

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



Public Comments

To Provide Public Comment on any agenda item please:

E-mail 300 words or less to: <u>meetings@valleycleanenergy.org</u>

OR

Join the Public Comment Queue by

"Raising Hand" on Zoom Meeting

OR

Press *9 if joining by phone

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

Emailed 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.





Valley Clean Energy Authority Board Meeting

May 12, 2022





Beth Vaughan Executive Director

CalCCA 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

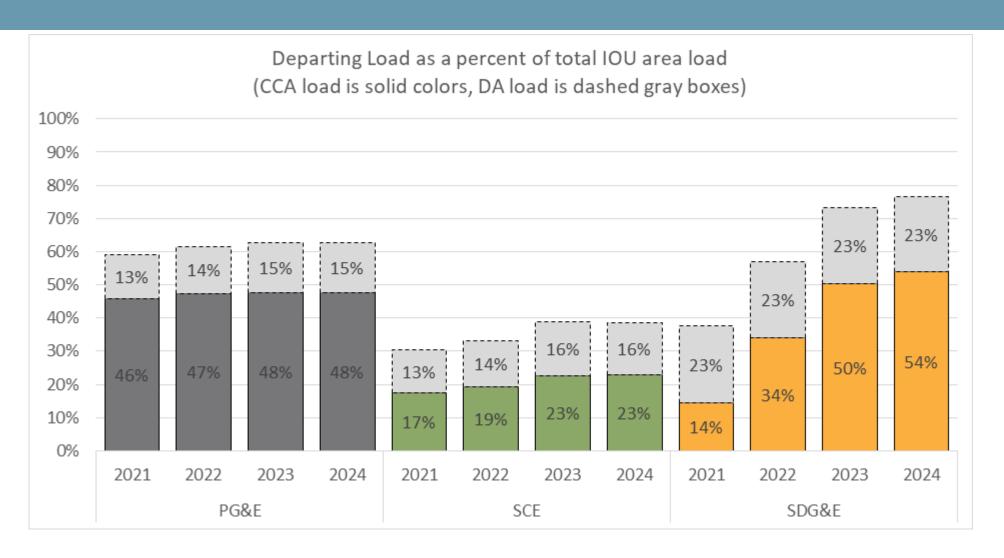
<u>2022</u>

Formation	Cities/Counties	Start of Service
New phase	Cities of San Diego, Chula Vista, La Mesa, Encinitas, Imperial Beach.	January Phase 3 – small commercial and residential.
Expansion	City of Buellton	January
Expansion	City of Placerville and County of El Dorado	January
New phase	City of Santa Barbara	March, non-Res
New	Cities of Buena Park, Fullerton, Huntington Beach, Irvine, and Lake	April Phase 1 – commercial and municipal; October Phase 2 -
	Forest	residential
Expansion	City of Fairfield	April (all accounts)
Expansion	City of Los Banos	April
New (CalChoice)	City of Palmdale	October (Res & Muni)
	Expansion Expansion New phase Expansion Expansion Expansion Expansion Expansion	New phase Cities of San Diego, Chula Vista, La Mesa, Encinitas, Imperial Beach. Expansion City of Buellton Expansion City of Placerville and County of El Dorado New phase City of Santa Barbara New Cities of Buena Park, Fullerton, Huntington Beach, Irvine, and Lake Forest Expansion City of Fairfield Expansion City of Los Banos New City of Palmdale

