



**Regular Meeting of the Valley Clean Energy Alliance
Board of Directors
Thursday, November 13, 2025 at 5:30 p.m.
City of Woodland Council Chambers
300 First Street, Woodland, California 95695**

Board Members will be attending in-person and public participation will be in-person and available via Zoom Webinar (video/teleconference). VCE will, to the best of its ability, provide hybrid and remote options for VCE meeting participants and to the public; however, VCE cannot guarantee these options will be available due to technical limitations outside of our control. For assurance of public comment, VCE encourages in-person and written public comments to be submitted as described below when possible. VCE, to the best of its abilities, will provide participation via the Zoom platform.

Accommodations for Persons with disabilities: Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact Alisa Lembke, VCE Board Clerk/Administrative Analyst, as soon as possible and preferably at least two (2) working days before the meeting at (530) 446-2754 or Alisa.Lembke@ValleyCleanEnergy.org.

If you have anything that you wish to be distributed to the Board and included in the official record, please hand it to a member of VCEA staff who will distribute the information to the Board members and other staff.

Please note that the numerical order of items is for convenience of reference. Items may be taken out of order on the request of any Board member with the concurrence of the Board. Staff recommendations are advisory to the Board. The Board may take any action it deems appropriate on any item on the agenda even if it varies from the staff recommendation.

Members of the public who wish to listen to the Board of Director's meeting may do so with the video/teleconferencing call-in number and meeting ID code. Video / teleconference information below to join meeting:

Join meeting via Zoom:

- a. From a PC, Mac, iPad, iPhone, or Android device with high-speed internet.
(If your device does not have audio, please also join by phone.)**

<https://us02web.zoom.us/j/81465499845>

Meeting ID: 814 6549 9845

- b. By phone:**

One tap mobile:

+1-669-444-9171,, 81465499845# US

+1-669-900-9128,, 81465499845# US

Or Dial:

+1-669-444-9171 US

+1-669-900-9128 US

Meeting ID: 814 6549 9845

Public comments may be submitted electronically or during the meeting. Instructions on how to submit your public comments can be found in the PUBLIC PARTICIPATION note at the end of this agenda.

Board Members: Bapu Vaitla (City of Davis, Chair), Jesse Loren (City of Winters, Vice Chair), Lucas Frerichs (Yolo County), Tom Stallard (City of Woodland), Sheila Allen (Yolo County), Donna Neville (City of Davis), Tania Garcia-Cadena (City of Woodland), Richard Casavecchia (City of Winters)

Alternate Board Members: Angel Barajas (Yolo County), Mayra Vega (City of Woodland), Linda Deos (City of Davis), Albert Vallecillo (City of Winters)

5:30 p.m. Call to Order

- 1. Welcome and Approval of the Agenda**
- 2. Public Comment:** This item is reserved for persons wishing to address the Board on any VCE-related matters that are not otherwise on this meeting agenda or are listed on the Consent portion of the agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. As with all public comment, members of the public who wish to address the Board are customarily limited to two minutes per speaker, electronically submitted comments should be limited to approximately 300 words. Comments that are longer than 300 words will only be read for two minutes. All electronically submitted comments, whether read in their entirety or not, will be posted to the VCE website within 24 hours of the conclusion of the meeting. See below under **PUBLIC PARTICIPATION** on how to provide your public comment.

CONSENT AGENDA

- 3. Approve October 14, 2025 Board Special meeting Minutes.**
- 4. Receive 2025 long range calendar.**
- 5. Receive Treasurer's report September 30, 2025.**
- 6. Receive October 2025 regulatory update dated November 5, 2025 provided by Keyes & Fox.**
- 7. Receive Community Advisory Committee October 23, 2025 meeting summary.**
- 8. Receive report on Contract Renewals for calendar year 2026. (Information)**
- 9. Approve 2026 Legislative and Regulatory Platform. (Action)**

REGULAR AGENDA

10. Receive 2025 Operating budget update and 2026 preliminary Operating budget.
(Information/Discussion)
11. Approve Phase 2 of VCE's Electric Vehicle (EV) Rebate Program ("Charge Your Ride").
(Action)
12. **Board Member and Staff Announcements:** Action items and reports from members of the Board, including announcements, AB1234 reporting of meetings attended by Board Members of VCE expense, questions to be referred to staff, future agenda items, and reports on meetings and information which would be of interest to the Board or the public.
13. **Adjournment/Announcement:** The Board will adjourn their regular meeting to Thursday, December 11, 2025 at the City of Davis Community Chambers located at 23 Russell Boulevard, Davis, California 95616 and convene into Closed Session.

CLOSED SESSION

Public comment on the closed session item only will be read at this time.

14. Conference with Legal Counsel – Anticipated Litigation.
Initiation of litigation pursuant to Government Code Section 54956.9(c) (one case).
15. Reconvene in Open Session to Report from Closed Session, if needed.

PUBLIC PARTICIPATION: Public Comments: Public participation for this meeting will be done electronically via e-mail and during the meeting as described below.

Public participation via e-mail: If you have anything that you wish to be distributed to the Board and included in the official record, please e-mail it to VCE staff at Meetings@ValleyCleanEnergy.org . If information is received by 3:00 p.m. on the day of the Board meeting it will be e-mailed to the Board members and other staff prior to the meeting. If it is received after 3:00 p.m. the information will be distributed after the meeting, but within 24 hours of the conclusion of the meeting. Written public comments that do not exceed 300 words will be read by the VCE Board Clerk, or other assigned VCE staff, to the Board and the public during the meeting subject to the usual time limit for public comments [two (2) minutes]. General written public comments will be read during Item 2, Public Comment. *Written public comment on individual agenda items should include the item number in the "Subject" line for the e-mail and the Clerk will read the comment during the item.* All written comments received will be posted to the VCE website.

Verbal public participation during the meeting:

- 1) **If attending in person**, please complete a **Comment Card** and return it to the Board Clerk.
- 2) **If attending remotely via Zoom**, there are two (2) ways for the public to provide verbal comments:
 - A. If you are attending by computer, activate the "participants" icon at the bottom of your screen, then raise your hand (hand clap icon) under "reactions". When called upon, you will be "unmuted" to allow to speak.

- B. If you are attending by phone only, you will need to press *9 to raise your hand. When called upon, press *6 to unmute your microphone.

VCE staff will acknowledge that you have a public comment to make during the item and will call upon you to make your verbal comment.

Public records that relate to any item on the open session agenda for a regular or special Board meeting are available for public review on the VCE website. Records that are distributed to the Board by VCE staff less than 72 hours prior to the meeting will be posted to the VCE website at the same time they are distributed to all members, or a majority of the members of the Board. Questions regarding VCE public records related to the meeting should be directed to Board Clerk Alisa Lembke at (530) 446-2750 or Alisa.Lembke@ValleyCleanEnergy.org. The Valley Clean Energy website is located at: <https://valleycleanenergy.org/board-meetings/>.

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 3

TO: Board of Directors

FROM: Alisa Lembke, Board Clerk / Administrative Analyst

SUBJECT: Approval October 14, 2025 Special meeting Minutes

DATE: November 13, 2025

RECOMMENDATION

Receive, review and approve the attached October 14, 2025 Special meeting Minutes.

Attachment: October 14, 2025 Special meeting Minutes



**MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
BOARD OF DIRECTORS SPECIAL MEETING
TUESDAY, OCTOBER 14, 2025**

The Board of Directors of the Valley Clean Energy Alliance duly noticed their Special meeting for Tuesday, October 14, 2025 at 3:30 p.m. to be held at City of Woodland Council Chambers located at 300 First Street, Woodland, California 95695. Board Director Tom Stallard established that there was a quorum present and began the meeting at 3:32 p.m.

Board Members Present: Tom Stallard, Lucas Frerichs, Tania Garcia-Cadena, Donna Neville, Richard Casavecchia, Sheila Allen, Jesse Loren (Vice Chair, arrived at 3:34 p.m.), Bapu Vaitla (Chair, arrived at 3:38 p.m.)

Members Absent:

Welcome, Approval of the Agenda	Director Stallard welcomed everyone and moved the approval of the agenda to be addressed during the Consent agenda.
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Public Comment – General and Consent Items	Director Stallard opened up public comment on general and consent items. There were no written or verbal public comments. (Vice Chair Loren arrived at 3:34 p.m.)
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Approval of the Agenda and Consent Agenda Items	Motion made by Director Frerichs to approve the October 14, 2025 Special meeting Agenda and the Consent agenda items, seconded by Director Casavecchia. Motion passed with Chair Vaitla absent. The following items were: 3. approved September 11, 2025 Board meeting Minutes; 4. received 2025 long range calendar; 5. received Treasurer's report August 31, 2025; 6. received legislative update provided by Pacific Policy Group; 7. Received September 2025 regulatory update dated October 1, 2025 provided by Keyes & Fox; 8. received Community Advisory Committee September 25, 2025 meeting summary; 9. received Customer participation update (3rd Quarter 2025); and, 10. received Enterprise Risk Management update (Bi-annual).
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Item 11: Approve Agreement for Residential Dynamic Pricing Pilot Program with U.C. Davis and Panasonic / Resolution 2025-010 (Action)

VCE Chief Executive Officer Mitch Sears introduced this item. Mr. Sears introduced Jae Yong Suk from UC Davis California Lighting Technology Center (CLTC) and Tom Ahira, Panasonic Corporation R&D Manager. Mr. Sears stated that VCE hopes to participate in the Smart Home Energy and Load Flexibility (SHELF) Pilot program with UC Davis CLTC and Panasonic.

Mr. Suk introduced himself. He reviewed CLTC's mission, activities and focus areas of electric building systems and controls technology. He reviewed CLTC's Virtual Home Energy Management Systems, a project to enhance load flexibility solutions, and highlighted load across homes by load types.

Mr. Ahira introduced himself and provided a brief overview of Panasonic, its business portfolio, and introduced their GREEN IMPACT goal to create impact that reduces carbon emissions by 2050. Mr. Ahira provided information on Panasonic's activities toward energy management and provided an overview of the Hourly Flex Pricing Pilot Study.

(Bapu Vaitla arrived at 3:38 p.m.)

Mr. Sears reviewed the SHELF Pilot's goals and roles. There were no verbal or written public comments.

Staff and the Board briefly discussed the proposed number of participants in the SHELF Pilot project and criteria for selecting participants.

Director Stallard made a motion to approve a resolution authorizing Valley Clean Energy's participation in the Smart Home Energy and Load Flexibility (SHELF) Pilot with UC Davis and Panasonic, motion was seconded by Vice Chair Loren. Motion passed as Resolution 2025-010 Motion passed by the following vote:

AYES: Loren, Stallard, Frerichs, Neville, Casavecchia, Garcia-Cadena, Allen, Vaitla

NOES: None

ABSENT: None

ABSTAIN: None



Brief Break

Chair Vaitla announced that the Board will take a brief break at 3:52 p.m. and will return shortly. Chair Vaitla announced their return from the break and resumed the Board's regular meeting at 4:10 p.m. continuing with Item 12 on the Regular Agenda.

Item 12. Approve
Large Load Rate
Setting policy.
(Discussion/Action)
/ Resolution 2025-
011

Mr. Sears introduced this item and Don Dame, VCE's energy consultant. Mr. Dame provided an overview of this item, including the background, and introduced the proposed Large Electric Load Customer Service Policy (LELCS). Mr. Dame provided highlights of the draft policy and reviewed VCE's Community Advisory Committee's (CAC) and Staff's recommendations.

Verbal Public Comment: Christine Shewmaker commented that it was a good idea to consider what the impact would be on the general public if a large load entity became a VCE customer.

There were no written public comments.

The Board and Staff briefly discussed who is the default provider of energy to large load customers if not a VCE customer.

Director Stallard made a motion to recognize VCE's Community Advisory Committee (CAC) for their review, suggestions and input on the Policy and to adopt a Resolution establishing a Large Electric Load Customer Service Policy, motion was seconded by Vice Chair Loren. Motion passed as Resolution 2025-011 by the following vote:

AYES: Loren, Stallard, Frerichs, Neville, Casavecchia, Garcia-Cadena, Allen, Vaitla

NOES: None

ABSENT: None

ABSTAIN: None

Item 13. Approve
adoption of VCE's
Strategic Plan
Major update.
(Discussion/Action)

Mr. Sears introduced this item. VCE Chief Financial Officer Edward Burnham provided a brief background of the Major Update to the Strategic Plan, including the timeline leading up to the draft. He briefly reviewed the highlights of the changes based on gathered feedback, general themes and several specific points (affordability, incorporating local distributed energy resources into VCE's resource mix, energy resiliency/energy efficiency, focus on low-income and other vulnerable customers). Mr. Burnham reviewed the feedback received from the



Board and informed those present that both CAC and Board feedback was incorporated into the Major Update presented at this meeting.

Verbal Public Comment: Christine Shewmaker commented on Goal 2 regarding managing power supply resources to exceed California's Renewable Portfolio Standard (RPS), that she is okay with "working toward a resilient resource portfolio that is 100% Carbon Free...", but that she would like to see the aspirational goal of 100% Renewable remain, rather than it be changed to "...90% Renewable by 2030". She commented that it was good that "resilient" was added. And, she commented that when looking at resilient energy to look at the risks of large hydro and nuclear and suggested looking at battery plus storage as resilient resources.

There were no written public comments.

The Board and Staff discussed the reduction of 100% Renewable to 90% Renewable and possibly the need to add quantitative targets for lower income to the Major Update.

Director Frerichs thanked Staff, the CAC and Board for all of their input, robust discussions and Staff's outreach to solicit input from VCE Customers.

Director Frerichs made a motion to approve adoption of VCE's 2026 – 2029 Strategic Plan Major update, motion seconded by Vice Chair Loren. Motion passed by the following vote:

AYES: Loren, Stallard, Frerichs, Neville, Casavecchia, Garcia-Cadena, Allen

NOES: Vaitla

ABSENT: None

ABSTAIN: None

Item 14. Receive
End of Session
Legislative updated
provided by Pacific
Policy Group.
(Information)

Mitch introduced Mark Fenstermaker of Pacific Policy Group, VCE's lobbyist consultant. Mr. Fenstermaker summarized the highlights of the Legislative Session, budget deficits and where the California legislature may be headed on the budget, and accomplishments of the session.

There were no verbal or written public comments.



Item 15: Board
Member and Staff
Announcements.

Mr. Sears informed those present that Valley Clean Energy received an investment credit rating of A-. He wanted to thank Edward Burnham for leading this effort and appreciates all of his great work, and thanked the Board's leadership for achieving this goal.

VCE Staff Rebecca Kuzynski announced that VCE in partnership with the Yolo County Sustainability Division, the De Colores Resources Center and Cool Davis will be hosting a free Energy & Resilience Resource Fair on Saturday, October 18th at the RISE Community Center in Esparto. VCE will have an informational table.

Item 16:
Announcement /
Adjournment

Chair Vaitla announced that the Board's next scheduled regular meeting is Thursday, November 13, 2025 at the City of Woodland Council Chambers located at 300 First Street, Woodland, California 95695. There being no further business to discuss, Chair Vaitla adjourned the meeting at 5:10 p.m.

Alisa M. Lembke
VCEA Board Secretary

VALLEY CLEAN ENERGY ALLIANCE

Staff Report - Item 4

TO: Board of Directors

FROM: Alisa Lembke, Board Clerk/Administrative Analyst

SUBJECT: Board and Community Advisory Committee 2025 Long-Range Calendar

DATE: November 13, 2025

Recommendation

Receive and file the 2025 Board and Community Advisory Committee long-range calendar listing proposed meeting topics. Please note that meeting locations and topics may change.

Attachment: 2025 Board and CAC long range calendar

VALLEY CLEAN ENERGY
2025 Meeting Dates and Proposed Topics
Board and Community Advisory Committee (CAC)
(Note: Meeting locations and Topics are subject to change)

MEETING DATE		TOPICS	ACTION
January 9, 2025 (Cancelled)	Board (Woodland)	This meeting was cancelled.	
January 23, 2025 NO QUORUM, ITEMS MOVED TO FEBRUARY 27, 2025 MEETING	Advisory Committee (Woodland)	2025 CAC Task Group (s) formation (Annual) (R) - Customer Participation Update (4th Quarter 2024) (O) 2024 Year in review: Customer Care & Marketing (Placeholder) (R) - Strategic Plan (O)	- Discussion/Action - Discuss/Action - Information - Discussion/Action
February 13, 2025	Board (Davis)	- Oaths of Office for Board Members (Annual - new Members only) (R) - Election of Officers for 2025 (Annual) (R) - Customer Participation Update (4th Quarter 2024) (O) - Receive CAC Year-end Task Group Reports (O) 2024 Year-end review: Customer Care & Marketing (O) - Update to VCE Employee Handbook (Placeholder) (R) (historically Jan.) - Prepay (Placeholder) (O) - Annual Strategic Plan Report (R) (historically Jan.)	- Action - Nominations - Information - Information - Information - Action - Information/Discussion - Discussion/Action
February 27, 2025	Advisory Committee (Davis)	2025 CAC Task Group (s) formation (Annual) (R) - Customer Participation Update (4th Quarter 2024) (O) 2024 Year-end review: Customer Care & Marketing (Placeholder) (R) - Strategic Plan (O)	- Discussion/Action - Information - Information - Discussion/Action
March 13, 2025	Board (Woodland)	This meeting was cancelled.	
March 27, 2025	Advisory Committee (Woodland)	- Approval of 2025 CAC Task Group "Charges" (R) (historically in Jan.) - Senate Bill 540 (Pathways Initiative & Regional Organization)	- Action - Information/Discussion

April 10, 2025	Board (Davis)	- Receive Enterprise Risk Management Report (Bi-Annual) (R) - Customer Participation update (1st Quarter 2025) (O) - Calendar Year 2024 Audited Financial Statements (James Marta & Co.) (placeholder) (R) - Load Management Standards Update (O) - Power Charge Indifference Adjustment (PCIA) / Rates Workshop (placeholder) (O) - VCE Grant activity update (O)	- Information - Information - Action - Information - Information - Information
April 24, 2025	Advisory Committee (Davis)	- Load Management Standards Update (O) 2024 Net Margin Allocation (R) - Senate Bill 540 (Pathways Initiative & Regional Organization) - Customer Participation update (1st Quarter 2025) (O) - Introduction to Strategic Plan Major Update Roadmap/Timeline	- Information - Discussion/Action - Discussion/Action - Information - Information
April 28 - 30, 2025	CalCCA Annual Conference (Irvine)	VCE Staff and some Board and CAC members attending	
May 8, 2025 CANCELLED	Board (Woodland)	Meeting cancelled.	
May 22, 2025	Advisory Committee / Strategic Plan Workshop (Esparto)	<u>Strategic Plan Workshop</u>: Focus: Financial Strength/Rates and Procurement & Power Supply	Information/Discussion
June 12, 2025	Board (Davis)	- Re/Appointment of Members to Community Advisory Committee (Annual) (R) - Mid-Year 2025 Financial Update (R) 2024 Net Margin Allocation (R) - Summer Preparedness outlook (O) - Recap of CalCCA April 2025 Annual Conference (O)	- Action - Information - Discussion/Action - Information - Information
June 26, 2025	Advisory Committee / Strategic Plan Workshop (UCANR - Davis)	- Summer Preparedness outlook (O) - Strategic Plan Workshop: Focus: Customers & Community and Decarbonization and Grid Innovation	- Information - Information/Discussion

