

- In August 2018, VCE issued a Long Term Renewables Solicitation
- 32 Projects were considered, 9 passed initial screening
- Selection Criteria included
 - Not on prime agricultural land
 - Environmental & Cultural sensitivity
 - Development maturity
 - Inside California
 - Interconnection to grid
 - Value



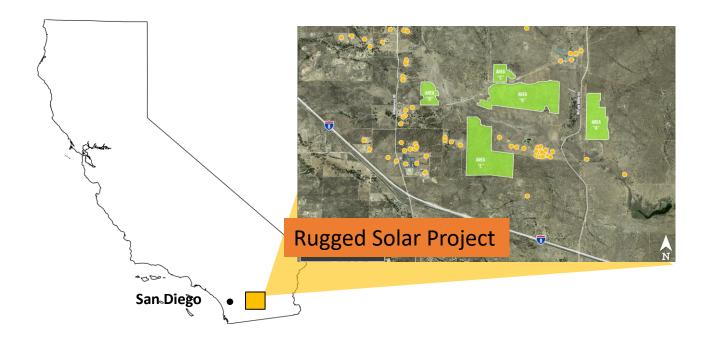
Item 13 - Long Term Renewable Power Purchase Agreement - Background (con't)

- Two Projects were Short Listed
 - Combined serve 42% of VCE's load
 - One project already secured (Westlands Solar Park)
 - No other combination provided enough energy to satisfy RPS minimum long-term contracting requirements
- The second of the two Projects is the Rugged Solar Project near San Diego, CA
 - Owner/Manager: Clean Focus
 - Developer: SunCapture



Item 13 - Long Term Renewable Power Purchase Agreement - Rugged Solar Overview

- Approx 70 miles east of San Diego
- Construction Dec 2020 Dec 2021
- Interconnect Agreement w/ CAISO
 - Delivery Point: SDG&E Boulevard East Substation
- Land: 35 year lease w/ option to buy

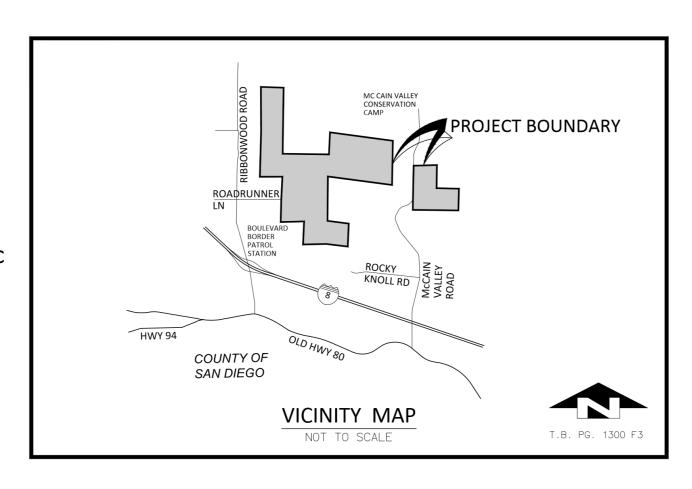




Item 13 - Long Term Renewable Power Purchase Agreement - Rugged Solar Overview

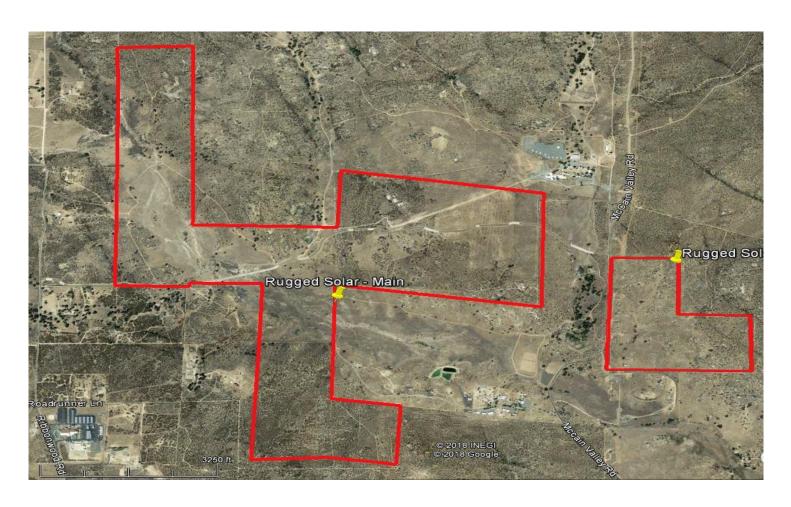
Land Designation -Rural

Land Use Approval
-Solar Photovoltaic





Item 13 - Long Term Renewable Power Purchase Agreement - Rugged Solar Overview





Item 13 - Long Term Renewable Power Purchase Agreement - Terms

Term: 20 years

Volume: 72 MW

- Price reduction if Rugged does not achieve Full Capacity
 Deliverability Status (ability to provide Resource Adequacy)
- Savings vs. Purchasing RECs in Short Term Markets
- Savings vs. Budget: \$3.8m (based on projections)
- Resource Adequacy capacity will provide additional value to savings projections





