Valley Clean Energy Board Meeting – May 12, 2022
via video/teleconference

Item 12 – Update from Beth Vaughan of CalCCA
To Provide Public Comment on any agenda item please:

➢ E-mail 300 words or less to: meetings@valleymte.org

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Valley Clean Energy Authority Board Meeting
May 12, 2022

Beth Vaughan
Executive Director
CalICCA Membership & Growth
California CCA: By the Numbers

- Number of California communities served by CCAs: 204
- Number of Counties with CCA: 19 of 58 counties (33%)
- Number of Cities/Towns with CCA: 185 of 462 Cities (38%)
- California Population served by CCAs: 11 Million+ (25%)
## 2022 and 2023 CCA Launches and Expansions

### 2022

<table>
<thead>
<tr>
<th>CCA</th>
<th>Formation</th>
<th>Cities/Counties</th>
<th>Start of Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Diego Community Power</td>
<td>New phase</td>
<td>Cities of San Diego, Chula Vista, La Mesa, Encinitas, Imperial Beach.</td>
<td>January Phase 3 – small commercial and residential.</td>
</tr>
<tr>
<td>Central Coast Community Energy (3CE)</td>
<td>Expansion</td>
<td>City of Buellton</td>
<td>January</td>
</tr>
<tr>
<td>Pioneer Community Energy</td>
<td>Expansion</td>
<td>City of Placerville and County of El Dorado</td>
<td>January</td>
</tr>
<tr>
<td>Santa Barbara Clean Energy</td>
<td>New phase</td>
<td>City of Santa Barbara</td>
<td>March, non-Res</td>
</tr>
<tr>
<td>Orange County Power Authority</td>
<td>New</td>
<td>Cities of Buena Park, Fullerton, Huntington Beach, Irvine, and Lake Forest</td>
<td>April Phase 1 – commercial and municipal; October Phase 2 - residential</td>
</tr>
<tr>
<td>MCE</td>
<td>Expansion</td>
<td>City of Fairfield</td>
<td>April (all accounts)</td>
</tr>
<tr>
<td>Peninsula Clean Energy</td>
<td>Expansion</td>
<td>City of Los Banos</td>
<td>April</td>
</tr>
<tr>
<td>Energy for Palmdale’s Independent Choice (EPIC)</td>
<td>New</td>
<td>City of Palmdale</td>
<td>October (Res &amp; Muni)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(CalChoice)</td>
<td></td>
</tr>
</tbody>
</table>

### 2023

<table>
<thead>
<tr>
<th>CCA</th>
<th>New or Expansion?</th>
<th>Cities/Counties</th>
<th>Start of Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clean Energy Alliance</td>
<td>Expansion</td>
<td>Escondido, San Marcos</td>
<td>April 2023</td>
</tr>
<tr>
<td>Orange County Power Authority</td>
<td>Expansion</td>
<td>Unincorporated Orange County</td>
<td>Sometime in 2023</td>
</tr>
<tr>
<td>San Diego Community Power</td>
<td>Expansion</td>
<td>National City, unincorporated San Diego County</td>
<td>April 2023</td>
</tr>
</tbody>
</table>
California CCA Departing Load by IOU

Departing Load as a percent of total IOU area load
(CCA load is solid colors, DA load is dashed gray boxes)

<table>
<thead>
<tr>
<th>Year</th>
<th>PG&amp;E</th>
<th>SCE</th>
<th>SDG&amp;E</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>16%</td>
<td>17%</td>
<td>23%</td>
</tr>
<tr>
<td>2022</td>
<td>47%</td>
<td>19%</td>
<td>34%</td>
</tr>
<tr>
<td>2023</td>
<td>48%</td>
<td>23%</td>
<td>50%</td>
</tr>
<tr>
<td>2024</td>
<td>48%</td>
<td>23%</td>
<td>54%</td>
</tr>
</tbody>
</table>

Source: 2021 IEPR Forecast. California Energy Demand 2021-2035 Baseline Forecast - Mid Demand Case
California Choice Energy Authority
Central Coast Community Energy
Clean Energy Alliance
Clean Power Alliance
CleanPowerSF
East Bay Community Energy
MCE
Orange County Power Authority
Peninsula Clean Energy
Pioneer Community Energy
Redwood Coast Energy Authority
San Diego Community Power
San Jose Clean Energy
Silicon Valley Clean Energy
Sonoma Clean Power
Valley Clean Energy

Executive Committee
Clean Power Alliance
East Bay Community Energy
Peninsula Clean Energy
Redwood Coast Energy Authority
San Jose Clean Energy
Sonoma Clean Power