*No meeting unless an urgent matter needs to be addressed

July 10, 2025	Board Woodland	Meeting cancelled.	
July 24, 2025	Advisory Committee (Woodland)	- Review preliminary draft Strategic Plan Major Update and Survey Plan (O) - Power Portfolio Update (O)	- Information/Discussion - Information
August 14, 2025	Board (Davis)	NO MEETING*	
August 28, 2025	Advisory Committee (Davis)	- Review draft Strategic Plan Major update / Seeking recommendation to the Board - Large Load Tariff Design - Customer Participation Update (2nd Quarter 2025) (O)	- Discussion/Action - Discussion/Action - Information
September 11, 2025	Board (Woodland)	- Certification of 2024 Power Content Label (Annual) (R) - Capitalization Policy (placeholder) (O) - Customer Participation Update (2nd Quarter 2025) (O) - AgFIT Pilot Program Update (O) - Strategic Plan Major Update Workshop (O)	- Action - Information/Discussion - Information - Information - Discussion/Action
September 25, 2025	Advisory Committee (Woodland)	- Large Load Rate Setting Policy - Discuss forming local energy Task Group	- Discussion/Action - Discussion
October 9, 2025 Cancelled and rescheduled to: Tuesday, October 14 th Special Meeting at 3:30 p.m.	Board (Davis) (Woodland)	- Enterprise Risk Management Update (Annual) (R) - Customer Participation Update (3rd Quarter 2025) (O) - Legislative End of Session Update (O) - Adoption of Strategic Plan Major Update (placeholder) (O) - Large Load Rate Setting Policy (O) - Residential Dynamic Pricing Pilot Program	- Discussion/Action - Information - Information - Discussion/Action - Discussion/Action - Discussion/Action
October 23, 2025	Advisory Committee (Davis)	2024 Power Content Label Outreach (O) - Customer Participation Update (3rd Quarter 2025) (O) - Legislative End of Session Update (O) 2026 Legislative & Regulatory Platform - Review Phase 2 of EV Rebate Program ("Charge Your Ride") / Seeking recommendation to the Board (placeholder) - Discussion of forming local energy Task Group.	- Information - Information - Information - Action - Discussion/Action - Discussion
November 13, 2025	Board (Woodland)	2025 Operating Budget update and 2026 Preliminary Operating Budget (R) - Approve 2026 Legislative and Regulatory Platform	- Information/Discussion - Discussion/Action

*No meeting unless an urgent matter needs to be addressed

		Phase 2 of EV Rebate Program ("Charge Your Ride") (O)	Discussion/Action
November 27, 2025 November 20, 2025 (rescheduled to November 20 due to Thanksgiving holiday on Nov. 27 th)	Advisory Committee (Woodland)	- Review CAC Draft 2025 Task Group Year-end Reports (R) - GHG Free Attributes (R) (placeholder)	- Discussion/Action - Discussion/Action
December 11, 2025	Board (Davis)	- Approve 2026 Operating Budget (Annual) and 2026 Customer Rates (R) - Receive VCE Grant/Program Annual Report (R) - GHG Free Attributes (R) (placeholder) - Contract Renewals (R) (placeholder)	- Discussion/Action - Information - Discussion/Action - Action
December 25, 2025 December 18, 2025 (rescheduled to December 18 due to Christmas holiday on Dec. 25 th)	Advisory Committee (Davis)	- Review and approve CAC Draft 2025 Task Group Year-end Reports (R) - Formation of 2026 CAC Task Group(s) (Annual) (R) - Review and discuss draft Local Energy Task Group "Charge" - Power Portfolio Update (R) - Election of Officers for 2026 (Annual) (R)	- Discussion/Action - Discussion/Action - Discussion/Action - Information - Nominations
January 8, 2026	Board (Woodland)	- Oaths of Office for Board Members (Annual - new Members only) (R) (placeholder) - Election of Officers for 2026 (Annual) (R) (placeholder) - Customer Participation Update (4th Quarter 2025) (O) (placeholder) 2025 Year in review: Customer Care & Marketing (R) (placeholder) - VCE Employee Handbook Update (R) (Placeholder) - Annual Strategic Plan Report (R) (placeholder)	- Action - Nominations - Information - Information - Action - Information
January 22, 2026	Advisory Committee (Woodland)	- Rates/Budget 2026 Update (O) - Customer Participation Update (4th Quarter 2025) (O) - Review and approve 2026 draft Task Group(s) "Charges" (R) - Integrated Resource Plan (IRP) Update (placeholder)	- Information - Information - Discussion/Action - Discussion/Action

PLEASE NOTE: April 28-30, 2025: CalCCA Annual Conference in Irvine, California

CAC PROPOSED FUTURE TOPICS Topics and Discussion dates may change as needed	<u>ESTIMATED</u> MEETING DATE(S)

*No meeting unless an urgent matter needs to be addressed

VALLEY CLEAN ENERGY ALLIANCE**Staff Report – Item 5**

TO: Board of Directors

FROM: Edward Burnham, Chief Financial Officer / Treasurer
Mitch Sears, Chief Executive Officer

SUBJECT: Monthly Treasurer's Report (Informational Item) – September 30, 2025

DATE: November 13, 2025

RECOMMENDATION:

Accept the Treasurer's report on VCE's cash, investments, debt, and unaudited financial statements (with comparative year to date information) and Actual vs. Budget year to date for the month ending September 30, 2025.

BACKGROUND & DISCUSSION:

The attached financial statements are prepared in a form to satisfy the debt covenants with River City Bank pursuant to the Line of Credit and are required to be prepared monthly.

The Financial Statements include the following reports:

- Statement of Net Position
- Statement of Revenues, Expenditures and Changes in Net Position
- Statement of Cash Flows

In addition, Staff is reporting the Actual vs. Budget variances year to date ending September 30, 2025.

Financial Statements for the period September 1, 2025 – September 30, 2025

In the Statement of Net Position, VCE, as of September 30, 2025, has a total of \$69,869,622 in its checking, money market and lockbox accounts, \$1,100,000 restricted assets for the Debt Service Reserve account, and \$1,800,000 restricted assets related to supplier deposits. On September 30, 2025, VCE's net position was \$87,724,896.

In the Statement of Revenues, Expenditures, and Changes in Net Position, VCE recorded \$10,956,369 of revenue (net of allowance for doubtful accounts), of which \$10,744,774 was billed in, and \$5,044,066 represents estimated unbilled revenue. The cost of electricity for the September revenue totaled \$7,042,761. For September, VCE's gross margin was approximately 37% and the net income totaled \$3,708,878. The year-to-date change in net position was \$24,461,184.

In the Statement of Cash Flows, VCE cash flows from operations were \$3,012,086 due to September cash receipts of revenues being more than the monthly cash operating expenses.

Bank Account Balances (as of 09/30/2025):

Operating Account:	\$	38,952,795
Insured Cash Sweep Account:	\$	33,037,867
Debt Service Account:	\$	1,100,000
<u>CAISO Operational Account:</u>	<u>\$</u>	<u>6,303,122</u>
Total Cash on Deposit	\$	79,393,784

Note: VCE receives 4.45% interest earnings for the average balance on the ICS account and CAISO operational account equal to the Local Agency Investment Fund (LAIF) state investments rate. September 2025 earnings were \$138,297.

VCE's Outstanding Loan Balances (as of 08/31/2025):

Valley Clean Energy Alliance has available at the financial institution a line of credit totaling \$11,000,000 with \$7,000,000 withdrawal limit, which expires on April 15, 2026. The related debt outstanding at the close of business on September 30, 2025 was \$0. VCE has issued, but undrawn, letters of credit for a total of \$3,897,000 for regulatory and power purchase requirements.

Actual vs. Budget Variances for the year to date ending September 30, 2025

Below are the financial statement line items with variances >\$50,000 and 5%

- Electric Revenue – (\$10,783,472) and -13% – Unfavorable variance mainly driven by lower load than forecasted by residential and agriculture customers due to mild winter and summer temperatures.
- Purchased Power – \$8,970,256 and 17% – Favorable mainly due to renewable energy credit sales in Q1 and lower load than forecasted by residential and agriculture customers due to mild winter and summer temperatures.
- Labor & Benefits \$368,881 and 23% – Favorable Variance due to vacancy for additional budgeted positions. Recruitments are in progress and expected to be filled in Q4.
- Programs \$1,653,573 – Favorable Variance due to timing differences in AgFIT closeout, current year program activities, and member agency support services.
- Other Contract Services (e.g. IRP) 54,000 – Favorable Variance due to the IRP process being delayed by CPUC.
- Financial Consultant \$90,150 – Favorable variance due to the timing of the investment-grade credit rating fees expected in Q4.

Attachments:

- 1) Financial Statements (Unaudited) September 1, 2025 to September 30, 2025 (with comparative year to date information.)
- 2) Actual vs. Budget for the year to date ending September 30, 2025



**VALLEY
CLEAN ENERGY**

VALLEY CLEAN ENERGY ALLIANCE

FINANCIAL STATEMENTS

(UNAUDITED)

FOR THE PERIOD OF SEPTEMBER 1 TO SEPTEMBER 30, 2025

PREPARED ON NOVEMBER 3, 2025

VALLEY CLEAN ENERGY ALLIANCE
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025
(UNAUDITED)

ASSETS

Current assets:

Cash and cash equivalents	71,932,030
Accounts receivable, net of allowance	12,684,328
Accrued revenue	5,044,066
Prepaid expenses	401,356
Inventory - Renewable Energy Credits	-
Other current assets and deposits	8,110,005
Total current assets	<u>98,171,786</u>

Restricted assets:

Debt service reserve fund	1,100,000
Total restricted assets	<u>1,100,000</u>

TOTAL ASSETS

\$ 99,271,786

LIABILITIES

Current liabilities:

Accounts payable	255,769
Accrued payroll	152,014
Interest payable	-
Due to member agencies	-
Accrued cost of electricity	7,203,399
Other accrued liabilities	2,082,349
Security deposits - energy supplies	1,800,000
User taxes and energy surcharges	53,360

TOTAL LIABILITIES

\$ 11,546,890

NET POSITION

Net position:

Local Programs Reserve	1,085,585
Restricted	1,100,000
Unrestricted	85,539,311
TOTAL NET POSITION	<u><u>\$ 87,724,896</u></u>

VALLEY CLEAN ENERGY ALLIANCE
STATEMENT OF REVENUES, EXPENDITURES AND
SEPTEMBER 30, 2025
(WITH COMPARATIVE YEAR TO DATE INFORMATION)
(UNAUDITED)

	FOR THE PERIOD ENDING SEPTEMBER 30, 2025	YEAR TO DATE
OPERATING REVENUE		
Electricity sales, net	\$ 10,956,369	\$ 69,869,622
Other revenue	-	\$ 26,530
TOTAL OPERATING REVENUES	<u>10,956,369</u>	<u>69,896,152</u>
OPERATING EXPENSES		
Cost of electricity	7,042,761	42,759,743
Contract services	206,861	1,940,486
Staff compensation	115,728	1,256,294
General, administration, and other	20,438	639,284
TOTAL OPERATING EXPENSES	<u>7,385,788</u>	<u>46,595,808</u>
TOTAL OPERATING INCOME (LOSS)	3,570,581	23,300,344
NONOPERATING REVENUES (EXPENSES)		
Interest income	138,297	1,160,840
Interest and related expenses	-	-
Other Non Operating Revenues	-	-
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>138,297</u>	<u>1,160,840</u>
CHANGE IN NET POSITION	3,708,878	24,461,184
Net position at beginning of period	84,016,017	63,263,712
Net position at end of period	<u>\$ 87,724,896</u>	<u>\$ 87,724,896</u>

VALLEY CLEAN ENERGY ALLIANCE
STATEMENTS OF CASH FLOWS
SEPTEMBER 30, 2025
(WITH YEAR TO DATE INFORMATION)
(UNAUDITED)

	FOR THE PERIOD ENDING SEPTEMBER 30, 2025	YEAR TO DATE
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from electricity sales	\$ 10,640,593	\$ 65,802,368
Payments received from other revenue sources	-	26,530
Receipts for security deposits with energy suppliers	-	-
Payments to purchase electricity	(7,642,111)	(40,011,690)
Payments for contract services, general, and administration	(319,203)	(3,325,285)
Payments for member agency services	-	-
Payments for staff compensation	(115,728)	(1,256,294)
Return of security deposits to energy suppliers	-	-
Other cash payments	-	-
Net cash provided (used) by operating activities	<u>2,563,550</u>	<u>21,235,628</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Principal payments of Debt	-	-
Interest and related expenses	-	-
Other Non Operating Revenue	-	-
Net cash provided (used) by non-capital financing activities	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of nondepreciable assets		
Acquisition of capital assets		
Net cash provided (used) by capital and related financing activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	138,297	1,160,840
Net cash provided (used) by investing activities	<u>138,297</u>	<u>1,160,840</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	2,701,847	22,396,468
Cash and cash equivalents at beginning of period	68,638,295	90,006,110
Cash and cash equivalents at end of period	<u>71,340,142</u>	<u>112,402,578</u>
Cash and cash equivalents included in:		
Cash and cash equivalents	71,932,030	71,932,030
Restricted assets	1,100,000	1,100,000
Cash and cash equivalents at end of period	<u>\$ 73,032,030</u>	<u>\$ 73,032,030</u>

VALLEY CLEAN ENERGY ALLIANCE
STATEMENTS OF CASH FLOWS
SEPTEMBER 30, 2025
(WITH YEAR TO DATE INFORMATION)
(UNAUDITED)

	FOR THE PERIOD ENDING SEPTEMBER 30, 2025	YEAR TO DATE
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 3,570,581	\$ 23,300,344
Adjustments to reconcile operating income to net cash provided		
Depreciation expense		
Increase (decrease) for uncollectible accounts	107,200	684,000
(Increase) decrease in net accounts receivable	(576,972)	(4,308,550)
(Increase) decrease in accrued revenue	53,683	(1,594,769)
(Increase) decrease in prepaid expenses	(49,307)	(49,481)
(Increase) decrease in inventory - renewable energy credits	-	-
(Increase) decrease in other assets and deposits	(70,485)	(251,853)
Increase (decrease) in accounts payable	(21,420)	(493,663)
Increase (decrease) in accrued payroll	16,784	539
Increase (decrease) in due to member agencies	-	-
Increase (decrease) in accrued cost of electricity	(599,350)	2,748,053
Increase (decrease) in other accrued liabilities	-	-
Increase (decrease) security deposits with energy suppliers	-	-
Increase (decrease) in user taxes and energy surcharges	-	-
Increase (decrease) in security deposits from energy suppliers	111,155	1,196,677
Increase (decrease) in user taxes due to other governments	21,681	4,331
Increase (decrease) in advances from public purpose programs	-	-
Net cash provided (used) by operating activities	\$ 2,563,550	\$ 21,235,629

VALLEY CLEAN ENERGY
2025 YTD ACTUAL VS. BUDGET
FOR THE YEAR TO DATE ENDING 09/30/2025

Description	YTD Actuals	YTD Budget	YTD Variance	% over /-under
Total Revenues	\$ 70,665,528	\$ 81,449,000	\$ (10,783,472)	-13%
Electric Revenue	\$ 69,478,159	\$ 80,174,000	\$ (10,695,841)	-13%
Interest Revenues	\$ 1,160,839	\$ 735,000	\$ 425,839	58%
Reimbursable Revenues	\$ 26,530	\$ 540,000	\$ (513,470)	-95%
Purchased Power	\$ 42,759,744	\$ 51,730,000	\$ (8,970,256)	-17%
Purchased Power Base	\$ 42,759,744	\$ 49,268,000	\$ (6,508,256)	-13%
Purchased Power Contingency 5%	\$ -	\$ 2,462,000	\$ (739,443)	-30%
Labor & Benefits	\$ 1,206,119	\$ 1,575,000	\$ (368,881)	-23%
Salaries & Wages/Benefits	\$ 925,438	\$ 1,296,000	\$ (370,562)	-29%
Contract Labor	\$ 173,295	\$ 144,000	\$ 29,295	20%
Human Resources & Payroll	\$ 107,386	\$ 135,000	\$ (27,614)	-20%
Office Supplies & Other Expenses	\$ 235,688	\$ 390,400	\$ (154,712)	-40%
Technology Costs	\$ 72,776	\$ 42,400	\$ 30,376	72%
Office Supplies	\$ 4,779	\$ 9,000	\$ (4,221)	-47%
Travel	\$ 10,910	\$ 24,000	\$ (13,090)	-55%
CalCCA Dues	\$ 146,160	\$ 144,000	\$ 2,160	2%
CC Power	\$ -	\$ 162,000	\$ (162,000)	-100%
Memberships	\$ 1,064	\$ 9,000	\$ (7,936)	-88%
Contractual Services	\$ 1,746,797	\$ 2,003,600	\$ (256,803)	-13%
Other Contract Services (e.g. IRP)	\$ -	\$ 54,000	\$ (54,000)	-100%
Don Dame	\$ 10,875	\$ 16,200	\$ (5,326)	-33%
Wholesale Energy Services (TEA)	\$ 598,647	\$ 648,000	\$ (49,353)	-8%
2030 100% Renewable & Storage	\$ -	\$ 22,500	\$ (22,500)	-100%
Customer Support Call Center	\$ 750,465	\$ 724,500	\$ 25,965	4%
Operating Services	\$ 110,748	\$ 90,000	\$ 20,748	23%
Commercial Legal Support	\$ 22,630	\$ 18,000	\$ 4,630	26%
Legal General Counsel	\$ 17,828	\$ 63,000	\$ (45,173)	-72%
Regulatory Counsel	\$ 125,026	\$ 153,000	\$ (27,974)	-18%
Joint CCA Regulatory counsel	\$ -	\$ 14,400	\$ (14,400)	-100%
Legislative - (Lobbyist)	\$ 49,500	\$ 51,750	\$ (2,250)	-4%
Accounting Services	\$ -	\$ 2,250	\$ (2,250)	-100%
Financial Consultant	\$ 850	\$ 91,000	\$ (90,150)	-99%
Audit Fees	\$ 60,230	\$ 55,000	\$ 5,230	10%
Marketing	\$ 148,178	\$ 279,000	\$ (130,822)	-47%
Marketing Collateral	\$ 148,148	\$ 243,000	\$ (94,852)	-39%
Community Engagement Activities & Sponsorships	\$ 30	\$ 36,000	\$ (35,970)	-100%
Programs	\$ 56,927	\$ 1,710,500	\$ (1,653,573)	-97%
Program Costs (Rebates, Incentives, etc.)	\$ 150,462	\$ 700,000	\$ (549,538)	-79%
Member Agency Advisory Services	\$ -	\$ 117,000	\$ (117,000)	-100%
AG Fit	\$ (93,535)	\$ 880,000	\$ (973,535)	-111%
PIPP Program	\$ -	\$ 13,500	\$ (13,500)	-100%
Rents & Leases	\$ 30,903	\$ 36,900	\$ (5,997)	-16%
Hunt Boyer Mansion	\$ 30,903	\$ 18,900	\$ 12,003	64%
Lease Improvement	\$ -	\$ 18,000	\$ (18,000)	-100%
Other A&G	\$ 331,250	\$ 596,900	\$ (265,650)	-45%
Development - New Members	\$ -	\$ 18,900	\$ (18,900)	-100%
Strategic Plan Implementation	\$ 46,867	\$ 57,600	\$ (10,733)	-19%
Strategic Plan Update & Community Focus Group	\$ 58,971	\$ 90,000	\$ (31,029)	-34%
PG&E Data Fees	\$ 176,566	\$ 225,000	\$ (48,434)	-22%
Insurance	\$ 48,846	\$ 72,000	\$ (23,154)	-32%
Banking Fees	\$ -	\$ 133,400	\$ (133,400)	-100%
Miscellaneous Operating Expenses	\$ 12,129	\$ 9,000	\$ 3,129	35%
Contingency	\$ -	\$ 180,000	\$ (180,000)	-100%
	0	0		
TOTAL OPERATING EXPENSES	\$ 46,527,735	\$ 58,511,300	\$ (11,983,565)	-20%
Interest on RCB Term loan	\$ -	\$ -	\$ -	100%
NET INCOME	\$ 24,137,793	\$ 22,937,700		

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 6

To: Board of Directors

From: Keyes & Fox, Regulatory Consultant

Subject: Regulatory Monitoring Report – Keyes & Fox

Date: November 13, 2025

Please find attached Keyes & Fox’s October 2025 Regulatory Memorandum dated November 5, 2025 an informational summary of the key California regulatory and compliance-related updates from the California Public Utilities Commission (CPUC).