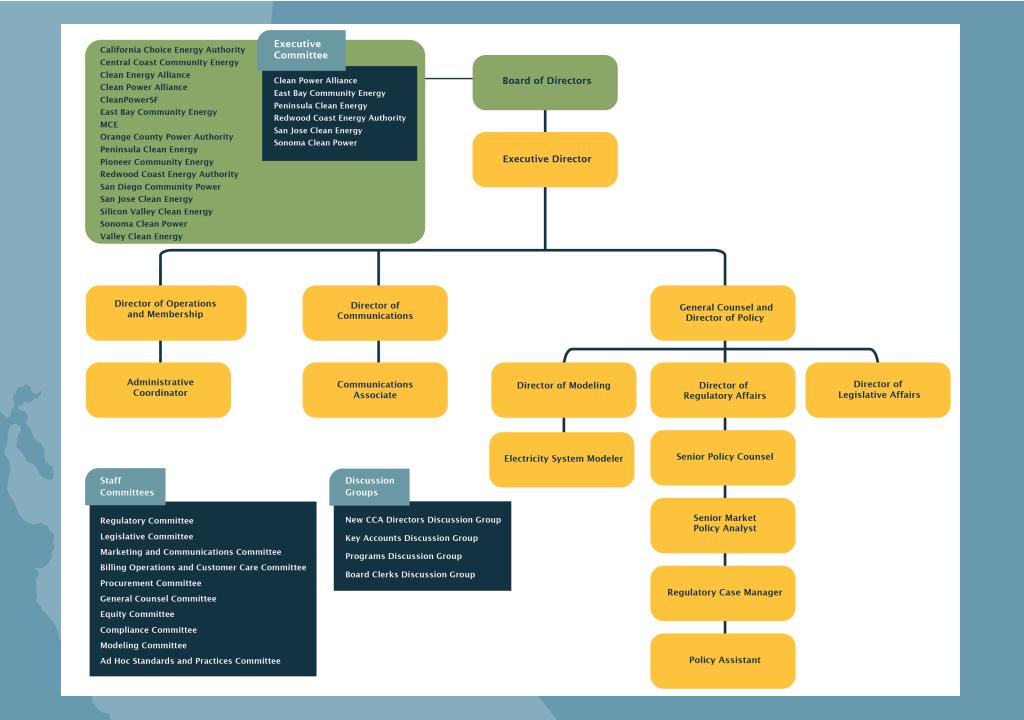
<u>2023</u>

CCA	New or	Cities/Counties	Start of Service
	Expansion?		
Clean Energy Alliance	Expansion	Escondido, San Marcos	April 2023
Orange County Power	Expansion	Unincorporated Orange County	Sometime in 2023
Authority			
San Diego Community	Expansion	National City, unincorporated San Diego County	April 2023
Power			

California CCA Departing Load by IOU



Source: 2021 IEPR Forecast. California Energy Demand 2021-2035 Baseline Forecast - Mid Demand Case



Policy Team

Regulatory & Legislative Advocacy

Regulatory Engagement

CalCCA's Regulatory Committee:

- Tracks and analyzes proceedings impacting CCA across CPUC, CEC, CAISO, CARB
- Recommends Board action
- Develops policy positions, files comments, and advocates for positive regulatory outcomes
- Educates policymakers and regulatory staff on CCA activities and CCA issues
- Works with regulatory stakeholders to build coalitions supportive of CCApositive outcomes

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

Enhanced
Implementation Planning,
Transparency, &
Financial Reporting
Framework



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

Legislative Engagement

CalCCA's Legislative Committee:

- Tracks and analyzes bills impacting CCA
- Recommends Board action
- Develops positions, negotiates amendments, and advocates for bill passage / defeat
- Educates legislators and legislative / administration staff on CCA activities and CCA issues
- Works with legislative stakeholders to build coalitions supportive of CCApositive outcomes
- Lobby Day, Leg Sub Committee of CCA Elected Officials

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.

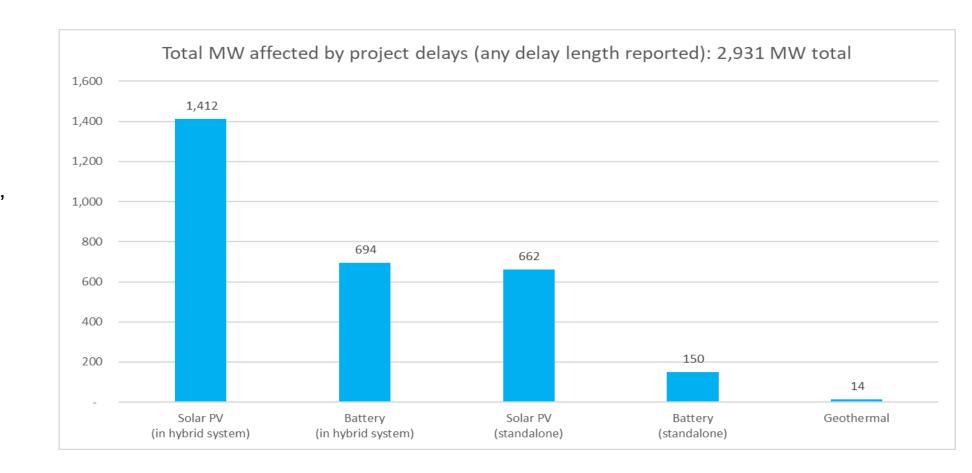
In 2021 budget, CCAs obtained \$55 million in Customer Arrearages relief (45% of total surveyed arrearages).

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 noncompliance



Backbone of CalCCA

Communications & Membership

Comms & Membership



CCA Customer Programs



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





Clean Power Alliance

MCE

Monterey Bay Community Power

Rancho Mirage Energy Authority

■ Demand Response







East Bay Community Energy/Peninsula Clean Energy

Lancaster Choice Energy

MCE

Monterey Bay Community Power

Peninsula Clean Energy

Redwood Coast Energy Authority



⊞ 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

Questions?

Thank you!

Beth Vaughan

Executive Director

beth@cal-cca.org



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



Public Comments

To Provide Public Comment on any agenda item please:

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

OR

Join the Public Comment Queue by

"Raising Hand" on Zoom Meeting

OR

Press *9 if joining by phone

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

Emailed 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.