Board of Directors

Executive Director

Director of Operations and Membership
Administrative Coordinator

Director of Communications
Communications Associate

Director of Modeling
Electricity System Modeler

Director of Regulatory Affairs

Director of Legislative Affairs

General Counsel and Director of Policy

Staff Committees
Regulatory Committee
Legislative Committee
Marketing and Communications Committee
Billing Operations and Customer Care Committee
Procurement Committee
General Counsel Committee
Equity Committee
Compliance Committee
Modeling Committee
Ad Hoc Standards and Practices Committee

Discussion Groups
New CCA Directors Discussion Group
Key Accounts Discussion Group
Programs Discussion Group
Board Clerks Discussion Group

Senior Policy Counsel
Senior Market Policy Analyst
Regulatory Case Manager
Policy Assistant
Key 2022 Proceedings:

- **Reliability & Resource Adequacy (CPUC):** The RA Proceeding includes issues of RA compliance, multi-year RA procurement, central RA procurement, and other key CCA issues (RA import rules, revised accounting methods, shift to post-peak accounting, etc.). Highly contentious long-term RA structural reform.

- **CAISO Stakeholder Initiatives:** RA Enhancements, DER participation in wholesale markets, Hybrid Resources, Day Ahead Market Enhancements

- **Provider of Last Resort (CPUC):** Implementation of SB 520, will impact CCAs financial security requirement, de-registration, re-entry fees. Financial implications for CCAs regarding POLR and default provider costs.

- **Integrated Resource Planning (CPUC):** IRP now serves as the central coordinating venue for statewide long-term energy planning, including new procurement.

- **Disconnections (CPUC):** Adoption of Arrearage Management Plan and recovery of debt forgiven in the AMP by all LSES through the Public Purpose Program Charge. 40-month Percentage of Income Payment Plan (PIPP) pilot program (CCAs are authorized to participate).

- **Affordability (CPUC):** Adoption of metrics and methodologies for assessing the relative affordability of utility service.
Changes in the CCA Community


CCAs are public agencies that strive to be highly responsive and transparent. It is in that spirit that CalCCA, working in partnership with our members, created this page to provide easy access to CCAs’ financial, policy, and formation documents. You can access those documents by clicking on the links below.

https://cal-cca.org/key-cca-documents/

Other efforts are underway to increase requirements for implementation planning and sharing financial and other best practices
• Provider of Last Resort (POLR) Proceeding
• CalCCA Best Practices Guide
Key 2022 Legislation:

- **CalCCA has taken a position on 15 bills in this legislative session.**

  - **Senate Bill 1158 (Becker) and Senate Bill 881 (Min):** Both bills are focused on enforcement of Integrated Resource Plans. Becker clean energy 24x7 bill designed to measure progress toward achieving 2030 GHG targets (softer compliance obligation). Min bill would allow the CPUC to issue fines for LSEs that do not meet GHG procurement targets in their IRPs.

  - **SB 1020 (Laird):** Develops interim targets for renewable and carbon free retail sales requirements, accelerates targets for state facilities (2030), and establishes a new authority and fund to reduce customer bills while still maintaining climate change mitigation efforts.

  - **Arrearages 2.0:** Coalition of CalCCA, IOUs and POUs advocating for $1.9 billion in the budget using unspent federal COVID relief funds for utility arrearages.

    In 2021 budget, CCAs obtained $55 million in Customer Arrearages relief (45% of total surveyed arrearages).
Project Delays

Procurement
Reported CCA Project Delays (as of April 2022)

- ~3 GW total of delays: roughly 70% solar, 30% batteries
- Includes all delays reported by CCAs: interconnection, permitting, supply chain, and DOC investigation
- Average delay length is over 6 months (~200 days)
- Bulk of delays (~1 GW) are in 2023
- Individual Load Serving Entities (CCAs, IOUs, ESPs) are at risk of non-compliance

![Bar chart showing total MW affected by project delays (any delay length reported): 2,931 MW total](chart.png)
Backbone of CalCCA

Communications & Membership
Comms & Membership

CaICCA

- Advocacy & Campaigns (SB 612)
- CalCCA InfoHub
- Public Webinars / Internal Green Bag Webinars
- Social Media
- Publications/Info Resources
- Partner Program
- Member Events and Support
CCA Customer Programs

- Electric Vehicles and EV Infrastructure
- Building Decarbonization/Electrification
- Energy Efficiency
- Net Energy Metering
- Solar Rebates/Incentives (beyond NEM)

- Resilience: Microgrids, Local Solar+Storage

Roundup of CCA Resilience Initiatives
- East Bay Community Energy/Peninsula Clean Energy
- Lancaster Choice Energy
- MCE
  - Monterey Bay Community Power
  - Peninsula Clean Energy
  - Redwood Coast Energy Authority

- Community Advisory Committees
- Local Innovation
- Outreach/Innovation Grants
- Feed-in Tariff
- Citizen Sourcing
Visit cal-cca.org for more info

Links

Cities/Counties Served by CCA
Clean Energy Procurement
Policy Filings
CCA Programs
Quarterly Reports
Stats
CalCCA Mailing List!
Upcoming Events

CCA Celebration: September 2022

Annual Meeting: May 2023
Thank you!