Attachment: Keyes & Fox Regulatory Memorandum dated November 5, 2025

Valley Clean Energy Alliance

Regulatory Monitoring Report

To: Valley Clean Energy Alliance (VCE) Board of Directors

From: Sheridan Pauker, Partner, Keyes & Fox LLP
Jason Hoyle, Director of Research, EQ Research, LLC

Subject: Monthly Regulatory Update

Date: November 5, 2025

Keyes & Fox LLP and EQ Research LLC are pleased to provide VCE's Board of Directors with this informational memo describing key California regulatory and compliance-related updates from the California Public Utilities Commission (CPUC) over the past month.

IRP Rulemaking (2025)

Background: This new proceeding governs the biennial Integrated Resource Plan (IRP) process, including load serving entity (LSE) procurement requirements, the establishment of a variety of state- and LSE-level load and procurement forecasts, greenhouse gas (GHG) reduction targets, ongoing reliability obligations, and the Commission's oversight of the IOUs' bundled procurement plans. This proceeding continues the work of R.20-05-003 and will be the primary forum for most future CPUC work on the Reliable and Clean Power Procurement Program framework (RCPPP).

Recent Developments: On October 22 and October 31, parties filed opening and reply comments, respectively, on electricity portfolios for the 2026-27 Transmission Planning Process (TPP) and need for additional reliability procurement. On October 28, the CPUC issued a [Scoping Ruling](#) setting the scope of the proceeding, a new schedule, including a May 5, 2026 as the deadline for the next IRP filing.

Analysis: In addition to the topics in the Background section above, the Scoping Ruling provides that this proceeding will address ongoing compliance with the Mid Term Reliability procurement orders and refinements to those rules, coordination with the Department of Water Resources (DWR) as the Central Procurement Entity (CPE) for procurement of long lead-time (LLT) resources, development of the next preferred system plan (PSP) portfolio, the 2026-27 Transmission Planning Process (TPP), Integrated Energy Planning Report (IEPR) process, GHG Emissions Scoping Plan and Emissions Inventory processes and State Water Resources Control Board's once-through cooling policies.

Next Steps: A ruling on the contents for LSE's next IRP filing is expected in mid-November. The next procurement compliance filing is due December 1, to be filed in this new proceeding. A proposed decision on any potential additional reliability procurement between 2029 and 2032 is expected in late 2025 or early 2026, with a final decision in February 2026. LSEs' IRPs will be due May 5, 2026.

Additional Information: [Scoping Ruling](#) (Oct. 28, 2025); [Ruling](#) (Sep. 30, 2025); [Draft Resolution E-5426](#) (Sep. 24, 2025); [Ruling](#) on prehearing conference (Aug. 28, 2025); [OIR](#) (Jul. 2, 2025); Docket No. [R.25-06-019](#).

Demand Flexibility

Background: This rulemaking was opened to update the CPUC's rate design principles and guidance for advancing demand flexibility, and to modify, consolidate, or eliminate existing dynamic rate pilots. Phase 1-Track A established an income-graduated fixed charge (IGFC) for residential rates for all investor-owned electric utilities in accordance with Assembly Bill 205 (Stats. 2022, ch. 61). Phase 1-Track B first adopted rate design and demand flexibility principles and then expanded VCE's AgFIT Pilot throughout PG&E distribution territory.

Recent Developments: On October 14, parties filed Responses to SDG&E's Application for Rehearing (AFR) of D.25-08-049 requesting the decision be reheard and the proceeding re-opened for further development of the record, including consideration of the costs of implementing the required rate designs.

Analysis: PG&E and Small Business Utility Advocates supported the AFR, and the Center for Accessible Technology also supported the AFR's request to reopen the proceeding.

Next Steps: D.25-08-049 closed the proceeding, but if the AFR is granted, it could be reopened.

Additional Information: [Application for Rehearing](#) (Sep. 29, 2025); [D.25-08-049](#) (Aug. 29, 2025); PG&E [AL 7627-E](#) (Jun. 27, 2025); PG&E [AL 7592-E](#) (May 7, 2025); [Final Evaluation](#) of VCE's AgFIT Pilot (Apr. 25, 2025); [D.24-01-032](#) (Jan. 26, 2024); [Phase 1 Scoping Memo and Ruling](#) (Nov. 2, 2022); [OIR](#) (Jul. 22, 2022); Docket No. [R.22-07-005](#).

PCIA/ERRA Reform

Background: This Rulemaking considers updates and reforms to the Energy Resource and Recovery Account (ERRA) and Power Charge Indifference Adjustment (PCIA) rules and processes with the objectives of improving existing rules, mitigating rate volatility, and ensuring indifference among bundled and departing customers. The proceeding includes an expedited Track 1 to revise the resource adequacy (RA) market-price benchmark (MPB) calculation methodology and for the revised methodology to be used in the October 2025 MPBs, and Track 2 will consider broader issues.

Recent Developments: On October 31, the CPUC issued [D.25-10-061](#) denying the applications for rehearing.

Analysis: N/A

Next Steps: The Decision's changes to the RA MPB will be implemented in the Fall Update this October. A scoping memo for Track 2 is expected.

Additional Information: [D.25-10-061](#) denying rehearing (Oct 31, 2025); Applications for Rehearing of [CalCCA](#) and [Ava/SJCE](#) (Jul. 30, 2025); [D.25-06-049](#) (Jun. 27, 2025); [Scoping Memo](#) (Apr. 8, 2025); ALJ [Ruling](#) (Mar. 21, 2025); [Ruling](#) & [Staff Report](#) on RA MPB (Feb. 26, 2025); [OIR](#) (Feb. 26, 2025); Docket No. [R.25-02-005](#).

Climate Credit OIR

Background: This rulemaking will explore potential approaches to maximize the effectiveness at supporting customer affordability of cap-and-trade program proceeds returned to electric consumers via the state Climate Credit.

Recent Developments: On October 13, parties filed reply comments on the OIR. On October 31, the ALJ issued a [Ruling](#) setting the prehearing conference for November 21.

Analysis: N/A.

Additional Information: [Ruling](#) (Oct. 31, 2025); [OIR](#) (Aug. 20, 2025); Docket No. [R.25-07-013](#).

PG&E 2027 Phase 1 GRC

Background: Phase 1 General Rate Case (GRC) proceedings determine PG&E's overall revenue requirement and classification of costs by function for a set period (in this case, 2027-2030).

Recent Developments: On October 15, PG&E filed a [motion](#) for reassignment on peremptory challenge, requesting that the Commission reassign ALJ Justin Regnier from this proceeding. On October 22, the Chief ALJ issued a [Ruling](#) granting the motion for reassignment, reassigning the proceeding from ALJ Justin Regnier to ALJ Darryl Gruen (ALJs John Larsen and Elizabeth Fox remain co-assigned).

Analysis: Motions for reassignment on peremptory challenge are generally granted if they fulfill certain basic procedural requirements, so it is not surprising that this motion was granted. It is not clear from PG&E's motion why PG&E did not want this case to appear before ALJ Justin Regnier.

Next Steps: Public hearings will be held in October and November 2025. Intervenor testimony is due in February 2026.

Additional Information: [Ruling](#) (Sep. 25, 2025); [Scoping Memo and Ruling](#) (Jul. 31, 2025); [Application](#) (May 16, 2025); Docket No. [A.25-05-009](#).

PG&E 2023 Phase 2 GRC

Background: Phase 2 General Rate Case (GRC) proceedings determine PG&E's marginal cost of service and revenue requirement allocation among customer classes for a set period (in this case, 2023-2026).

Recent Developments: On October 9, the ALJ issued a [Ruling](#) setting a new procedural schedule and establishing a bifurcated track to consider the Company's supplemental testimony on dynamic rate options. On October 29, PG&E served errata and revised [testimony](#) as well as supplemental testimony on dynamic rate options.

Analysis: N/A

Next Steps: Intervenor testimony is due February 9.

Additional Information: PG&E [Testimony](#) and [Change Tables](#) (Oct. 29, 2025); [Ruling](#) (Oct. 9, 2025); [Ruling](#) (Aug. 18, 2025); [Request](#) for scoping amendment (Jun. 12, 2025); PG&E [AL 7588-E](#) (May 2, 2025); [Scoping Memo](#) (Mar. 21, 2025); [Application](#) (Sep. 30, 2024); Docket No. [A.24-09-014](#).

PG&E 2026 ERRA Forecast

Background: The annual Energy Resource and Recovery Account (ERRA) forecast proceedings establish the amount of the Power Charge Indifference Adjustment (PCIA) and other non-bypassable charges (NBCs) for the following year, as well as fuel and purchased power costs associated with serving bundled customers that utilities may recover in rates.

Recent Developments: On October 15, PG&E filed its [Fall Update](#). On October 29, the CPUC issued an amended [Scoping Ruling](#).

Analysis: PG&E estimates that the system average rate for CCA and Direct Access customers will increase by 2.7 cents per kWh, or 13.8%, to a total rate of 22.4 cents per kWh. PG&E's proposals related to pre-2019 banked Renewable

Energy Certificates (REC) and the valuation of its Resource Adequacy (RA) portfolio increase the PCIA revenue requirement. CalCCA has challenged those proposals.

Next Steps: A proposed decision is expected in November.

Additional Information: [Scoping Ruling](#) (Oct. 29, 2025); PG&E [Fall Update](#) (Oct. 15, 2025); [Ruling](#) (Sep. 24, 2025); [Scoping Memo and Ruling](#) (Jul. 31, 2025); PG&E [AL 7663-E](#) (Jul. 30, 2025); PG&E 2026 ERRRA Forecast [Application](#) (May 15, 2025); Docket No. [A.25-05-011](#).

PG&E 2024 ERRRA Compliance

Background: The annual ERRRA Compliance proceeding reviews the utility's compliance with CPUC-approved standards for generation-procurement and cost recovery activity occurring in the prior year, such as energy resource contract administration, least-cost dispatch, fuel procurement, and balancing account entries.

Recent Developments: PG&E filed rebuttal testimony in October.

Analysis: N/A

Next Steps: A status conference on the need for evidentiary hearings is set for November 14, and briefs are due in early 2026.

Additional Information: [Scoping Memo and Ruling](#) (May 2, 2025); [Joint Prehearing Conference Statement](#) (Apr. 16, 2025); [Ruling](#) (Mar. 27, 2025); PG&E 2024 ERRRA Compliance [Application](#) (Feb. 28, 2025); Docket No. [A.25-02-013](#).

City and County of San Francisco Municipalization

Background: The City and County of San Francisco (SF or City) filed this Petition for a determination by the CPUC of just compensation for acquisition by the City of PG&E property (PG&E distribution system within SF transmission assets needed for operational control, a substation and related assets) pursuant to Public Utilities Code §1401-1421.

Recent Developments: On October 30, the CPUC adopted as D.25-10-039 a revised [Proposed Decision](#) establishing methods and standards for just compensation and valuation and setting forth requirements for parties' forthcoming testimony. The Decision establishes principles to assess just compensation but does not select a specific valuation method for PG&E's property, land, and rights and will leave the parties free to put forward their interpretation and valuation approach within the guidelines.

Analysis: The Decision adopts Staff's proposed principles of just compensation, including finding that ratepayers remain "neutral" and in the same financial position after the proposed acquisition, and maintaining the same level of "safety, reliability, wildfire mitigation, public benefits, etc." for PG&E's remaining customers. The Decision would also find that PG&E may be entitled to business and physical severance damages. The Decision requires parties to submit appraisals using three separate valuation methods and show how their proposed just compensation award is consistent with law, precedent, is accurate and avoids double-counting. The Decision declined the utility stakeholders' requests to require the City to certify a Final Environmental Impact Report before proceeding with the valuation.

Next Steps: The schedule for testimony will be specified in a future ruling amending the procedural schedule.

Additional Information: D.25-10-039 ([Rev. 1 Proposed Decision](#)); [Amended Scoping Memo](#) (Jul. 1, 2025); [Petition](#) (Jul. 27, 2021); Docket No. [P.21-07-012](#).

Distribution Interconnection Rules

Background: This rulemaking will review and refine distribution-level interconnection rules under Electric Rule 21, particularly those for distributed energy resources (DER) for PG&E, SCE, SDG&E and the small and multijurisdictional electric utilities.

Recent Developments: Parties filed comments on the OIR on October 20.

Analysis: CalCCA argued that the scope should be modified to address non-IOU owned DER and DER management systems (DERMS), a penalty structure for IOU noncompliance with interconnection timelines, cost allocation and interconnection fees and evolving technologies.

Next Steps: Reply comments are due November 10.

Additional Information: [OIR](#) (Jul. 25, 2025); Docket No. [R.25-08-004](#).

EV Rates & Infrastructure

Background: This rulemaking is the successor to [R.18-12-006](#) and will focus on issues related to 1) timely energization of electric vehicle (EV) charging, 2) transportation electrification grid planning to support charging infrastructure deployment, 3) deployment of behind-the-meter (BTM) charging infrastructure to support state goals, 4) vehicle-grid integration (VGI), and 5) ongoing transportation electrification policy development and collaboration.

Recent Developments: On October 1, the ALJ issued a [Ruling](#) requesting comments on transportation electrification proactive planning modeling inputs and assumptions. An October 14 [Ruling](#) extended the comment deadline. On October 27, the CPUC issued a [Proposed Decision](#) that (1) adopts revised transportation electrification (TE) data

gathering and reporting requirements, (2) continues the implementation of the Technical Assistance Program with a budget of \$36 million over three years, (3) delinks the Technical Assistance Program from the Funding Cycle One BTM Rebate Program, and (4) provides clarification regarding other approved programs and the Funding Cycle Zero deadline.

Analysis: The Proposed Decision and comment rulings will support development of a more formal planning process and coordinated investment plan to support priority investments in electrification infrastructure.

Next Steps: Comments on the October 1 Ruling are now due November 14 and reply comments are due December 5. The Proposed Decision may be heard as soon as the December 4 Commission meeting. Opening comments on the Proposed Decision are due November 17 and reply comments are due November 24.

Additional Information: [Proposed Decision](#) (Oct. 27, 2025); [Ruling](#) (Oct. 14, 2025); [Ruling](#) (Oct. 1, 2025); PG&E Mid-Term [Report](#) (Sep. 15, 2025); [Joint Report](#) on the CPUC's Submetering and Telematics Workshop (Jun. 16, 2025); [Joint Report](#) on the Vehicle-Grid Integration Workshop (Jun. 16, 2025); [Scoping Memo and Ruling](#) (Apr. 12, 2024); [OIR](#) (Dec. 20, 2023); Docket No. [R.23-12-008](#).

Diablo Canyon 2026 Rates & VPF

Background: During the period of extended operations for the Diablo Canyon Nuclear Plant, PG&E submits an annual application forecasting its costs, market revenues from CAISO, net costs allocated to ratepayers of each large IOU, and its plan for use of volumetric performance fees (VPFs) in the upcoming calendar year.

Recent Developments: On October 31, the CPUC issued a Proposed Decision on the 2026 Diablo Canyon Revenue Requirement and Volumetric Performance Fee allocation.

Analysis: PG&E's unbundled CCA customers are projected to see a rate decrease of approximately 0.8 percent to 19.6 cents per kWh. Additionally, Diablo Canyon GHG-free generation is expected to increase to 18, 203 GWh in 2026, or by about 80% over 2025 levels.

Next Steps: The Proposed Decision may be heard as soon as the December 4 Commission meeting. Comments on the Proposed Decision are due November 20 and reply comments are due November 25.

Additional Information: [Proposed Decision](#) (Oct. 31, 2025); ALJ [Ruling](#) (Aug. 29, 2025); [Scoping Ruling and Memo](#) (Jul. 2, 2025); [Application](#) (Mar. 28, 2025); Docket No. [A.25-03-015](#).

Disconnections and Reconnections

Background: This proceeding addresses approaches to the disconnection and reconnection of electric customers with a focus on improving energy access and cost containment.

Recent Developments: On October 13, the ALJ issued a [Ruling](#) requesting comments on the arrearage-related assistance, including the procedural paths forward on the Percentage of Income Payment Plan Pilot Program (PIPP Pilot). On October 17, the IOUs filed their arrearage management plan final evaluation report. An October 21, [Ruling](#) granted an extension of the deadline for filing comments.

Analysis: The PIPP Pilot, administered by the Large IOUs, is designed to set a participant's utility bill payment amount at an affordable percentage of the participant's monthly income, and a March staff report recommended the PIPP program be consolidated with the California Alternative Rates for Energy (CARE) program.