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Item 14 - Approve Issuance of Long Term Local Renewable Solicitation - Background

- The local/regional solicitation (RFO) is consistent with general Board direction and VCE's Vision statement to pursue procurement of cost effective local renewable energy.
- This solicitation is also identified in VCE's 2019 Renewable Portfolio Standard (RPS), Procurement Plan submitted to the California Public Utilities
 Commission (CPUC).
 - "VCE plans to establish an open solicitation for local renewables in the first quarter of 2020 in order to supply up to 25% of its targeted 2030 renewable goal of 80%."
- Over the past several months, Staff received input from the Board of Directors, Community Advisory Committee, Defenders of Wildlife and The Nature Conservancy.

Item 14 - Approve Issuance of Long Term Local Renewable Solicitation - High-Level Guidance

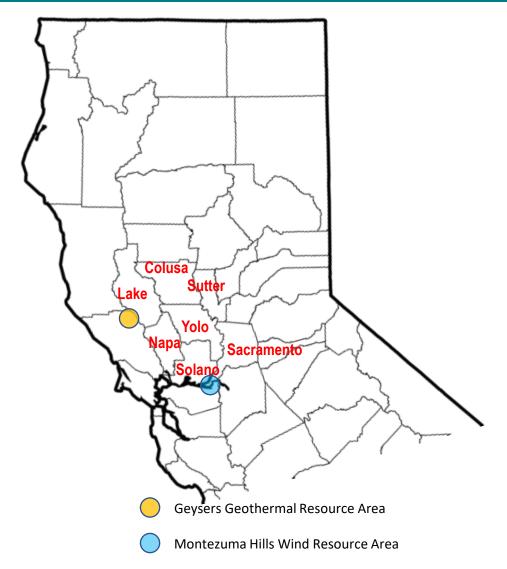
VCE desires cost effective projects that:

- Provide local co-benefits;
- Are located in environmentally suitable locations;
- Are sustainably developed to avoid or minimize impacts to species, habitat, landscapes and agricultural lands.



Item 14 - Approve Issuance of Long Term Local Renewable Solicitation - Local Resources Definition

- There are significant land use constrains in Yolo County.
- Value to reserving local designation for Yolo County
- Recommendation:
 - 1. "Local" is within Yolo County or with nexus to YC.
 - 2. "Regional" is within the surrounding 6 counties plus Geysers GRA.





Item 14 - Approve Issuance of Long Term Local Renewable Solicitation — Qualitative Criteria

- Project team experience
- Financing plan and financial stability of project owner/developer
- Local/Regional resources
- Site control and prior land use
- Located in pre-screened energy development areas
- Level of completeness of permits
- Grid interconnection status
- Multi-benefit renewable energy

Item 14 - Approve Issuance of Long Term Local Renewable Solicitation — Primary Terms

Location	Within Yolo County, CA or any of the adjacent six counties, with preference given to those projects in Yolo. Deliverability to the CAISO grid.
Products	RPS-eligible generation or RPS-eligible generation+storage. Projects may be existing or new.
Term	Minimum of ten (10) years, maximum of twenty (20) years.
Scheduling Coordinator	For generation only projects, Seller shall be the scheduling coordinator (SC). For generation+storage projects, Buyer shall be the scheduling coordinator (SC).
Ownership	All projects will be owned by the Bidder (Seller), with VCE contracting the output of the resource for the Term.
Expected Commercial Operation Date (COD)	On or prior to December 31, 2023.
Installed Capacity (MW)	Nameplate capacity no less than 2 MWac and no greater than 25 MWac (not inclusive of storage capacity).
Pre and Post Development Seller Security Requirements	\$/kW of Contract Capacity for generation resources and \$/kW of Contract Capacity for storage resources.



Item 14 - Approve Issuance of Long Term Local Renewable Solicitation - Schedule

Issue RFO	April 20, 2020
Bid Submittals Due	May 26, 2020
Complete Evaluation	July 13, 2020
Short-list and Negotiations	September 30, 2020
Award Contract(s) / Approvals	Q4 2020



VCE Contact Information



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