Beth Vaughan
Executive Director

beth@cal-cca.org
Valley Clean Energy Board Meeting – May 12, 2022
via video/teleconference

Item 13 – Legislative Update
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Item 13 – Legislative Update

Background

- VCE Legislative Platform - 2022
  - Adopted Annually (Dec 2021)
  - Consistent with VCE Vision/Mission/Strategic Plan
  - Informs Legislative Positions and Communications
  - Legislative Positions Consistent with Platform

- Bills Categorized by Priority
  - Priority 1: Focused Engagement – Direct Connection to VCE Mission/Strategic Plan Goals
  - Priority 2: Active Engagement/Monitoring – Issues Related to VCE Mission/Strategic Plan Goals
  - Priority 3: Monitoring - Minimal Direct or Indirect impact on VCE Mission/Strategic Plan Goals but Warrant Monitoring as they Address Broader Energy, Utility, Climate and Sustainability Topics

- Generally Align with CalCCA Positions and work Directly with CalCCA Legislative Team
Covid and the Capitol

• Some Committees requiring lead witness testimony in person.
  • At least one committee has eliminated phone option entirely.

• Legislators back to carrying a full bill load.

• Some in-person meetings
Money Pouring In – State Budget is Flush

• Surplus anticipated to reach $68 billion

• May Revise to be released any day

• Done in June?

• What’s available for clean energy programs
Key Bills

• SB 1020 (Laird, Atkins) – Leadership Supported Bill
  • 2035: 90% Carbon Free Energy | 2040: 95% Carbon Free Energy
  • Electricity serving the state to be 100% carbon free by 2030
  • California Affordable Decarbonization Authority


• AB 1814 (Grayson) – CalCCA sponsored bill – no hearing

• SB 1287 (Bradford) – CCA financial security requirement – no hearing
## Bills Being Tracked - Active

<table>
<thead>
<tr>
<th>Bill/Author/ VCE Priority</th>
<th>Description</th>
<th>Status (5/12)</th>
<th>Current Position: VCE/CalCCA</th>
</tr>
</thead>
<tbody>
<tr>
<td>SB 881 (Min)/1</td>
<td>Integrated Resource Plans</td>
<td>Sen. Appropriations</td>
<td>Oppose Unless Amended</td>
</tr>
<tr>
<td>SB 1020 (Laird, Atkins)/1</td>
<td>Clean Energy, Jobs, and Affordability Act of 2022</td>
<td>Sen. Appropriations</td>
<td>Watch/Support</td>
</tr>
<tr>
<td>AB 1814 (Grayson)/1</td>
<td>Transportation Electrification: CCAs</td>
<td>Dead</td>
<td>Support/Sponsor</td>
</tr>
<tr>
<td>SB 1287 (Bradford)/1</td>
<td>CCAs/ESPs: Financial Security Requirements</td>
<td>Dead</td>
<td>Oppose/Oppose</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AB 1944 (Lee)/2</td>
<td>Local Government: Open and Public Meetings</td>
<td>Asm. Floor</td>
<td>Support/None</td>
</tr>
<tr>
<td>AB 2316 (Ward)/2</td>
<td>Community Renewable Energy Program</td>
<td>Asm. Appropriations</td>
<td>Watch/Watch</td>
</tr>
<tr>
<td>AB 2399 (Mayes)/2</td>
<td>Provider of Last Resort: Exit Retail Service</td>
<td>Dead</td>
<td>Watch/Watch</td>
</tr>
</tbody>
</table>