Next Steps: Comments are due on November 14, and reply comments are due on December 5. Heat-based disconnection threshold proposals must be implemented by May 1, 2026.

Additional Information: [Ruling](#) granting extension (Oct. 21, 2025); [Ruling](#) (Oct. 13, 2025); [D.25-06-012](#) (Jun. 17, 2025); Phase 2 [Scoping Memo](#) (Jul. 15, 2022); [OIR](#) (Jul. 20, 2018); Docket No. [R.18-07-005](#).

RPS Rulemaking

Background: This proceeding addresses ongoing Renewables Portfolio Standard (RPS) requirements, including legislative mandates, and other matters related to the purchase of renewable energy. This proceeding is the forum for review of VCE's RPS Procurement Plan and RPS Compliance reports.

Recent Developments: No recent developments.

Analysis: N/A

Next Steps: A proposed decision on Draft RPS Plans is expected in Q4 2025.

Additional Information: VCE [RPS Compliance Report](#) (Aug. 1, 2025); VCE [2025 Draft RPS Plan](#) (Jun. 30, 2025); [Ruling](#) on 2025 RPS Plans (Apr. 17, 2025); [Notice](#) of RPS Plan Approval (Apr. 3, 2025); VCE [Final 2024 RPS Procurement Plan](#) (Jan. 22, 2025); [D.24-12-035](#) (Dec. 24, 2024); [Scoping Memo and Ruling](#) (May 9, 2024); [OIR](#) (Feb. 1, 2024); Docket No. [R.24-01-017](#).

RA Rulemaking (2025-2026)

Background: This proceeding considers resource adequacy (RA) requirements for LSEs and will address the 2025 and 2026 RA compliance years, local RA procurement obligations for the 2025-2028 compliance years, and further development of the 24-hour Slice-of-Day (SOD) framework. Track 3 is focused on remaining RA capacity issues, including what planning reserve margin (PRM) the Commission should require for LSE RA procurement obligations.

Recent Developments: No recent developments.

Analysis: N/A

Next Steps: The proceeding was reopened in response to an Application for Rehearing.

Additional Information: [Application for Rehearing](#) (Jul. 28, 2025); [2023 RA Report](#) (Aug. 21, 2025); [D.25-06-048](#) (Jun. 27, 2025); CalCCA [Analysis](#) (Apr. 25, 2025); [Scoping Memo and Ruling](#) (Dec. 18, 2023); [OIR](#) (Oct. 16, 2023); Docket No. [R.23-10-011](#).

Provider of Last Resort Rulemaking

Background: A Provider of Last Resort (POLR) is the utility or other entity that has the obligation to serve all customers (PG&E currently serves in this role for VCE's service area). Phase 1 of this proceeding concluded in April 2024 and addressed POLR service requirements, cost recovery, and options to maintain GHG emission reductions in the event of an unplanned customer migration to the POLR. Phase 2 builds on Phase 1 to set the requirements and application process for non-IOU entities to serve as the POLR. Phase 3 will address specific issues not resolved in Phase 1 or 2.

Recent Developments: No recent developments.

Analysis: N/A.

Next Steps: A ruling on the need for legal briefs in Phase 2 is expected in 2025 and resolution of the Threshold Questions is expected 2025, after which the primary topic areas will be addressed.

Additional Information: Joint CCA AL (VCE [AL 24-E](#)) (Sep. 19, 2025); ([Final Resolution E-5406](#) (Jul. 29, 2025); ALJ [Ruling](#) (May 28, 2025); PG&E [AL 7596-E](#) and [7596-E-A](#) (May 12 & 28, 2025); [Scoping Memo and Ruling](#) (Oct. 24, 2024); ALJ [Ruling](#) (Aug. 6, 2024); [D.24-04-009](#) / [Appendix](#) (Apr. 22, 2024); [OIR](#) (Mar. 25, 2021); Docket No. [R.21-03-011](#).

Building Decarbonization

Background: This proceeding explores reduction of greenhouse gas (GHG) emissions associated with energy use in buildings. The current Phase 4 will consider whether modifications to electric line extension rules would assist under-resourced customers, electric baseline allowance modifications to encourage building decarbonization, and new programmatic approaches to building decarbonization.

Recent Developments: No recent developments.

Analysis: N/A

Next Steps: N/A

Additional Information: PG&E [AL 7642-E](#) (Jul. 15, 2025); [D.25-06-034](#) (Jun. 20, 2025); PG&E [AL 5074-G/7615-E](#) (Jun. 5, 2025); [Scoping Memo and Ruling](#) (Jul. 1, 2024); [OIR](#) (Feb. 8, 2019); Docket No. [R.19-01-011](#).

PG&E Billing System Modernization

Background: This proceeding addresses PG&E's plan to upgrade its legacy billing system, some portions of which date back to the mid-1990s. PG&E proposed a three-stage upgrade that would ultimately be complete in Q4 2029 and cost an estimated \$761.3 million.

Recent Developments: On October 21, PG&E filed a [joint status conference statement on settlement](#). This statement provided that PG&E has been in settlement discussions with both the Joint CCAs and a group of ratepayer advocate parties (Cal Advocates, TURN, and SBUA).

Analysis: Issues related to CCA concerns such as bill presentation, improvements to billing data access and quality, CCA service fees, and others will be covered during the evidentiary hearings.

Next Steps: The evidentiary hearing will be held November 17-20. Opening briefs are due December 17 and reply briefs are due January 20. A proposed decision is expected in Q1 2026.

Additional Information: [Ruling](#) (Sep. 11, 2025); [Joint Case Management Statement](#) (Aug. 20, 2025); [D.25-08-008](#) (Aug. 19, 2025); Joint CCA [Testimony](#) (Jun. 30, 2025); [Scoping Memo](#) (Mar. 27, 2025); [Application](#) (Oct. 23, 2024); Docket No. [A.24-10-014](#).

PG&E 2026 Cost of Capital

Background: Cost of capital proceedings are held every three years to establish a utility's return on equity (ROE) and overall rate of return (ROR). The Commission established a uniform cost of capital mechanism for the large investor-

owned utilities that includes a review 3-year cycle and provides for formula-based interim adjustments based on a bond market index.

Recent Developments: Parties filed reply briefs on October 3. In reply briefs, [CalAdvocates](#) highlighted technical aspects of the utilities' ROE models and analysis as a basis for an ROE below what the utilities proposed, CCA intervenors San Diego Community Power and Clean Energy Alliance [reply brief](#) argued that there are not unique risks justifying an ROE substantially above national average levels, and The Utility Reform Network's [reply brief](#) emphasized a balance between the public interest and a fair level of return for utility investors.

Analysis: N/A

Next Steps: A proposed decision is expected in November.

Additional Information: [Scoping Memo and Ruling](#) (Jul. 16, 2025); ALJ [Ruling](#) (May 29, 2025); [Application](#) (Mar. 20, 2025); Docket No. [A.25-03-010](#).

Utility Safety Culture Assessments

Background: This rulemaking will define safety culture concepts and determine how the safety culture of PG&E and other utilities in California will be assessed and evaluated. The CPUC's Office of Energy Infrastructure Safety will conduct annual wildfire safety-specific assessments of investor-owned utilities as required by AB 1054, and an independent third-party evaluator will conduct safety culture assessments every five years per SB 901. Phase 1 of this proceeding focused on developing safety culture assessments for the large electric and natural gas IOUs, and Phase 2 will develop safety culture assessments for small multi-jurisdiction utilities (SMJUs) and the gas storage operators.

Recent Developments: No recent developments.

Analysis: N/A

Next Steps: PG&E's first third-party evaluation is scheduled for August 1, 2028. Annual reports are due August 1 of each year between third-party evaluations.

Additional Information: [Scoping Memo and Ruling](#) (Aug. 26, 2025); [D.25-01-031](#) (Jan. 23, 2025); [OIR](#) (Oct. 7, 2021); Docket No. [R.21-10-001](#).

IRP Rulemaking (2020)

Background: This proceeding governed the previous biennial Integrated Resource Plan (IRP) process, including LSE procurement requirements, the establishment of a variety of state- and LSE-level load and procurement forecasts, greenhouse gas (GHG) reduction targets, and ongoing reliability obligations. This proceeding considered a Staff Proposal on the RCPPP, and remaining work on the RCPPP will occur in the new IRP rulemaking, R.25-06-019.

Recent Developments: No recent developments.

Analysis: N/A.

Next Steps: N/A

Additional Information: [D.25-09-007](#) (Sep. 26, 2025); RCPPP [Staff Proposal](#) and [Summary Slides](#) (Jul. 15, 2025); [Amended Scoping Memo and Ruling \(Correction/Clarification\)](#) (Apr. 18, 2024); Docket No. [R.20-05-003](#).

Other Dockets

The following table identifies other tracked dockets that are closed or inactive.

Docket	Name	Status
R.19-09-009	Microgrids	D.24-11-004 adopting implementation rules for multi-property microgrid tariffs and closing the proceeding was issued November 18. Proceeding reopened for pending Application for Rehearing and Petition for Modification .
R.23-03-007	Wildfire Fund NBC 2024-2026	The 90-day Notice (Sep. 9) would set the 2026 Wildfire NBC at \$5.88/MWh - a slight decrease from the 2025 WF NBC charge of \$5.95/MWh.
A.22-05-002	Demand Response Programs (2023-2027)	D.24-04-006 , issued April 24, 2024, ended the Demand Response Auction Mechanism (DRAM) pilot programs of PG&E, SCE, and SDG&E and closed the proceeding. Proceeding reopened by Petition for Modification (PFM) (Feb. 2025), which would be denied by a Proposed Decision for Oct. 9 meeting.
A.21-06-021	PG&E 2023 Phase 1 GRC	This proceeding is inactive, but it remains open to provide further guidance on metrics relevant to auditor reports, to consider revising the energization cost

recovery mechanism, and to establish reporting requirements for reviewing the reasonableness of PG&E's interim rate recovery in its next GRC.

[A.22-02-015](#)

PG&E 2021 ERRRA
Compliance

This proceeding was closed in June 2025 with issuance of [D.25-06-045](#), but was reopened in response to an August 2025 [Application for Rehearing](#).

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 7

TO: Board of Directors

FROM: Alisa Lembke, Board Clerk / Administrative Analyst

SUBJECT: Summary of Community Advisory Committee’s (CAC) October 23, 2025 Meeting

DATE: November 13, 2025

This report summarizes the Community Advisory Committee’s meeting held in person and via Zoom webinar on October 23, 2025.

Thursday, October 23, 2025 Meeting:

- A. **2026 Legislative and Regulatory Platform:** (on Consent Agenda): The CAC approved making a recommendation to the Board to adopt the 2026 Legislative and Regulatory Platform. (7-0-2)
- B. **Reviewed, provided feedback and make recommendation to the Board to approve Phase 2 of VCE’s Electric Vehicle Rebate Program (“Charge Your Ride”):** The CAC and Staff asked questions, provided feedback, and made suggestions. The CAC approved making a recommendation to the Board to approve Phase 2, Budget Option 2, of VCE’s Electric Vehicle Rebate Pilot Program “Charge Your Ride”. (9-0-0)
- C. **Discuss formation of a CAC Local Energy Task Group:** In line with the Major Update to the Strategic Plan, the CAC discussed forming a Local Energy Task Group to assist in developing strategies. The CAC reviewed and discussed the draft formation proposal and formed a Local Energy Task Group (LETG). A few interested CAC Members and Staff will meet to discuss details and draft a “Charge”, which will be brought back to the CAC for review and further discussion.

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 8

TO: Board of Directors

FROM: Edward Burnham, Chief Financial Officer
Alisa Lembke, Board Clerk / Administrative Analyst

SUBJECT: Contract Renewals for calendar year 2026 (Information)

DATE: November 13, 2025

RECOMMENDATION

Informational. No action requested.

OVERVIEW

This update provides a summary of contractual agreements between VCE and various consultants that will expire on December 31, 2025. Based on Staff's review of the performance and contractual terms, Staff plans to execute contractual options to amend agreements mutually agreed in writing and to extend the term of the Agreements additional year(s).

BACKGROUND

This summary replaces VCE's past approach of providing individual staff reports and copies of the amendment letter(s) to the Board for information to streamline the process. Prior to sending the amendment letter to the consultant, VCE's CEO and legal counsel reviews each amendment letter. All contract amounts will be included in the proposed 2026 Budget based on the forecasted needed level of support. Table 1 below summarizes the Amendments to the Agreements contract duration and total contract not to exceed amounts.

Table 1 – Annual Contract Renewal Summary

Consultant	Current Expiration Date	Amendment #	New Expiration Date	Not to Exceed (NTE)	Other Updates
Automate Mailing	12/31/2025	Fifth	12/31/2026	No increase to NTE	Updated Exhibit D
Don Dame	12/31/2025	Second	12/31/2026	Increase NTE of \$15,000/ year by \$15,000 = \$30,000 for 2025 and 2026	None
Jim Parks	12/31/2025	Fifth	12/31/2026	No increase to NTE	None
NewGen Strategies	12/31/2025	One	12/31/2026	No increase to NTE	None

Consultant	Current Expiration Date	Amendment #	New Expiration Date	Not to Exceed (NTE)	Other Updates
Pacific Policy Group	12/31/2025	Two	12/31/2026	Increase NTE by \$66,000 (\$5,500/month)	None
PFM Financial Services	12/31/2025	One	12/31/2026	No increase to NTE	None

Fiscal Impact: The not to exceed amounts will be included in the proposed 2026 Operating Budget.

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 9

TO: Board of Directors

FROM: Mitch Sears, Chief Executive Officer
Yvonne Hunter, Legislative and Project Specialist
Mark Fenstermaker, Pacific Policy Group (PPG)

SUBJECT: Draft 2026 Legislative and Regulatory Platform

DATE: November 13, 2025

RECOMMENDATION

Approve adoption of the draft 2026 Legislative and Regulatory Platform.

BACKGROUND/ANALYSIS

At the July 8, 2020 Board Meeting, the VCE Board of Directors adopted VCE’s first legislative platform. Each year, VCE updates the legislative platform in advance of the next legislative session to reflect ongoing and new legislative priorities. It serves as a guide for legislative engagement and is based on positions that VCE has taken on past legislation, as well as the principles set forth in VCE’s Vision Statement, Strategic Plan, and Environmental Justice Statement. The Legislative Platform, however, does not limit VCE’s engagement in new legislative or regulatory issues that may impact VCE and are not included in the Platform. In addition, the platform is meant to be an inward facing document to provide guidance to VCE staff and VCE’s Legislative Consultant Pacific Policy Group (PPG), in the legislative and regulatory arenas.

The Legislative/Regulatory Task Group (LRTG) reviewed and discussed the draft 2026 Platform and offered a number of helpful suggestions that are incorporated in the recommended Platform. At its October meeting, the Community Advisory Committee (CAC), recommended approval of the 2026 draft Legislative and Regulatory Platform.

Highlights of Key Changes to 2025 Platform

- Both staff and the LRTG reviewed the 2025 Platform for potential updates for the 2026 Platform. The draft 2026 Platform includes minor wording tweaks, changes to improve clarity and improve wording consistency.
- When considering the draft 2025 Platform, the CAC asked the LRTG to consider addressing transport electrification and consideration of wildlife and open space in siting generation facilities. The board approved the 2025 Platform with the understanding that these two issues would be

addressed in the 2026 Platform. The draft 2026 Platform adds two provisions in the Miscellaneous Section to address these items.

- The platform includes a new statement related to CCAs being the default electricity provider within its service territory unless the customer elects to opt-out.
- While the issue of affordability will likely remain an important legislative and regulatory topic in 2026, similar to review of the 2025 Platform, staff believes the Platform already includes broad statements related to affordability that provide sufficient guidance to VCE staff and our lobbyist to engage in legislative and regulatory activity.

CONCLUSION

Staff recommends that the Board approve adoption of the draft 2026 Legislative and Regulatory Platform.

Attachment

Redline version of the draft 2025 Legislative and Regulatory Platform

2026 LEGISLATIVE AND REGULATORY PLATFORM

Adopted XXXXX 2025

A. INTRODUCTION

About Valley Clean Energy

Valley Clean Energy is a joint-powers authority organized pursuant to California law that includes the cities of Davis, Woodland, Winters and the unincorporated areas of Yolo County. The purpose of VCE is to enable the participating jurisdictions to determine the sources, modes of production and costs of the electricity they procure for the customers in the VCE service territory. VCE is governed by a Board of Directors consisting of city council members and county supervisors from its member jurisdictions.

PG&E, the incumbent Investor-Owned Utility (IOU), continues to deliver the electricity procured by VCE and performs billing, metering, and other electric distribution utility functions and services. Customers within the participating jurisdictions may opt-out of VCE and remain a PG&E bundled-service electricity customer.

The mission of VCE is to deliver cost-competitive clean electricity, product choice, price stability, energy efficiency, and greenhouse gas emission reductions to residents, businesses and public facilities within its member jurisdictions. In addition, VCE provides a greater level of transparency and accountability regarding energy sources and prices because VCE's board consists of local elected officials and its deliberations and decisions are conducted in public in accordance with California law.

About the Legislative and Regulatory Platform

This Legislative and Regulatory Platform serves as a guide for legislative and regulatory engagement in the 2026 legislative session and calendar year. It is based on positions that VCE has taken on past legislation and regulatory proceedings-, as well as the principles set forth in VCE's Vision Statement, Strategic Plan, and Environmental Justice Statement. It will be updated annually to reflect new issues that VCE may address each year. VCE may engage in legislative and regulatory issues not included in the Platform if the proposals have important impact to VCE operations and customers.

To review VCE's Vision Statement, Strategic Plan and Environmental Justice Statement, please see <https://valleycleanenergy.org/wp-content/uploads/VCEA-Vision-Statement-11-16-17.pdf>, <https://valleycleanenergy.org/wp-content/uploads/Valley-Clean-Energy-Statement-on-Environmental-Justice-Adopted-10-8-2020-1.pdf>, <https://valleycleanenergy.org/wp-content/uploads/VCE-Strategic-Plan-Final.pdf>.

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The Platform is divided into two sections: Legislative and Regulatory Issue Areas, and Regulatory Requirements and Procedures. The issue areas are mostly common to both the legislative and regulatory arenas and range from governance and statutory authority to resource adequacy, PCIA and dynamic pricing, as detailed in Section B below. While VCE monitors activities within both the legislative and regulatory landscapes, the landscapes differ in important ways procedurally, and the regulatory structure imposes some specific requirements that VCE must fulfill on a regular periodic basis. Section C describes these regulatory requirements and procedural considerations.

