

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

Item 13 – Legislative Update



Public Comments

To Provide Public Comment on any agenda item please:

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

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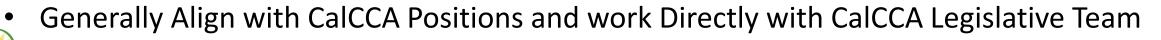
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Background

- 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



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	ntegrated 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

VALLEY CLEAN ENERGY 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





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Item 14 – Electric Vehicle Rebate Pilot Program



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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









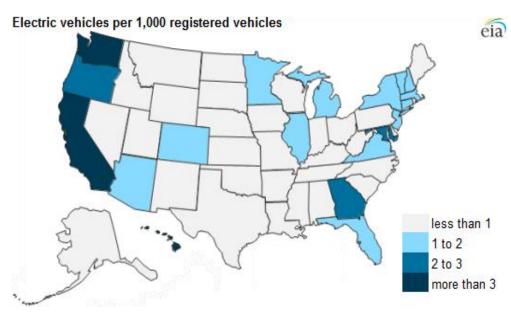
Requested Action: Review and approve Phase 1 of Valley Clean Energy's Electric Vehicle Rebate Pilot Program

Background & Context:

Nat'l, Statewide push toward transportation electrification

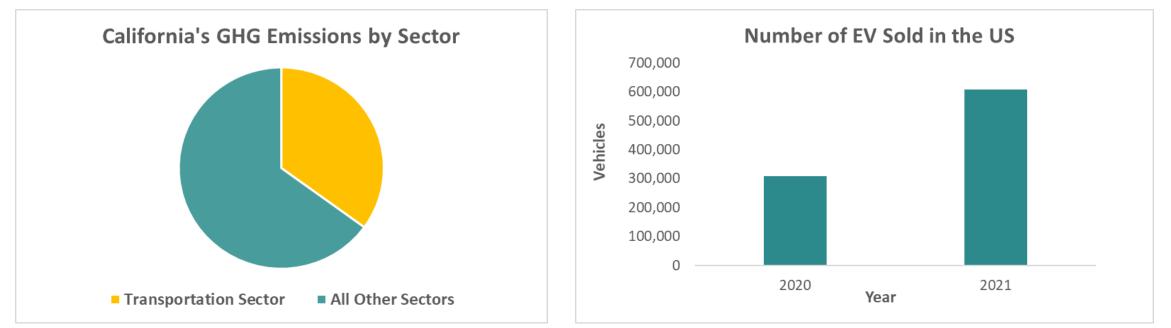
- Five Million Zero Emission Vehicles on the road in CA by 2030 (E.O. B-48-18)
- All new cars and passenger trucks sold in CA must be Zero Emission Vehicles by 2035 (E.O. N-79-20)

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





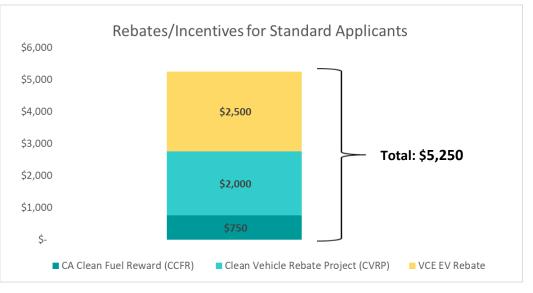
Program Design:

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

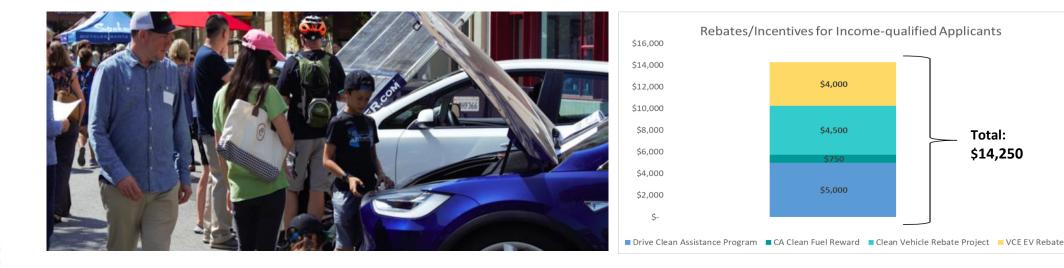




Program Equity: Ensuring that income-qualified customers have equitable access to rebates

Staff is recommending:

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





Total:

\$14,250



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