**Note:**
- Priority 1: Focused Engagement
- Priority 2: Active Engagement/Monitoring
## Item 13 – Legislative Update

### Bills Being Tracked - Active

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</thead>
<tbody>
<tr>
<td>AB 2296 (E. Garcia)/2</td>
<td>Transmission Planning</td>
<td>Asm. Appropriations</td>
<td>Watch/Watch</td>
</tr>
<tr>
<td>AB 2878 (Aguiar-Curry)/2</td>
<td>Forest Biomass Waste Utilization Program</td>
<td>Asm. Appropriations</td>
<td>Watch/None</td>
</tr>
<tr>
<td>SB 833 (Dodd)/2</td>
<td>Community Energy Resilience Act of 2022</td>
<td>Sen. Appropriations</td>
<td>Support/Watch</td>
</tr>
<tr>
<td>SB 839 (Dodd)/2</td>
<td>Demand Response</td>
<td>Sen. Appropriations</td>
<td>Watch/Watch</td>
</tr>
<tr>
<td>SB 852(Dodd)/2</td>
<td>Climate Resilience Districts</td>
<td>Sen. Appropriations</td>
<td>Watch/None</td>
</tr>
<tr>
<td>SB 1158 (Becker)/2</td>
<td>GHG Emission Reporting: Hourly Disclosures</td>
<td>Sen. Appropriations</td>
<td>Watch/Watch</td>
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Item 14 – Electric Vehicle Rebate Pilot Program
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Item 14 – Electric Vehicle Rebate Pilot Program

VCE’s Strategic Plan (Nov 2020):

Goal 3) Prioritize VCE’s community benefits and increase customer satisfaction and retention

Goal 4) Promote and deploy local decarbonization and grid innovation programs to improve grid stability, reliability, community energy resilience, and safety

VCE’s 3-Year Programs Plan (June 2021):

1) Promote the electrification of transportation, residential and commercial buildings, and agricultural operations.
2) Encourage and incentivize energy efficiency, demand response flexibility, and resiliency.

Active VCE Programs:

1) Energy efficiency ME+O
2) SACOG Grant– Electric vehicle charging infrastructure
3) AgFIT – Automation; dynamic prices
4) Heat Pump Pilot – home energy rebates; contractor ME+O
Background & Context:

Nat’l, Statewide push toward transportation electrification

- Five Million Zero Emission Vehicles on the road in CA by 2030 (E.O. B-48-18)
- All new cars and passenger trucks sold in CA must be Zero Emission Vehicles by 2035 (E.O. N-79-20)

The number of EV registered in CA totals to **930,811** vehicles, with **425,300** being all electric – as of Jun 2021

**Requested Action:** Review and approve Phase 1 of Valley Clean Energy’s Electric Vehicle Rebate Pilot Program
Item 14 – Electric Vehicle Rebate Pilot Program

• The California Air Resources Board identified that nearly 35% of the State’s emissions are from the transportation sector – High need to decarbonize our transportation

• US has seen EV sales nearly double from 308,000 in 2020 to 608,000 in 2021
Program Design:

Rebates and tax credits available; VCE’s pilot designed to stack and demystify the process

Phased approach

- **Phase 1:** Streamlined and simplified. Providing rebates based on proof from customer of other (vetted) rebate program

- **Phase 2:** Reevaluate approach after Phase 1 to potentially include used/leased vehicles, Point-of-Sale (POS) rebates, etc.
Recommended Approach:

Align with Clean Vehicle Rebate Project (CVRP)

- Apply within 3 months after purchase (if under “high earners cap”); higher rebates for income-qualified customers

Staff recommends alignment with CVRP because...

- Funding is available
- Incorporates income eligibility criteria, with differing rebate amounts
- Includes a luxury vehicle cap
**Item 14 – Electric Vehicle Rebate Pilot Program**

**Proposed Budget:**

<table>
<thead>
<tr>
<th>Resource</th>
<th>Source</th>
<th>Proposed Budget</th>
<th>$ Remaining in Program Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rebates</td>
<td>Programs Budget</td>
<td>$80,000</td>
<td></td>
</tr>
<tr>
<td>Marketing, Education &amp; Advertising</td>
<td>Programs Budget</td>
<td>$10,000</td>
<td></td>
</tr>
<tr>
<td>Consultants (if applicable)</td>
<td>Programs Budget</td>
<td>$10,000**</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$100,000</td>
<td>$124,000</td>
</tr>
</tbody>
</table>

**Amount would be reallocated to customer rebates should staff not need additional program support**
Rebates:

Estimating to provide nearly 30 rebates to our customers

• Assuming 25% of funds go to income qualified applicants - $4,000 rebate

• Assuming all standard applicants purchased BEVs - $2,500 rebate

Based on evidence from another CCA...

• Around 4-5 applications will be submitted and processed per month

• Program funding expected to last between 7-8 months
Program Equity: Ensuring that income-qualified customers have equitable access to rebates

Staff is recommending:

1. Income-qualified customer applications are given priority and processed before standard applications.

2. Income-qualified applicants fill out a VCE rebate interest form and VCE would consider these rebate funds “on hold” for a period of time, providing time for their CVRP application to be processed.

3. Allocate 25% of rebate funds in Phase 1 for income-qualified applicants. 6 months after program launch, the funds would be released for all applications.
Next Steps:

- Develop full list of eligibility criteria with terms and conditions
- Expand marketing, outreach, and education materials
- Outline and establish customer application process
- Implement program