B. LEGISLATIVE AND REGULATORY ISSUE AREAS

1. Governance and Statutory Authority

VCE will:

- a. Oppose policies that limits the local decision-making authority for CCAs, including, but not limited to, program design, rate-setting authority and procurement of energy and capacity to serve their customers and meet state requirements.
- b. Oppose policies that limits VCE's ability to effectively serve its customers.
- c. Support efforts of CCAs to engage with their customers and promote transparency in their operations. Similarly, VCE will oppose policies that restrict or limit these abilities.
- d. Support policies that makes it easier for other cities and counties to form a CCA, become members of VCE or other CCAs, and oppose policies legislation and proposed regulations that restrict that ability.
- ~~d-e.~~ Support policies that affirm existing law that CCAs are the default electricity provider for all customers within their service territory, unless the customer elects to opt-out.

2. Restructuring the Electricity Utility Sector¹

VCE will:

- a. Work with the California Municipal Utilities Association, ~~other~~ local governments and others interested in forming municipal electric utilities, as well as the California Municipal Utilities Association, to expand opportunities for municipalization. ~~This includes supporting legislation that expands opportunities for CCAs to become municipal electric utilities.~~
- b. Support policies legislation and advocate for reforms to the utility regulatory and business model to transform Investor-Owned Utilities (IOUs) so that they must deliver greater benefits to ratepayers, increase safety and reliability, reduce costs, and support the successful performance of CCAs.
- c. Advocate for greater collaboration to occur between CCAs and incumbent IOUs, particularly in local planning efforts and access to customer and system data related to energy, EV charging, community centers, microgrids, dynamic pricing, etc.
- d. Support policies and programs ~~efforts~~ that result in IOUs providing CCA customer meter data

¹ This is one area where legislation would be required, as regulatory action alone would not be feasible.

to the CCA in real time to enable CCAs to better forecast and schedule load.

- e. Support ~~effective~~ policies that would transform PG&E to a public power, not-for-profit or customer owned entity.

3. Resource Adequacy

VCE will:

- a. Support ~~policies efforts~~ to create a transparent, cost-effective, functional central procurement ~~process entity~~ for residual Resource Adequacy needs.
- b. Oppose policies that would negatively impact CCAs' procurement authority for Resource Adequacy.
- c. Advocate for and support policies and programs ~~efforts~~ to remove barriers to demand response, microgrids, behind-the-meter and front-of-the meter distributed resources and aggregations of distributed energy resources to provide Resource Adequacy.
- d. Support policies that would modify the RA waiver and penalty processes so that they more realistically reflect the constraints in the RA markets that CCAs and other Load Serving Entities ~~such as VCE~~ face.

4. Power Cost Indifference Adjustment (PCIA)

VCE will:

- a. Support CalCCA efforts to increase the transparency of IOU electricity contracts and any other factors that provide the basis for PCIA charges that VCE (and its customers) and other CCAs must pay.
- b. Support efforts to create a pathway to wind down the PCIA.
- c. Support policies that would bring stability to the PCIA and/or provide new mechanisms for CCAs to securitize PCIA charges.
- d. Oppose policies that would increase or expand exit fees, including PCIA, on CCA customers.

5. Load Shaping/Shifting and Dynamic Pricing

VCE will:

- a. Support policies and funding that creates ~~viable~~ opportunities for CCAs to shape or shift load to support grid operations.
- b. Support policies ~~iesy~~ that recognizes ~~and assigns~~ Resource Adequacy value to load shaping or load shifting programs.
- c. Support policies ~~iesy~~ that enables ~~customers~~ of VCE and other CCAs to participate in dynamic pricing plans to shift load away from peak, including the use of automated systems.

6. Public Safety Power Shut-Offs (PSPS) and Flex Alerts

VCE will:

- a. Support policies ~~iesy~~ that increases ~~the~~ notification and transparency requirements on IOUs as

they implement a PSPS.

- b. Support policies that create standards for PSPS implementation and penalties on IOUs that execute PSPS below those standards.
- c. Support policies that create rules and procedures to ensure PSPSs are implemented narrowly and only as absolutely necessary.
- d. Support policies that require IOUs to notify impacted cities, counties and CCAs of impending PSPS.
- e. Support policies that require IOUs to provide CCAs with better customer contact information so that CCAs may more effectively engage their customers in a timely manner.

7. Community Resilience

VCE will:

- a. Advocate for and support policies and funding for programs implemented by CCAs and their member jurisdictions to increase community resilience to extreme temperatures, wildfires, PSPS events and other potential service disruptions.
- b. Support policies that reduce barriers to microgrid development by CCAs.
- c. Oppose policies that would enable IOUs to dominate or restrict microgrid development.
- d. Support policies that facilitate development of community level resources and distributed energy resources and that recognizes their value in reducing the need for new transmission and distribution infrastructure.

8. Renewable Energy Generation and Sources

VCE will:

- a. Support policies that expands opportunities for or reduces barriers to the development of local renewable energy sources.
- a.b. Support policies that enhance development of local and regional sources of renewable energy, including, but not limited to, wind, solar, bioenergy, battery storage, small hydro, and geothermal, as long as local development and siting criteria are consistent with city and county land use authority and other local and state regulatory requirements. (See cross reference Section 10.a, b and c)
- b.c. Oppose policies that require CCAs to purchase specific renewable energy products or technologies, which would limit the ability of CCAs to meet local energy needs in a cost-effective manner and in accordance with the preferences of their member jurisdictions and with their local procurement and rate setting authority.

9. Energy Justice

VCE will:

- a. Support Engage in policies and programs that directly or indirectly impacts the ability of underserved communities in the VCE service territory to have affordable, reliable and

clean energy.

- b. Support policies and programs that strengthen the resilience of vulnerable communities to the impacts of climate change.
- c. Support policies and programs that enable all California communities, especially marginalized communities, and individuals, regardless of race, color, national origin, religion, sexual orientation, sex, gender identity, age, disability or socioeconomic status, to participate in the transition to a zero carbon electrical grid in a cost-effective manner.
- d. Support policies and programs that enable all California communities, especially historically marginalized communities, and individuals, regardless of race, color, national origin, religion, sexual orientation, sex, gender identity, age, disability or socioeconomic status, to participate in the decarbonization of the state's building stock and the transportation sector.
- e. Support policies, programs and funding to alleviate residential and commercial energy insecurity or financial hardships that could disrupt electricity service to VCE customers or restrict VCE customers' access to clean energy opportunities. This could include, for example, assistance to avoid electric service disconnections or economic recovery or funding for transportation electrification.

10. Local Economic Development and Environmental Objectives

VCE will:

- a. Support policies that enhance opportunities for CCAs to promote local economic development through locally designed programs that meet the unique needs of their member agencies and customers.
- b. Support policies that enhance development of local and regional sources of renewable energy.
- c. Support policies that enable CCAs to collaborate with their member jurisdictions on local energy resources and projects to advance environmental objectives.
- d. Support policies to enable CCAs to plan, own and operate clean energy resources that serve local needs while contributing to the local economy.
- e. Support policies and programs that ensure that CCAs and their member agencies have access to existing and new state and federal energy-related grant and loan funds, including programs for residential, commercial, industrial, agricultural and government customers.

11. Miscellaneous

VCE will:

- a. Oppose policies that expand direct access or the ability or economic incentives for electric service providers to selectively recruit CCA or IOU customers.
- b. Support policies that would require all load-serving entities to meet the same renewable content, environmental and other procurement requirements.
- c. Monitor, and if appropriate, engage with legislative, regulatory or other proposals to create western regional energy markets or a western regional transmission organization.

Such ~~markets or an~~ organization must ensure the continued ability of CCAs to retain their local governance, rate making and procurement authority and ensure that California’s environmental and energy policies are not compromised.

- d. Support policies that addresses interconnection or energizing delays for businesses, public agencies, homes, and energy generation projects.
- e. Support legislation and regulations that address and seek to reduce negative impacts on natural systems, including wildlife and habitat, from energy generation projects.
- f. Support legislation that enhances planning for and availability of transportation electrification systems and infrastructure to benefit VCE customers and California’s energy supply systems.

C. REGULATORY REQUIREMENTS, PROCEDURES AND ISSUES

Background

As noted above, VCE monitors the regulatory landscape covering the topics listed in Section B. However, the regulatory landscape is much more complicated than the legislative landscape. State agency action on issues (generally referred to as “proceedings”) can often last several years, especially those proceedings conducted by the CPUC. In addition, engagement by an individual or agency, such as VCE, must follow specified procedural requirements.² As a result, regulatory participation is more resource intensive.

At the same time, as a “load-serving entity” (LSE) under California law VCE must comply with specific regulatory requirements. As a result, VCE directly and indirectly participates in the regulatory process in several ways. They include the following activities.

1. State Agency Compliance Reporting. Each year, VCE (or its regulatory and power procurement consultants, on behalf of VCE) files over 50 compliance reports to different state agencies including the CPUC, CEC, CAISO, Secretary of State. These include, but are not limited to: the joint rate mailer, integrated resource plan, renewable portfolio standard report, PG&E

² Participating in a CPUC regulatory proceeding is more complicated than engaging in the legislative process. CPUC proceedings are considered quasi-judicial or court-like hearings. They are overseen by an administrative law judge and generally follow court like procedures. Those wishing to engage in a proceeding and submit a brief or testify must become “a party” to the proceeding and follow specified practices. Simply submitting a letter with comments on a proceeding is not an effective way to be engaged in a CPUC proceeding. Often proceedings are active over several years, require ongoing commitment of staff or consultant resources, and those interested in the issues must follow formal procedures for providing comments or other input.

³ CalCCA’s mission related to legislative and regulatory issues is best summed up by the following statement on its website: “CalCCAsupports legislation and regulatory policies that protect and foster CCAs within the state. We promote competitive neutrality and a level playing field. We oppose legislation and regulatory policies that unfairly discriminate against CCAs or CCA customers, or reduce CCA policy- or decision-making autonomy.”

⁴ More about CalCCA’s Regulatory policy and filings is available at: <https://cal-cca.org/regulatorylegislative/>

rate comparison mailer, RA year ahead load forecast, and power content label.

2. CalCCA Regulatory Committee.³ VCE staff participates on CalCCA’s Regulatory Committee. It meets weekly with subcommittees meeting multiple times a week, depending on deadlines and CalCAA comment depending on individual proceedings.

3. CalCCA Regulatory Filings.⁴ CalCCA periodically becomes “a party” to a CPUC regulatory proceeding on behalf of its member CCAs and submits comments and engages in discussions with CPUC staff and CPUC commissioners. VCE monitors these items and periodically provides input to the internal discussion related to how to approach a proceeding and the content of CalCCA comments. Examples of CalCCA filings include: Slice of Day, Provider of Last Resort (POLR), Establishing Energization Timelines and New Approaches to Disconnections and Reconnections to Improve Energy Access and Contain Costs. CalCCA also files comments on behalf of its member CCAs on California Energy Commission proceedings, although that regulatory process is different than that at the CPUC.

4. Individual CCA Regulatory Filings. Individual CCAs sometimes submit their own comments in CPUC proceedings, individually or jointly with other CCAs. VCE monitors these and occasionally has submitted its own comments or joined other CCAs. For example, VCE submitted comments on the expansion of the Dynamic Pricing Pilot (related to AgFIT) and RA Slice of Day proceedings.

5. Joining CalCCA or Individual CCA Filings. On high priority issues that significantly impact VCE, with the assistance of its regulatory consultant, VCE joins CalCCA or other CCAs in a filing submitted by CalCCA or a CCA. Examples include: Summer Reliability (Dynamic Pricing) and Slice of Day Resource Adequacy.

6. VCE Leads a Response to a Regulatory Proceeding. For high priority issues, VCE may take the lead in a regulatory filing, inviting CalCCA and other CCAs to join the filing. An example was the recent proceeding related to expanding the Dynamic Pricing Pilot Program (AgFIT).

7. Other Regulatory-Related Activities. These activities may include proceedings or actions at CAISO, the Air Resources Board, Federal Energy Regulatory Commission (FERC) or other regulatory agencies that may have direct or indirect impacts on VCE or the CCA community.

Proposed Future VCE Regulatory Engagement

In 2025, VCE will engage in the regulatory process in the following way.

- Continue to participate with CalCCA and other CCAs, as described in items 1-7 above.

- Depending upon staff and financial resources available, identify and participate in high priority regulatory proceedings that may have significant impact on VCE’s autonomy, governance, rate setting authority, mission and strategic plan. The proceedings may include, but are not limited to: slice of day RA reform, RA benchmarking, dynamic pricing and other new critical issues that may arise in 2025 or in future years.

VALLEY CLEAN ENERGY ALLIANCE**Staff Report – Item 10**

TO: Board of Directors

FROM: Edward Burnham, Chief Financial Officer
Mitch Sears, Chief Executive Officer

SUBJECT: 2025 Operating Budget Update & 2026 Preliminary Customer Rates and Budget

DATE: November 13, 2025

RECOMMENDATION

Informational – no action requested.

OVERVIEW

This update is the first of two discussions leading to Board consideration of VCE's 2026 customer rates and budget. The purpose of this staff report is to: (1) provide an update on the 2025 Operating Budget results, and (2) provide three 2026 Preliminary Customer Rates and Budget Scenarios for discussion and feedback.

The three 2026 budget scenarios outlined in the analysis section of this report meet VCE's financial policies, updated reserve targets, and customer program expansions with a range between (\$11.9 M) to (\$15.7 M) net loss based on net customer rate discounts. Recommended 2026 customer rate discounts are paid for through use of VCE's reserved customer dividend funds and a portion of VCE rate stabilization funds.

VCE's longer-term outlook (2027+), indicates continued constraints due to both regulatory changes expected in Power Charge Indifference Adjustment (PCIA) calculations and lower overall forward current price curve driving higher PCIA rates.

BACKGROUND

At the VCE board meeting on December 12, 2024, the Board approved the 2025 Customer Rates and Operating Budget, which included a 5% rate credit for all customers and a 10% rate credit for CARE/FERA and Medical Baseline customers. The 2025 budget included a positive net income of \$29.4 M, allowing VCE to reach its primary financial objectives of building cash reserves, including a rate stabilization fund, while maintaining competitive rates and executing local programs. Financial forecasts incorporate analysis by CalCCA, and VCE consultants New Gen and TEA based on historical usage trends and forecasted energy markets.

Staff provided a mid-year financial update in June with 2025 actuals and the anticipated outcomes of recent regulatory developments for 2026, particularly the California Public Utilities Commission's (CPUC) decisions in the 2025 PCIA and Energy Resource Recovery Account (ERRA) proceedings. Based on staff analysis, the Board approved maintaining VCE's existing rate discounts for the remainder of 2025. Based on these decisions, forecasts, and reserve balances, VCE was able to obtain an initial investment-grade credit rating of "A-."

ANALYSIS

This report updates information in [Item 12](#) previously provided to the Board during the June 2025 Mid-year Financials Update. The section below provides updates on: (1) 2025 Operating Budget and (2) 2026 Preliminary Customer Rates and Operating Budget Update with a Multi-year Outlook (2027 through 2029).

1. 2025 Operating Budget Update

The Approved 2025 operating budget included \$102.1 M of operating revenues and \$72.7 M of operating expenses for a net income of \$29.4 M. As detailed in the analysis section below, the net financial results are different from the budget forecast and are due primarily to a significantly lower load due to cooler than average weather during the Summer/early Fall of 2025.

Key factors in the 2025 Operating Budget included the following:

- 2025 Customer Rates (VCE & PG&E Comparison) - VCE set customer rates to collect sufficient revenue from participating customers to fully fund VCE's Budget and continue to contribute to reserve funds to obtain an initial investment grade credit rating.
- 2025 PCIA Forecast –The updated PCIA increased from ~.002 KW/\$2M to .004 KW/\$4M
- 2025 Customer Rates Forecast – The updated forecast for PG&E rates results in a projected 5-7% generation rate increase (higher increases currently being considered by the CPUC are associated with non-VCE portions of the bill such as transmission and distribution charges).
- Additional considerations included program funding, staffing increases, strategic plan implementation, and office leasehold improvements.

As presented to the Board in June, VCE experienced a ~\$1M decline in net income compared to the Budget through April from operating revenues and power costs. Based on the most recent financial update through August 2025 and updated forecasts, the forecast has been further revised downward by an additional ~\$2M. As noted for the board in June, these net income reductions are driven primarily by load reductions outside of VCE's direct control (weather, power market prices, and regulatory changes). These have been partially offset by higher interest revenues, lower administrative costs and lower program spending deferred into 2026. The 2025 budget is estimated to have a total net income of \$26.6, ~\$3M lower than forecast in the adopted 2025 Budget as shown in Table 1 below.

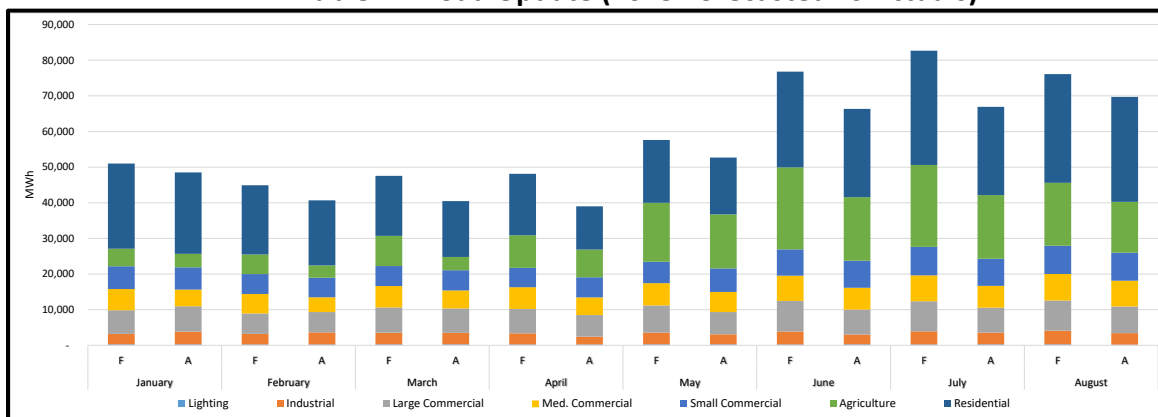
Table 1 - 2025 Proforma Budget (Unaudited)

		2025 Proforma (8 Month Actuals + 4 Month forecast)	
Description	APPROVED 2025 BUDGET		Variance
Revenue	\$ 101,200	\$ 88,670	\$ (12,530)
Power Cost	\$ 64,100	\$ 57,100	\$ 7,000
Other Expenses	\$ 7,750	\$ 4,950	\$ 2,800
Net Income	\$ 29,350	\$ 26,620	\$ (2,730)

Key factors influencing the 2025 Operating Budget results include:

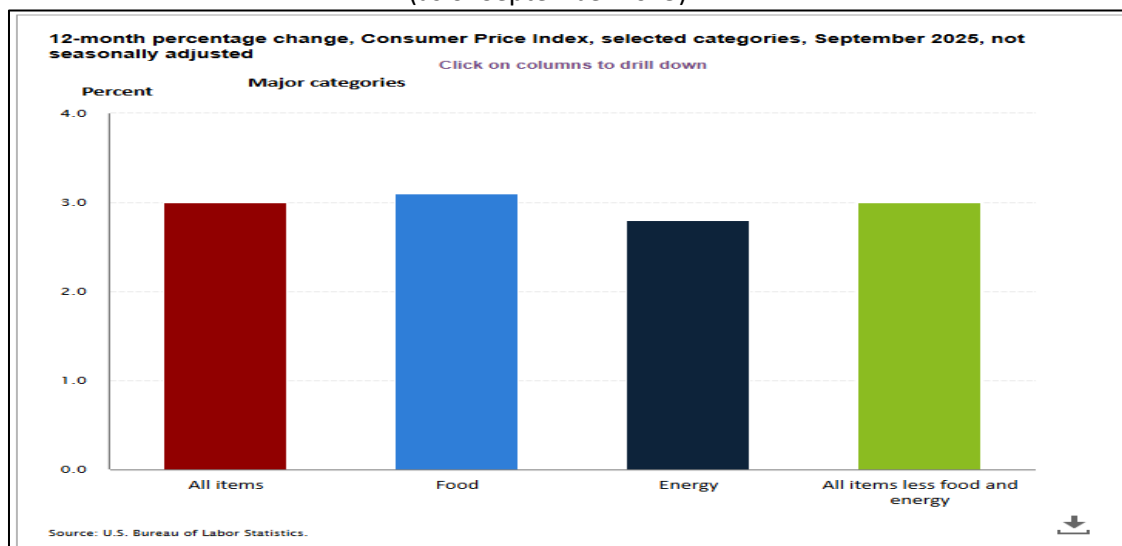
- **Load Forecast.** As shown in Table 2, in the first half of 2025 energy use in most sectors has been lower than forecasted. The overall load for the first 8 months has come in approximately 10% lower than forecasted. VCE's two largest sectors showed lower than forecast energy use: (1) residential (AC load) and (2) commercial use related to lower overall summer temperatures, and reduced extreme heat events.