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
- SB 881 (Min) Integrated Resource Plans Sen. Appropriations
- AB 1814 (Grayson) CalCCA sponsored bill no hearing
- SB 1287 (Bradford) CCA financial security requirement no hearing



Bills Being Tracked - Active

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

Note: Priority 1: Focused Engagement

Priority 2: Active Engagement/Monitoring



Bills Being Tracked - Active

Bill/Author/ VCE Priority	Description	Status (5/12)	Current Position: VCE/CalCCA
AB 2587 (E. Garcia)/2	Procurement: Firm Renewable Energy Resources & Firm Zero-Carbon Resources	Asm. Appropriations	Watch/Watch
AB 2296 (E. Garcia)/2	Transmission Planning	Asm. Appropriations	Watch/Watch
AB 2878 (Aguiar-Curry)/2	Forest Biomass Waste Utilization Program	Asm. Appropriations	Watch/None
SB 833 (Dodd)/2	Community Energy Resilience Act of 2022	Sen. Appropriations	Support/Watch
SB 839 (Dodd)/2	Demand Response	Sen. Appropriations	Watch/Watch
SB 852(Dodd)/2	Climate Resilience Districts	Sen. Appropriations	Watch/None
SB 1158 (Becker)/2	GHG Emission Reporting: Hourly Disclosures	Sen. Appropriations	Watch/Watch





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



Public Comments

To Provide Public Comment on any agenda item please:

> E-mail 300 words or less to: meetings@valleycleanenergy.org

OR

Join the Public Comment Queue by

"Raising Hand" on Zoom Meeting

OR

Press *9 if joining by phone

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

Emailed 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.



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):

- 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







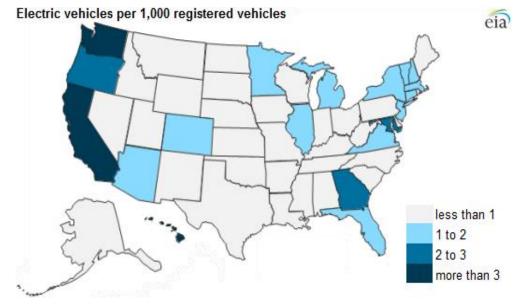
Requested Action: Review and approve Phase 1 of Valley Clean Energy's Electric Vehicle Rebate Pilot Program

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)

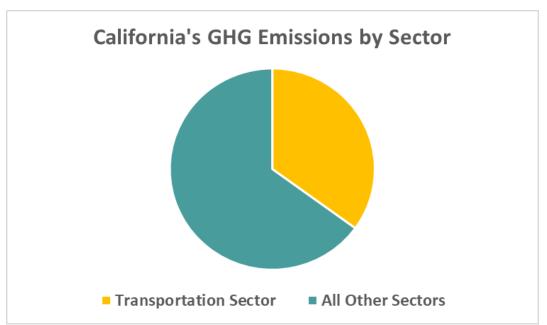
The number of EV registered in CA totals to 930,811 vehicles, with 425,300 being all electric – as of Jun 2021

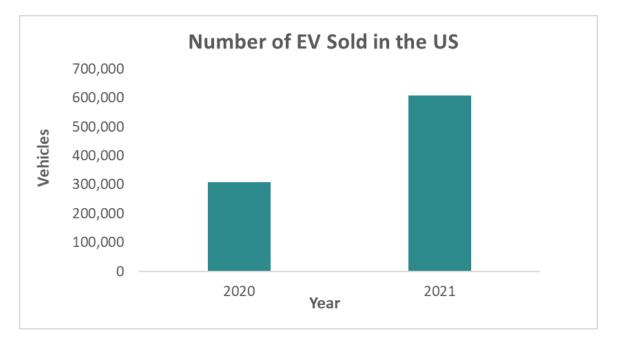




• The California Air Resources Board identified that nearly 35% of the State's emissions are from the transportation sector – High need to decarbonize our transportation

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







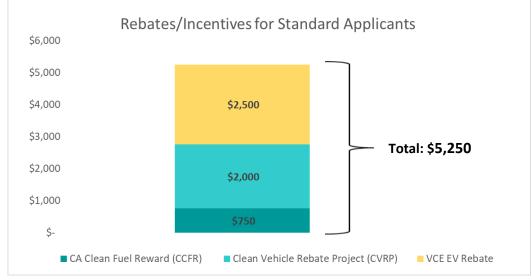
Program Design:

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 incomequalified customers

Staff recommends alignment with CVRP because...

- Funding is available
- Incorporates income eligibility criteria, with differing rebate amounts
- Includes a luxury vehicle cap



Proposed Budget:

Resource	Source	Proposed Budget	\$ Remaining in Program Funds
Rebates	Programs Budget	\$80,000	
Marketing, Education & Advertising	Programs Budget	\$10,000	
Consultants (if applicable)	Programs Budget	\$10,000**	
	Total	\$100,000	\$124,000



^{**}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



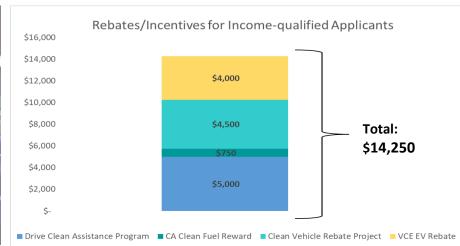


Program Equity: Ensuring that income-qualified customers have equitable access to rebates

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.
- 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