Table 2 – Load Update (2025 Forecasted vs Actuals)



- **Budgeted revenues.** The 2025 Budget incorporated revenues associated with a normalized load. These revenues have not fully materialized in the actuals for 2025 due to the lower overall load as described above, resulting in lower revenues throughout 2025.
- **Power Costs.** Average forward market power prices have decreased and remained relatively consistent throughout 2025, stable natural gas storage levels, increased battery capacity in California, and lower natural gas plant operations (Peak Loads reduced) for an overall decrease of 3%. Table 3 below helps illustrate the relative impact to energy sector prices vs. other major categories in the US economy resulting from economy wide financial impacts.

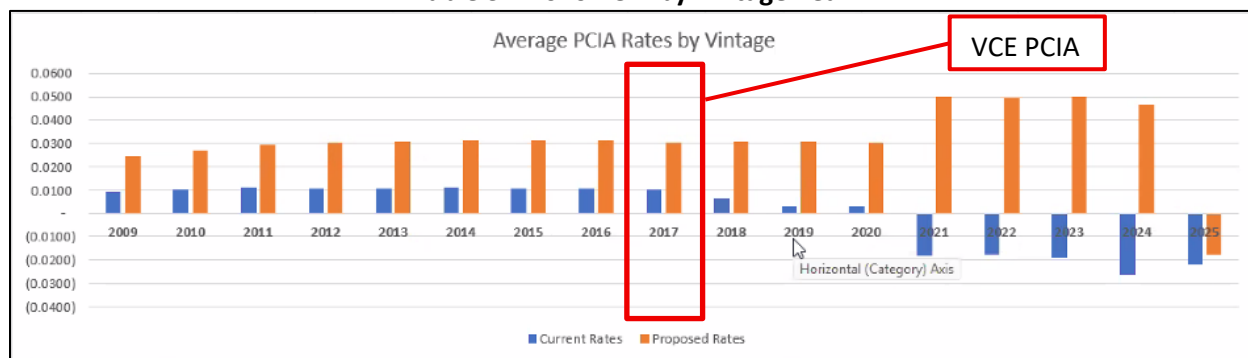
Table 3 – 2025 US Consumer Price Index by Category
(as of September 2025)



2. 2026 Preliminary Customer Rate and Operating Budget and Multi-year Outlook (2027 through 2029).

VCE, along with all other California CCAs, receives PG&E PCIA and generation rate modeling produced by financial analysts under contract with CalCCA. This updated forecast incorporates updated information based on PG&E's October filing from the annual Energy Resource Recovery Account (ERRA) Proceeding as part of the annual rate and PCIA rate setting process. Based on the most updated PG&E filing and market price benchmarks for Resource Adequacy (RA) and Renewable Energy Credits (RECs), set by the CPUC's energy division, PCIA is forecasted to increase significantly for 2026.

Table 3 – 2026 PCIA by Vintage Year



As experienced from 2023-25, power market increases drive future decreases to PG&E's PCIA due to the fact that power market increases make PG&E's portfolio more valuable. Through regulatory changes and recent power market decreases, the forecasted increase in the PCIA for 2026 has resulted in a ~\$23M decrease in gross revenues to VCE. PCIA is outside of VCE's control and influence.

VCE's Reserve and Dividend Policy Revisions

At the December 12, 2025 meeting, the Board adopted updated reserve policy and dividend program guidelines as described in [Item 15](#).

The policy modifications approved by the Board included:

1. An increased Operational Financial Reserve minimum from 30 days to 120 days
2. An Increased Operational Financial Reserve Target of 180 from 90 days (this increase aligns with current minimums typically seen for CCA qualification for investment grade credit ratings)
3. Addition of a Rate Stabilization Reserve minimum target of 60 days
4. Increased the minimum net margin allocation of 75% from 50% towards financials reserves of net margin above > 5%
5. Administrative updates and references to VCE cost recovery rate policy and rate adjustment policy.

VCE's operational reserve funds are used to meet VCE's strategic objectives, secure favorable commercial terms, secure future stand-alone VCE credit rating(s), and provide a source of funds for unanticipated expenditures. VCE's Rate Stabilization is used as a contingency to provide rate stability for VCE customers, given increasing regulations, power costs, and Power Charge Indifference Adjustment (PCIA) charges from the investor-owned utility (PG&E).

Draft 2026 Operating Budget & Rate Discount/Revenue Investment Scenarios

Staff have developed three budget scenarios to model various rate discounts/revenue investments to show impacts on VCE's short-term and long-term financial outcomes. All scenarios incorporate the same power cost assumptions based on the best available market information and forecasts for the PCIA and PG&E generation rates. Consistent with prior Board direction, staff believe that all scenarios represent a disciplined and financially prudent approach.

Rate Discounts/Revenue Investment

- Revenues can be "invested" in rate discounts, programs, increased procurement of clean energy resources (e.g. short-term RECs), or a combination of these and other elements.
- In 2026, for every 1% discount results in approximately \$1.50/month reduction in the average residential customer bill and approximately \$3.75/month reduction in the average small commercial customer bill
- In 2026, for every 1% discount would be approximately \$500K in reduced net income available for cash reserves, rate stabilization, programs, and procurement of additional clean energy resources. Net Income allocations for reserves and programs are normally evaluated in May as part of VCE's audited financial results.
- If selected, rate discounts are best implemented during PG&E rate changes (e.g. January), to minimize billing efforts, risk of errors, and customer messaging.

Customer dividends and discounts help communicate a CCA's value but do not appear to have a significant impact on retention or recruitment based on information gathered from other CCA's. Having said that, it is clear that affordability remains crucial due to widespread cost sensitivity, and rate discounts can also enhance credibility with potential member agencies and policymakers. Staff does note that budgeted rate discounts in current years use rate stabilization funds that could lead to the need to increase rates above PG&E in future years.

The 2026 budget options detailed in Table 4 below incorporate the following rate forecasts:

- Scenario 1: Continuation of the current 5% standard and 10% CARE/FERA/Medical Baseline rate discounts to PG&E generation rate; approximately \$3.8M net revenue reduction;
- Scenario 2: Decrease to a 2.5% standard and 5% CARE/FERA/Medical Baseline rate discounts to PG&E generation rate; approximately \$1.9M net revenue reduction;
- Scenario 3: Decrease to a standard rate matching and 2.5% CARE/FERA/Medical Baseline discount to PG&E generation rate; approximately \$750K net revenue reduction;

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Table 4 – Customer Rate Discount Comparison

			Actual YTD August 31 (8 MO) + Forecast (4 MO)	Proposed Budget	Preliminary Forecast*		
Scenario 1 5% Standard /10% CARE/FERA Discount	2023	2024	2025	2026	2027	2028	2029
Customer Revenue	95,430	97,979	88,670	45,010	68,100	66,180	63,750
Power Cost	68,528	64,723	57,100	53,550	54,380	58,380	60,200
Other Expenses	6,030	6,275	4,950	7,120	7,660	7,850	8,050
Net Income	20,872	26,981	26,620	(15,660)	6,060	(50)	(4,500)
Scenario 2 2.5% Standard /5% CARE/FERA Discount	2023	2024	2025	2026	2027	2028	2029
Revenue	95,430	97,979	88,670	46,910	70,270	68,470	66,150
Power Cost	68,528	64,723	57,100	53,550	54,380	58,380	60,200
Other Expenses	6,030	6,275	4,950	7,120	7,660	7,850	8,050
Net Income	20,872	26,981	26,620	(13,760)	8,230	2,240	(2,100)
Scenario 2 Standard Matching / 5% CARE/FERA Discount	2023	2024	2025	2026	2027	2028	2029
Revenue	95,430	97,979	88,670	48,810	72,430	70,490	67,950
Power Cost	68,528	64,723	57,100	53,550	54,380	58,380	60,200
Other Expenses	6,030	6,275	4,950	7,120	7,660	7,850	8,050
Net Income	20,872	26,981	26,620	(11,860)	10,390	4,260	(300)

* Revenues are highly subject to PG&E filings that impact generation rates and PCIA.

Note: Rate options include the current rate discount from the ERRA forecasts, which is considered by staff to be a solid baseline outcome, as displayed in Table 4 – Customer Rate Discount Comparison. These scenarios rely on the use of future rate adjustments, reserves, or both to mitigate future power cost volatility.

Additional Considerations – Preliminary 2026 Budget Other operating expenses (not including power costs) are nearly flat compared to the 2025 budget, reflecting only a 3% increase, reflective of the 2025 CPI of ~3%. These expenses include strategic plan development and execution, IRP consultants, customer focus groups, and other administrative costs.

CONCLUSION

The preliminary 2026 operating budget scenarios meet VCE's current and anticipated fiscal policy updates while providing funds for rate relief and/or other customer focused investments (e.g. programs, additional clean energy procurement). Staff has prepared the preliminary 2026 operating budget/rate scenarios based on the best available information on PG&E generation rates and PCIA as of October 2025 CPUC filings. Based on the Board's feedback and direction, staff will return with an updated operating budget and customer rates recommendation for 2026 in December.

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Draft 2026 Operating Budget & Customer Rates Scenario 1:

Budget Scenario 1 incorporates a net rate discount of 5% for all customers and an additional 5% discount to CARE/FERA/Medical baseline customers (10% total); the net impact for 2025 is a reduction of \$3.8M.

- The forecasted net loss with the discounts uses approximately 70 days of cash on hand.

Table 5 – Budget Scenario 1
(5% standard / 10% CARE/FERA rate discounts)

VALLEY CLEAN ENERGY DRAFT BUDGET SUMMARY 2026 - BUDGET SCENARIO 1			
	APPROVED BUDGET 2025	ACTUAL YTD AUG (8 MO) + FORECAST (4 MO) 2025	PRELIMINARY BUDGET 2026
OPERATING REVENUE	\$ 101,200	\$ 89,673	\$ 45,010
OPERATING EXPENSES:			
Cost of Electricity	64,000	57,100	53,550
Contract Services	2,640	2,415	2,625
Outreach & Marketing	370	246	370
Programs	2,170	670	1,500
Staffing	2,100	1,791	2,184
General, Administration and other	1,560	1,189	1,431
TOTAL OPERATING EXPENSES	72,840	63,411	61,660
TOTAL OPERATING INCOME	28,360	26,262	(16,650)
NONOPERATING REVENUES (EXPENSES)			
Interest income	990	1,358	990
Interest expense			
TOTAL NONOPERATING REV/(EXPENSES)	990	1,358	990
NET MARGIN	\$ 29,350	\$ 27,620	\$ (15,660)
NET MARGIN %	29%	31%	-35%

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Draft 2025 Operating Budget & Customer Rates Scenario 2:

- Budget Scenario 1 incorporates a net rate discount of 2.5% for all customers and an additional 2.5% discount to CARE/FERA/Medical baseline customers (5% total); the net impact for 2025 is a reduction of \$1.9M.
- The forecasted net loss with the discounts uses approximately 60 days of cash on hand.

Table 6 – Budget Scenario 2
(2.5% standard and 5% CARE/FERA/Medical Baseline rate)

VALLEY CLEAN ENERGY DRAFT BUDGET SUMMARY 2026 - BUDGET SCENARIO 1			
	APPROVED BUDGET 2025	ACTUAL YTD AUG (8 MO) + FORECAST (4 MO) 2025	DRAFT BUDGET 2026
OPERATING REVENUE	\$ 101,200	\$ 89,673	\$ 46,910
OPERATING EXPENSES:			
Cost of Electricity	64,000	57,100	53,550
Contract Services	2,640	2,415	2,625
Outreach & Marketing	370	246	370
Programs	2,170	670	1,500
Staffing	2,100	1,791	2,184
General, Administration and other	1,560	1,189	1,431
TOTAL OPERATING EXPENSES	72,840	63,411	61,660
TOTAL OPERATING INCOME	28,360	26,262	(14,750)
NONOPERATING REVENUES (EXPENSES)			
Interest income	990	1,358	990
Interest expense			
TOTAL NONOPERATING REV/(EXPENSES)	990	1,358	990
NET MARGIN	\$ 29,350	\$ 27,620	\$ (13,760)
NET MARGIN %	29%	31%	-29%

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Draft 2026 Operating Budget & Customer Rates Scenario 3:

- Budget Scenario 1 incorporates a net rate discount of 5% for all customers and an additional 5% discount to CARE/FERA/Medical baseline customers (10% total); the net impact for 2025 is a reduction of \$750K.
- The forecasted net loss with the discounts uses approximately 50 days of cash on hand

Table 7 – Budget Scenario 3

(standard rate matching and 2.5% CARE/FERA/Medical Baseline discount)

VALLEY CLEAN ENERGY DRAFT BUDGET SUMMARY 2026 - BUDGET SCENARIO 1			
	APPROVED BUDGET 2025	ACTUAL YTD AUG (8 MO) + FORECAST (4 MO) 2025	DRAFT BUDGET 2026
OPERATING REVENUE	\$ 101,200	\$ 89,673	\$ 48,810
OPERATING EXPENSES:			
Cost of Electricity	64,000	57,100	53,550
Contract Services	2,640	2,415	2,625
Outreach & Marketing	370	246	370
Programs	2,170	670	1,500
Staffing	2,100	1,791	2,184
General, Administration and other	1,560	1,189	1,431
TOTAL OPERATING EXPENSES	72,840	63,411	61,660
TOTAL OPERATING INCOME	28,360	26,262	(12,850)
NONOPERATING REVENUES (EXPENSES)			
Interest income	990	1,358	990
Interest expense			
TOTAL NONOPERATING REV/(EXPENSES)	990	1,358	990
NET MARGIN	\$ 29,350	\$ 27,620	\$ (11,860)
NET MARGIN %	29%	31%	-24%

VALLEY CLEAN ENERGY ALLIANCE**Staff Report – Item 11**

To: Board of Directors

From: Mitch Sears, Chief Executive Officer
Rebecca Kuczynski, Customer Officer
Mary-Kathryn Rueff, Program & Community Engagement Associate Analyst

Subject: Charge Your Ride: Phase 2 of the Electric Vehicle Rebate Pilot Program

Date: November 13, 2025

RECOMMENDATION

Review and approve Phase 2 of Valley Clean Energy's Electric Vehicle Rebate Pilot Program: Charge Your Ride.

OVERVIEW

The main goal for VCE's Electric Vehicle Rebate Pilot Program Phase 2 is to remove barriers to access for transportation electrification, with a focus on low-income customers and renters.

BACKGROUND

In September 2022, VCE launched an Electric Vehicle (EV) Rebate Pilot Program to align with member jurisdictions' transportation electrification goals and the state and national movement toward transportation electrification. VCE designed a program that could be stacked with existing EV rebates and incentives, providing VCE customers with additional funding opportunities.

Phase 1 provided rebates for new electric vehicles with eligibility for VCE's program contingent upon the customer receiving a rebate from the California Vehicle Rebate Project (CVRP). The program was successful, with 10 low-income rebates and 31 standard rebates disbursed. VCE received positive feedback from participating customers, and at least one previously opted-out customer returned to VCE to qualify for the rebate. In May 2023, the Board extended Phase 1 funding by \$20,000 and approved the reallocation of an additional unused \$20,000 allotted to program administration for rebates. This funding was exhausted within two months, demonstrating a growing demand for EV Rebates among VCE customers.

In August 2023, the Community Advisory Committee (CAC) provided feedback on and recommended Board approval of Phase 2 of the EV Rebate Pilot Program. Shortly before the Board was scheduled to review phase 2, the CVRP program suspended its rebates, and no new applicants have been accepted since November 2023. Since VCE relied on the CVRP EV purchase and income verification to approve recipients' eligibility, phase 2 was delayed until there was sufficient staff time to implement an alternative program design. The current, staff-recommended design has been about 2 years in the making, though most of the work has occurred in the past year.

Phase 2 Design Process

Pilot program designs for the second phase have been brought before the CAC twice, and before the Board once, each time with new feedback incorporated.

Research from 25+ scholarly sources has been integrated into the Phase 2 design. The Programs and Outreach Task Group (POTG) has reviewed Phase 2 pilot program design four times.

In addition, staff has conducted extensive feedback conversations spanning Q4 2024-present, including with:

- Yolo County Housing Authority
- UC Davis Institute of Transportation Studies
- UC Davis California Lighting and Technology Center
- UC Davis Energy and Efficiency Institute
- 3 different CCAs on 6 different occasions
- 4 property owners of multi-family apartment complexes
- 2 member jurisdictions
- 2 CalCCA committees (Equity and Programs)

Stakeholders and the POTG have provided multiple rounds of feedback, with the POTG recommending approval of the proposed Phase 2 program design in October 2025. The Community Advisory Committee reviewed Phase 2: Charge Your Ride and provided its unanimous recommendation to the Board to adopt the staff recommendation on October 23rd, 2025.

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ANALYSIS

As of 2022, 57% of transportation GHG emissions are from light-duty and passenger vehicles¹. Accordingly, transportation electrification is one of VCE's key focus areas for program implementation. The main goal for Charge Your Ride is to remove barriers to access for transportation electrification, with a focus on low-income customers and renters. Research shows that low-income customers experience barriers to both the purchase and charging of electric vehicles², with particular challenges faced by renters in multi-family residential complexes where opportunities for EV charging are generally limited. These barriers are addressed by three program elements in Phase 2 of the pilot: (1) EV rebates for low-income customers, (2) funding to incentivize installation of chargers at multi-family residential complexes, and (3) enhanced technical support for multi-family property owners. Rebate incentives for charging infrastructure for renters at home have shown to be successful in promoting EV ownership and retention³.

Co-benefits of the Phase 2 pilot include:

- Greenhouse Gas (GHG) emissions reductions
- Supporting multi-family property owners in charger installation
 - Helping multi-family property owners to attract and retain renters
 - Installing infrastructure that will benefit multi-family property owners, as well as influence EV purchasing decisions for renters for years to come
 - Providing "white glove" technical support to property owners through VCE's customer support system, increasing customer satisfaction and retention for VCE
 - Supporting renters in multi-family housing by increasing access to home charging
- Promoting enhanced customer satisfaction for low-income customers, renters and property owners

Target customers include low-income VCE customers experiencing barriers to EV ownership, and multi-family property owners. Benefiting customers also include current and future tenants in multi-family properties. In addition, by specifically engaging multi-family property owners with practical incentives and implementation support services, VCE can build stronger relationships and enhance the likelihood of participation in future programs (i.e. home electrification in multi-family properties).

¹ <https://www.epa.gov/greenvehicles/fast-facts-transportation-greenhouse-gas-emissions>

² California Central Valley, Bay Area, and nationwide research all show that the top 2 hindering factors to EV adoption are lack of access to charging and start-up costs to purchase an EV (*Hardman et al., 2025*) and (*Pamdimukkala, 2023*).

³ <https://www.sciencedirect.com/science/article/pii/S2590198223002543>

To ensure geographic diversity with regard to the availability of funds, staff recommends allocating available incentives by percentage of customers served in each jurisdiction for the first nine months after Phase 2 launch. Following the first nine months of Phase 2 pilot launch, any unspent funds would become available to all parts of VCE's service territory.

CHARGE YOUR RIDE PROGRAM DESIGN

Pilot Components

The recommended design of the Charge Your Ride Phase 2 Pilot includes the following elements:

1. Incentives for electric vehicle purchase for qualifying low-income customers
2. Incentives for multi-family Level 1 and Level 2 charging outlets and stations that *could* include (depending on the site):
 - a. Circuit splitters, pausers and EV prewiring rebates
 - b. Funds retained as an additional rebate for charger maintenance within 5 years of installation
 - c. Incentives for panel upgrades
3. "White glove" technical support provided by VCE to support multi-family property owners, from project conception to installation. Staff is exploring the provision of this enhanced technical support by SMUD as an add-on to the existing Electric Advisor service, to ensure a smooth customer experience across programs and general customer care.

Pilot Element 1: Vehicle Incentives

Electric Vehicle incentives for low-income qualifying customers.

- Discussion/Design: CPUC-approved ratepayer funds are distributed by PG&E through their Pre-Owned EV Low-Income Rebate Program⁴. If VCE customers qualify for this low-income rebate, they would automatically qualify for VCE's Charge Your Ride incentive. This ensures the ability to stack VCE's low-income rebate with these rebates and others, as well as mitigating risk associated with collecting sensitive documentation and reducing program administration burden on staff. Staff is recommending a VCE battery electric vehicle (BEV) low-income rebate amount of \$3,500, stackable with the CPUC/PG&E Pre-Owned low-income rebate (\$4,000) for a stacked incentive total of \$7,500. This combined amount fills the gap left by previous federal funding that has been discontinued.
- Outreach and Marketing Strategy: targeted marketing to low-income customers who are considering purchasing an electric vehicle utilizing social media, website, and fliers

⁴ <https://evrebates.pge.com/program-requirements>

for VCE and stakeholder distribution (e.g. De Colores and Cool Davis). Depending on demand, direct mail to low-income households may be employed.

Pilot Element 2: Multi-family Housing Charging System Incentives

Incentives for multi-family housing.

- Discussion/Design: Incentivizing charging readiness in multi-family housing is very important, as EVs are generally most inaccessible for renters or customers without easy access to charging. The charging incentives would be scaled to the number of multi-family dwelling units per property.

According to the US Department of Energy, 80% of EV charging is done at home.^[5]

Without incentives for home charging, the transition to an electric vehicle can seem out of reach for many customers. Multi-family property owners would be able to stack VCE incentives for a charger, charger-ready equipment (circuit splitters, pausers, EV prewiring), and/or panel upgrades. Panel upgrades are often a key barrier to charger installation. In certain situations, panel upgrades can be avoided with more cost-effective devices such as circuit splitters or pausers.

Incentives would be considered independent, meaning that customers could apply for one or all incentives (e.g., customers could apply for a panel upgrade if they do not apply for a vehicle). This maximizes customer flexibility (“meet customers where they’re at”), as well as encourages long lasting electrification infrastructure investments. Not all incentives will be needed at each site. The program is structured to account for that flexibility with pilot budget amounts for each category being scaled as an “up to...” amount. The incentive amounts and pilot structure were informed by academic research as well as program designs from other CCA programs.

- Outreach and Marketing Strategy: target customers are multi-family properties within VCE’s service territory. High-touch outreach would be employed, including staff calling, visiting, and sending direct mail to property owners. Marketing through the Chambers of Commerce, potentially including presentations, would also be used.

Pilot Element 3: Technical Support

Technical support for participating multi-family property owners.

- Discussion/Design: From initial conversations with multi-family property owners and other stakeholders, staff determined that without in-depth technical support, many property owners may be daunted by the prospect of electrical upgrades, not taking advantage of the available incentives. Additionally, other CCA programs have seen success providing a “white glove” concierge-style service to help customers with

charging installation. To that end, staff is in discussion with Sacramento Municipal Utilities District (SMUD) about the possibility of a “white glove” service that could be added to the existing Electric Advisor service. Customers could access site-specific technical assistance along the entire electrification journey.

- Outreach and Marketing Strategy: target customers are multi-family properties within VCE’s service territory. High-touch outreach would be employed, including staff calling, visiting, and sending direct mail to property owners. Marketing through the Chambers of Commerce, potentially including presentations, would also be used.

Additional Element - Charger Maintenance Rebate

Charging equipment can experience maintenance needs outside of warranty, which could result in unusable equipment and frustration for the customer, sometimes even impacting future electrification decisions. Staff is proposing a \$500 charger maintenance rebate for customers requesting work within 5 years of installation. Participants would be eligible if there is no other funding source available (e.g. an active warranty) and if VCE assisted with the installation of the charger(s). This rebate is similar to an incentive in a previous PG&E program design⁵.

Budget Options

Staff devised 3 Budget Options with a menu of incentives from the 3 Pilot Program Elements for the Board to review (see Attachment 1 for all Budget Options). For all 3 Options, the overall budget for the pilot remains the same, but the incentives and Pilot Elements differ. Staff recommends Option 2 (table below), which includes incentives for EVs, charging, technical assistance, and charger maintenance. For charging installations, available charging readiness incentives could include circuit splitters, pausers, and pre-wiring; and technical assistance can help customers to better understand these technologies. If all other technical options to provide the necessary electrical service for charging (i.e. circuit splitters, pausers), have been exhausted, customers could be eligible for an additional \$5,000 for a panel upgrade. Staff recommends that customers upgrade their panels as a last resort.

⁵ Staff was informed by a member jurisdiction that they worked with PG&E to install charging on an early PG&E pilot, and PG&E provided 10 years of charger maintenance as part of the pilot.

Table 1 – Option 2 - Recommended

Budget Option 2: EVs and Charging, Charger Maintenance, Tech Assistance	Pilot Program Elements	Incentive Category	Project Incentive Cap	
	Pilot Program Element 1: EVs	Pre-Owned EV Rebate, low-income qualifying only	Up to \$3,500	
	Pilot Program Element 2: Charging	Charger Maintenance	Up to \$500/charger	Total project cost not to exceed \$35,000 per property
		Charging Outlets + Readiness (L1)	Up to \$2,500/outlet	
		Charging Stations + Readiness (L2)	Up to \$4,000/station	
	Pilot Program Element 3: Tech Assistance	Program Admin	Up to \$60,000	
	Staff Time and Program Contingency		Up to \$60,000	
	Budget Total \$1,000,000			

The majority of the proposed budget is allocated to Element 1 (EV rebates) and Element 2 (multi-family EV charging). Here is one potential allocation scenario under the staff-recommended Budget Option 2 outlined above:

- 70 EV rebates @ \$3,500 = \$245,000
- 25 charger maintenance @ \$500 = \$12,500
- L1 chargers, charger readiness: 13 projects, 1-10 chargers each (up to 130 chargers) = \$325,000
- L2 chargers , charger readiness: 12 projects, 1-6 chargers each (up to 60 chargers) = \$240,000
- 10 panel upgrades @ \$5,000 = \$50,000
- Project admin and contingency = \$120,000

Pilot Metrics

Pilot program metrics include the number of EV rebates provided, GHG emissions reductions⁶, number of chargers installed, number of applications submitted and completed, customer satisfaction (measured through surveys and referrals), hours of customer assistance provided, and any applicable workforce development impacts.

Customer Eligibility

EV Incentives

If a customer receives a rebate through the CPUC/PG&E Pre-Owned EV Rebate Program (see attachment 3) and provides proper documentation to PG&E, customers would automatically qualify for VCE's Charge Your Ride Low-income EV Rebate. This will minimize staff's program administration burden, as well as the liability associated with collecting sensitive information (e.g. tax returns). VCE Staff is in contact with PG&E staff to better collaborate on program marketing efforts. Eligibility for PG&E's low-income EV Rebate includes participating in one of the income-qualified programs below:

- California Alternate Rates for Energy (CARE)
- Family Electric Rate Assistance Program (FERA)
- Clean Cars for All
- Clean Vehicle Assistance Program
- Driving Clean Assistance Program
- Residency in Affordable Housing, Public Housing, or Housing Choice Vouchers (Section 8)
- Low Income Home Energy Assistance Program (LIHEAP)
- CalFresh/SNAP (Food Stamps)
- Women, Infants, and Children (WIC)
- CalWORKs (TANF) or Tribal TAN
- Supplemental Security Income (SSI)
- Free or Reduced National School Lunch Program (NSLP)
- Bureau of Indian Affairs General Assistance Head Start Income Eligible (Tribal Only)

Charging Incentives and Technical Assistance

Customer must be a VCE customer in good standing to be eligible.

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⁶ Staff is still in discussion with subject matter experts on most appropriate measure of GHG emissions reductions, as there are several methodologies.

FINANCIAL IMPACT

The total proposed Charge Your Ride budget is \$1,000,000, which constitutes less than half of the current VCE Programs budget. The budget potentially includes administration elements through third parties, which could be reallocated to rebates should staff not need additional support.

CONCLUSION

Staff is recommending Board approval of Charge Your Ride (Budget Option 2) for Phase 2 of Valley Clean Energy's Electric Vehicle Rebate Pilot Program.

Attachment 1: Budget Options and Scenarios

Attachment 2: Definition of Terms

Attachment 3: Draft VCE Charge Your Ride Terms and Conditions

Attachment 4: PG&E Pre-Owned EV Rebate Terms and Conditions

Attachment 5: Preliminary Program Design/Implementation Form

Attachment 1: Budget Options and Scenarios

Budget Option 1: EVs and Charging, Charging Maintenance, (no Tech Assistance)			
Pilot Program Elements	Incentive Category	Cap	
Pilot Program Element 1: EVs	Pre-Owned EV Rebate, low-income qualifying only	Up to \$3,500	
Pilot Program Element 2: Charging	Charging Outlets + Readiness (L1)	Up to \$2,500 per outlet	Total project cost not to exceed \$35,000 per property
	Charging Stations + Readiness (L2)	Up to \$4,000 per station	
	Program Admin	Up to \$60,000	
	Staff Time and Program Contingency	Up to \$40,000	
	Budget Total \$1,000,000		

Possible Example Scenarios: With Budget Option 1, the total budget amount could be allocated:

- 70 EV rebates @ \$3,500 = \$245,000
- L1 chargers and charger readiness: 13 projects, 1-10 chargers each (up to 130 chargers, capped at \$35,000/project) = \$325,000
- L2 chargers and charger readiness: 12 projects, 1-6 chargers each (up to 60 chargers, capped at \$35,000/project) = \$240,000
- 18 panel upgrades @ \$5,000 = \$90,000
- Project admin and contingency = \$100,000

Budget Option 2: EVs and Charging, Charger Maintenance, Tech Assistance: Staff Recommendation			
Pilot Program Elements	Project Incentive Category	Cap	
Pilot Program Element 1: EVs	Pre-Owned EV Rebate, low-income qualifying only	Up to \$3,500	
Pilot Program Element 2: Charging	Charger Maintenance	Up to \$500 per charger	Total project cost not to exceed \$35,000 per property
	Charging Outlets + Readiness (L1)	Up to \$2,500 per outlet	
	Charging Stations + Readiness (L2)	Up to \$4,000 per station	
Pilot Program Element 3: Tech Assistance	Program Admin	Up to \$60,000	
	Staff Time and Program Contingency	Up to \$60,000	
	Budget Total \$1,000,000		

Possible Example Scenarios: With Budget Option 2, the total budget amount could be allocated:

- 70 EV rebates @ \$3,500 = \$245,000
- 25 charger maintenance @ \$500 = \$12,500
- L1 chargers, charger readiness: 13 projects, 1-10 chargers each (up to 130 chargers) = \$325,000
- L2 chargers , charger readiness: 12 projects, 1-6 chargers each (up to 60 chargers) = \$240,000
- 10 panel upgrades @ \$5,000 = \$50,000
- Project admin and contingency = \$120,000

Budget Option 3: Charging, Charger Maintenance, Tech Assistance, (No EVs)			
Pilot Program Elements	Incentive Category	Cap	
Pilot Program Element 2: Charging	Charger Maintenance	Up to \$500	Total project cost not to exceed \$35,000 per property
	Charging Outlets + Readiness (L1)	Up to \$2,500	
	Charging Stations + Readiness (L2)	Up to \$4,000	
Pilot Program Element 3: Tech Assistance	Program Admin	Up to \$60,000	
	Staff Time and Program Contingency	Up to \$60,000	
	Budget Total \$1,000,000		

Possible Example Scenarios: With Budget Option 3, the total budget amount could be allocated:

- 25 charger maintenance @ \$500 = \$12,500
- L1 chargers, charger readiness: 15 projects, 1-10 chargers each (up to 150 chargers) = \$375,000
- L2 chargers, charger readiness: 12 projects, 1-10 chargers each (up to 120 chargers) = \$480,000
- 2 panel upgrades @ \$5,000 = \$10,000
- Project admin and contingency = \$120,000

Please note that all potential budget option scenarios are illustrative **only and are intended to provide an example of how funds could be allocated. Additionally, for the first 9 months of the program, total budget amount will be allocated to member jurisdictions by percentage of customers served, on a first-come, first-served basis, up to the geographic cap.*

Attachment 2: Definition of Terms

Defining Terms:

Electric Vehicle: An EV or electric vehicle runs on electricity. EVs are rapidly becoming the preferred car globally because of cost and environmental benefits. The three types of EVs are Battery Electric Vehicles (BEVs), Plug-In Hybrid Electric Vehicles (PHEVs) and Hybrids.

BEV (battery electric vehicle): A BEV is an EV that runs only on electricity. BEVs provide the greatest cost and environmental benefits.

ZEV (zero-emissions vehicle): Zero-emission vehicles are cars that emit no greenhouse gases. Full battery electric vehicles (BEVs) are Zero-Emission Vehicles.

PHEV (plug-in hybrid electric vehicle): PHEVs run on both gas engines and electric batteries. Some PHEVs first run on electricity and then switch to gas when electricity runs out. Others use both simultaneously. PHEVs are not as efficient as BEVs but offer more environmental and cost benefits than hybrids.

Greenhouse Gas Emissions: Greenhouse gas emissions such as carbon dioxide (CO₂) are generated by burning fossil fuels. ICE vehicles are a leading cause of GHG emissions. Switching to EVs significantly reduces GHG emissions.

Charging Station: A charging station refers to where you charge your EV both in public and at home.

Level 1 (L1): In North America, Level 1 (L1) AC charging is the slowest type of EV charging. Level 1 requires no special equipment and can connect to a standard wall outlet delivering AC power.

Level 2 (L2): Level 2 (L2) AC charging is the intermediate type of EV charging. Many EVs use Level 2 charging at home and in public.

Level 3 (L3): Level 3 (L3) DC charging is the fastest type of EV charging. EVs can use Level 3 charging in public when going long distances or when time is scarce.

Plug: Another term for an EV's connector.

Port: A port is where a station's connector plugs into an EV to charge. The different types of connectors plugs all have corresponding ports.

Adapter: An EV adapter allows an EV to connect to different types of EV chargers. For example, a Tesla can use adapters to connect to other types of EV chargers.

Kilowatt (kW): A kilowatt is a measure of power or the rate at which energy is used. Kilowatts influence the speed of EV charging.

Kilowatt-hour (kWh): A kilowatt-hour is a measure of energy use over time and is used to track the amount of energy added to an EV battery while charging. More kWh means more energy for an EV to run on.

Attachment 3: Draft VCE Charge Your Ride Terms and Conditions

DRAFT Terms & Conditions for Charge Your Ride, EV Rebate Phase 2:

- Property has an existing VCE customer account in good standing;
- EVSE (EV Supply Equipment) must be connected to a meter associated with an active VCE customer account;
- All work performed on projects under this agreement must be performed by contractor companies that hold a valid California C-10 license;
- Installations must comply with all federal, state, and municipal laws, ordinances, rules, codes, standards, and regulations.
- Installations must be voluntary and surplus—charging stations that are required to be installed by a regulation, local ordinance, building code, or other legal obligations (e.g., legal settlement, condition of lease agreement or use permit, EV-readiness ordinance) are not eligible;
- For residential applicants, if the housing is not master metered (each home has its own electrical meter), it must meet the following: Assigned parking spaces are eligible;
- Participant is the property owner of title, property manager, or an authorized representative of the property owner of title;
- Installations must be adding additional EVSE. Replacement of existing EVSE, whether operable or inoperable, is not eligible;
- An organization or individual (contractor, developer, property manager, etc.) may be authorized by the property owner to act on the property owner's behalf for the purpose of applying for and managing Pilot Incentives (a "Designated Applicant"). If the Designated Applicant applies for Pilot Incentive funds on behalf of the property owner, the property owner may authorize the incentives to be paid directly to the Designated Applicant;
- VCE reserves the right to exclude any eligible VCE customer from participating in the Charger Assistance Pilot, including any eligible VCE customer having an Account with a delinquent balance. Eligibility is subject to change.
- Applications must be submitted within ninety (90) days of the purchase, unless an extension is granted by VCE;
- No equipment warranties;

- Vehicles must be purchased at a dealership or online retailer. Private party (i.e. person-to-person) sales are not eligible for the rebate;
- Applicants are not required to submit Social Security Numbers (SSNs);
- Applicant cannot be claimed as a dependent on another taxpayer's tax return for the tax year of purchase;
- The Applicant's permanent home address must be an address in a Member Community. Proof of residency is required.

Qualifying EVs, Chargers and Other Eligible Costs:

- L1-2 Outlets must be 120 volt or 208/240V outlets; each outlet must provide a 1.4 kW minimum power supply;
- NEMA-rated receptacle for 15- or 20-amp circuit must be installed;
- Receptacles installed outside must use NEMA 3R minimum rated enclosures;
- There must be a dedicated EV charging circuit breaker that is clearly labeled in the service panel or sub-panel;
- The outlet must be within 14 feet of a vehicle charging parking spot(s);
- Installation must be completed by a valid California state-licensed electrician.
- L2 Stations; Charger must utilize an SAE J1772 compliant charging connector;
- Charger must have a 6.2 kW minimum capable power supply. Actual operating draw may be lower when controlled by power management;
- Charger must be NEMA 3R rated minimum;
- Charger must be UL 2594 certified by a Nationally Recognized Testing Laboratory (NRTL);
- Equipment must be new and installed for the first time, hardwired and either installed on a wall or pedestal;
- A minimum 3-Year Warranty must be included;
- If Panel Upgrade is Unavoidable, the existing electric panel must be upsized to a new or expanded capacity of at least 200 amps;
- Must be specified and installed in compliance with the California Electrical Code;
- The new panel must be required to enable the load of a minimum of four new ports;

- EV charging infrastructure hardware (EV charging stations and outlets);
- Design and engineering services; *Installation labor costs;
- Electrical improvements (including panel upgrade costs preferably circuit splitters and pausers);
- Utility service upgrades, net of any utility service allowance;
- Operations and maintenance agreements;
- Costs associated with extended Wi-Fi or cell connectivity for EVSE;
- Project signage;
- Required ADA upgrades due to charging project;
- Permit fees;
- Load management equipment;
- Electric Vehicle must be a new or used plug-in hybrid electric vehicle or battery electric vehicle;
- Vehicle must be a highway capable, four-wheeled passenger vehicle;
- Motorcycles are not eligible;
- The Applicant cannot be the same as the vehicle's previous owner, as shown on the vehicle title;
- Vehicles purchased must be for personal use only, not for resale
- EVs at MRSP value less than \$50,000 (TBD with used focus)



Pre-Owned EV Rebate Terms and Conditions

The following Terms and Conditions apply to all Pacific Gas and Electric Company (PG&E) Pre-Owned EV Rebate Program ("Program") Applications submitted on and after April 16, 2025. Terms and Conditions for applications submitted prior to April 16, 2025 can be found in our FAQs here: <https://evrebates.pge.com/faqs>. There are two rebates available under the Program: the Standard Rebate and Rebate Plus. Requirements for each rebate are explained below. Funds available for the Rebates are limited and are available on a first-come, first-serve basis.

I. Applicant Eligibility

To be eligible for the PG&E Pre-Owned EV Rebate ("Rebate"), an applicant ("Applicant") must:

- 1. Be a customer of PG&E with an active residential Electric Service Agreement at the time of application submission or at the time of application review.**
 - a. PG&E gas-only residential customers who receive electric service from a municipality are not eligible.
 - b. Applications with a vehicle registered at an address that has a commercial account for their PG&E Electric Service Agreement are not eligible.
 - c. Community Choice Aggregation ("CCA") and Direct Access ("DA") customers who receive electric delivery service from PG&E are eligible for the rebate.
 - d. The name on the PG&E Service Agreement does not need to match the Applicant's name.
- 2. Own or lease a previously owned ("pre-owned" or "used") eligible electric vehicle with a current California registration for a minimum of twenty (20) consecutive months after the vehicle purchase or lease date. Lease terms of at least twenty (20) months are required for Rebate eligibility. For more details on eligible vehicles, see the vehicle eligibility section.**
 - a. If the Applicant is assuming a lease from a previous lessee, the number of months between the lease transfer date and the lease end date must be at

least twenty (20) months to be eligible.

- b. If the lease agreement submitted does not have a minimum lease term, the vehicle is not eligible for a Rebate unless an Applicant can provide other proof, acceptable to PG&E, in its sole discretion, that the Applicant will lease the vehicle for at least twenty (20) months.
 - c. If an Applicant does not retain ownership or lease of the qualifying EV for twenty (20) months, the Applicant agrees to return to PG&E a pro rata share of the Rebate amount.
3. **Register the vehicle at the same Service Address corresponding to the Applicant's residential PG&E Electric Service Agreement. The address on the Application must match the address listed on the vehicle registration and the Service Address associated with the residential PG&E Electric Service Agreement ID provided. Rebate check(s) for an approved Applicant must be mailed to the address present on the Applicant's registration card.**
 4. **Have the vehicle registered in the Applicant's individual name and pay the current vehicle registration fees in the State of California. A vehicle registered only in the name of a business is not eligible.**

Note: Paid registration for a Planned Non-Operational (PNO) vehicle is not acceptable to meet the "proof of current vehicle registration" requirement.

5. **Provide a copy of the Applicant's valid California driver license. If the Applicant is living in California on military orders, the Applicant must provide a copy of a valid, out of state driver license and the military orders to California.**
6. **Successfully submit a Rebate application within 180 days after the date of first purchase or lease of the EV by the Applicant. An application is considered submitted once the application form is completely filled out and all supporting documents are uploaded. The applicant will receive an email confirmation when the application and documents are submitted.**

Note: An Applicant may not start an Application prior to purchase or lease and possession of an eligible EV.

- a. The date of purchase or lease shall be the date listed on the purchase or lease contract.

- b. If purchased in a private party sale (not from a registered dealer), the Transfer Date on the new owner's Certificate of Title shall be considered the date of purchase. If the Transfer Date is missing from the Certificate of Title, additional documentation may be required to confirm the vehicle purchase date.
- c. If an Applicant leased an eligible vehicle and subsequently purchased the same vehicle, the original lease date will be considered the date of purchase or lease for the purposes of the Rebate. The original lease agreement must be submitted by the Applicant to complete the Application.

II. Vehicle Eligibility

To be eligible for the Rebate, a vehicle must:

1. **Be a qualified pre-owned (used) Battery Electric Vehicle ("BEV") or Plug-in Hybrid Electric Vehicle ("PHEV") (both BEV and PHEV are referred to herein as an "EV") listed on the California Air Resources Board's High Occupancy Vehicle (HOV) Lane Eligibility List found at <https://ww2.arb.ca.gov/eligible-carpool-sticker-list>.**

Note: Fuel cell vehicles, Compressed Natural Gas vehicles, electric bikes, electric motorcycles, electric scooters, and neighborhood vehicles are not eligible for a Rebate, even if they are included on the HOV Eligibility List.

2. **A vehicle is considered pre-owned (used) for the purposes of the Program if it meets both of the following criteria listed below:**
 - a. The vehicle has been fully registered to a previous owner prior to the Applicant's purchase or lease; and
 - b. If purchased at a dealership or retailer, the purchase or lease contract indicates that the vehicle is "Used" OR, if purchased in a private party sale, the Certificate of Title has a Transfer Date present.

If the above criteria are not met, PG&E may, in its sole discretion, consider providing a Rebate, if the Applicant can provide other evidence demonstrating that the vehicle had been previously owned. If the supporting documentation provided by the Applicant does not make clear that the vehicle is pre-owned (used), PG&E may require additional documentation to confirm eligibility.

3. **A vehicle is not considered pre-owned (used) and is ineligible if:**

- a. The vehicle was previously an unregistered dealer demo, rollback, or unwind that had not been fully registered,
- b. The Applicant received the California Clean Fuel Reward at the point of purchase or lease of the vehicle, regardless of the vehicle status listed on the contract; or
- c. The vehicle was leased as a new vehicle by the Applicant and the Applicant subsequently purchased the vehicle.

4. If leased, a pre-owned vehicle is only eligible for a Rebate if it was leased from a registered dealership, vehicle retailer, or other approved leasing agency.

III. Additional Requirements for Rebate Plus

In addition to the Standard Rebate, the Applicant may be eligible for the Rebate Plus option if the Applicant meets specific income-based criteria, as set forth under either of the two scenarios below:

- 1. Scenario 1: Applicant participated in and provides proof of enrollment (listing the Applicant as the participant), in at least one (1) eligible public assistance program at the date of purchase or lease of the EV. The public assistance programs are found at evrebates.pge.com/program-requirements.**
 - a. The Applicant's name must match the name of the participant enrolled in the eligible public assistance program. The proof of enrollment must be dated within twelve (12) months of the Application submission date. Additional details on the proof of enrollment documentation may be required for specific public assistance programs. If enrollment cannot be verified or if required details are missing from the provided documents, the Applicant must provide proof of enrollment in another eligible public assistance program or must go through income verification in order to be eligible for the Rebate Plus.
 - b. Proof of enrollment documentation that lists the Applicant as a dependent will be considered proof of dependency status and the Applicant will not be eligible for the Rebate Plus.
 - c. If an applicant is under the age of 18, additional documents will be requested to verify dependency status.

- 2. Scenario 2: Applicant's household meets the annual gross income limits set for their household size and the county within the PG&E service territory they resided in at the time of vehicle purchase or lease. Income limits for each county in Pacific Gas and Electric territory are based on the State Income Limits set by California's Department of Housing and Community Development ("HCD") and are updated annually. An applicant can reference the current program income limits for each ZIP code and household size at evrebates.pge.com/program-requirements.**
- a. For the purposes of the program, "household size" means the taxpayer(s) and any individuals who are claimed as dependents on the federal income tax return filed for the same year of the purchase or lease date of the vehicle. If the tax return for the year of purchase or lease has not yet been filed, the most recently filed tax return within two (2) years of the year of vehicle purchase or lease will be required for household size verification. Individuals that reside at the PG&E Electric Service Agreement address but that are not listed on the Applicant's filed tax return will not be included in the "household size" for the purposes of the Rebate Plus eligibility.
 - b. For the purposes of the program, "gross income" includes both taxable and non-taxable income. This includes, but is not limited to, the following: Wages, unemployment, workers' compensation, Social Security, Supplemental Security Income ("SSI"), public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources.
 - c. As proof of income eligibility, Applicants must provide:
 - i. A completed Household Summary Form that reflects the household members included on the Applicant's most recently filed tax return, including any spouse or dependents of any age; and
 - ii. A completed and signed IRS Form 4506-C for each person over the age of eighteen (18) included on the Applicant's filed tax return, regardless of filing status, for the year in which the Applicant's vehicle was purchased or leased. Dependents of the Applicant that were seventeen (17) or younger on the date of vehicle purchase or lease do not need to complete a 4506-C.

- d. If an application is submitted prior to the deadline for the last complete tax year's return, the return for the previous year will be requested instead.

For example: an Applicant applying before the deadline to file their 2024 federal tax return will be asked to fill out a 4506-C for their 2023 tax return.

- e. If an applicant has filed for the most recent tax year before the tax filing deadline and the IRS has completed processing their return, then the applicant may request that their income is evaluated on their most recently filed tax return. This request must be made before the Applicant's Rebate Plus application is processed.

For example: an Applicant who had already filed their 2024 taxes in February of 2025 and applied in March of 2025 may request that their tax return for tax year 2024 is evaluated. However, once Income Verification has been completed for an Application, no requests to adjust tax years or household sizes to accommodate income limit eligibility be accepted.

- f. If an Applicant has not yet filed their tax return for the year of purchase or lease, their most recently filed tax return within two (2) years of the year in which the vehicle was purchased or leased will be requested for income verification.
- g. If an Applicant has not filed a tax return within two (2) years of the year the vehicle was purchased or leased, PG&E may, in its sole discretion, consider additional documentation to calculate income. Examples of additional documentation that may be required include pay stubs, W2s, SSI benefit documents, etc. Filing an extension for the tax year being requested is not considered filing for the purposes of the Program's income calculations. In these cases, additional documentation may be requested to evaluate the Applicant's income for that non-filing year. If the Applicant is unable to provide additional requested documentation to complete income verification, the Applicant is not eligible for the Rebate Plus option.
- h. If an Applicant meets all eligibility requirements, but their household income is determined to be above the income limit or the return indicates the Applicant was claimed as a dependent in the tax year being reviewed, the Application will automatically be approved for the standard Rebate amount. If the Applicant intends to file an amended tax return, the amended tax return must be filed and processed by the IRS by the time of application

review in order to be considered for the Rebate Plus option.

Note: An exemption number of zero (0) on the Applicant's filed tax return transcript will be considered proof of dependency status and the Applicant will not be eligible for Rebate Plus.

3. **An Applicant who is claimed as a dependent for federal income tax purposes for the tax year the vehicle is purchased or leased, as verified on the sale filed, complete tax year's return transcript, is not eligible for the Rebate Plus option regardless of that person's income. An Applicant with a vehicle registered in the name of a Trust is not eligible for the Rebate Plus option.**
4. **An Applicant who applies for only the standard Rebate and is approved for the standard Rebate will not be eligible to later submit an additional Application for the Rebate Plus option for the same vehicle, regardless of the Applicant's income qualifications at the time of original Application submission or after.**

IV. Application Process

1. **Incomplete or incorrect applications will not be processed. An application must include all required information, including acceptable proof of vehicle purchase or lease, valid vehicle registration, and proof that the EV is pre-owned. An Applicant must respond to requests for additional information to complete or correct an Application within the time period given by PG&E. Failure to timely complete or correct an Application will result in the cancellation of the Application.**
2. **An Applicant's name and address on the Application must be an exact match to at least one name shown on the vehicle registration. However, if the Applicant's name entered on the Application is not an exact match, PG&E may, in its sole discretion, if it determines that the names are substantially similar, edit the Applicant's name to match that on the vehicle registration (e.g., "Matt" becomes "Matthew").**
3. **If the Applicant's name entered on the Application is not the same name as at least one registered owner of the vehicle on the registration, the Application will be rejected. A registered owner may submit a new Application in their own name, if eligible.**
4. **An applicant with an eligible EV registered in the name of a Trust are eligible to apply for the Rebate in the name of the Trust as it is written on the registration, or**

in the name of the confirmed trustee; however, they are not eligible for the Rebate Plus option. PG&E may request a copy of the certification of trust or other documentation to confirm the name of the trustee.

V. Program Limitations

1. If the household has multiple eligible EVs (i.e., all occupants using the same residential PG&E Electric Service Agreement), the household may receive up to three (3) Rebates for eligible vehicles purchased in the same calendar year, one for each qualifying pre-owned EV.

Note: On a case-by-case basis, PG&E, in its sole discretion, may waive this limitation upon request (i.e., where a multi-unit dwelling shares a PG&E Electric Service Agreement).

2. Only one Pre-Owned EV Rebate may be issued to a registered owner or lessee per EV, as identified by the VIN. If the qualifying EV is co-owned or co-leased, only one co-owner or co-lessee is eligible for a Rebate, and no co-owner(s) or co-lessee(s) of the Applicant, at the time of purchase or lease or thereafter, may apply for a PG&E Rebate for the same EV at any time, even if the Applicant is removed from the vehicle registration or any owner(s)/lessee(s) move to a new residential address.
 - a. For the avoidance of doubt, an Applicant is not eligible to receive a Rebate for a vehicle via the PG&E Pre-Owned EV Rebate program if the Applicant, or a co-owner or co-lessee of the Applicant, previously received a California Clean Fuel Reward rebate, Southern California Edison (SCE) Pre-Owned EV Rebate, or the San Diego Gas & Electric (SDG&E) Pre-Owned EV Rebate for the same vehicle. Attempts to receive a Pre-Owned EV Rebate for more than one program for the same vehicle may result in a lifetime ban from receiving a future Pre-Owned EV Rebate from PG&E, SCE, and/or SDG&E, among other consequences.
3. Each individual Applicant may receive a PG&E Pre-Owned EV Rebate for up to a maximum of three (3) eligible EVs through the life of the Program.
4. Owner(s) or lessee(s) at the same residential address are eligible for only one PG&E pre-owned (used) Rebate for the same eligible vehicle registered at that same address, as evidenced by the vehicle registration. An Applicant agrees not to apply, or to cause anyone else in his or her household to apply, for more than one PG&E Pre-Owned EV Rebate for the same EV, even if there is a transfer of ownership

within the same household.

VI. Miscellaneous Terms and Conditions

1. **Program Implementation.** The Program is implemented and managed by Center for Sustainable Energy ("CSE"), a non-profit third-party contractor, on behalf of PG&E.
2. **Rebate Amount.** The current Rebate and Rebate Plus amounts are as set forth in the Application. Rebate amounts are subject to change at any time. An Applicant will be eligible for the Rebate amount posted on the Application at the time the Application is completed and accepted. Rebate funds are limited and are available on a first-come, first-served basis. Rebate checks are non-assignable and non-transferable. Rebate checks must be deposited within 180 days of the date of issuance. After 180 days the check will become void, the Rebate amount will be forfeited, and PG&E will not reissue a Rebate check.
3. **True and Accurate Information.** An Applicant certifies that the information provided in the application is true and correct. An Applicant agrees to provide any additional information that PG&E may request to confirm the accuracy of the information provided and eligibility for a Rebate. An Applicant understands and acknowledges that:
 - a. obtaining a Rebate by submitting intentionally inaccurate information and/or making fraudulent misrepresentations or omissions is strictly prohibited;
 - b. Any wrongfully obtained rebates must be refunded within thirty (30) days' notice to the applicant;
 - c. The Applicant may receive a lifetime ban from participating in any and all PG&E, SCE, and/or SDG&E Pre-Owned Rebate Programs; and
 - d. The Applicant may be subject to additional civil and criminal liability as a result. Beyond disclosure to SCE and/or SDG&E, PG&E may report and release information concerning such wrongdoing to state and local law enforcement, the California Department of Motor Vehicles, and any other appropriate authorities.
4. **Electronic Signature and Copies.** An Applicant agrees that Program documents may be executed with signatures delivered electronically (e.g., PDF by email). Electronic signatures or the keeping of records in electronic form shall be of the same legal effect,

validity, or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in the California Uniform Electronic Transactions Act (UETA) codified in Cal. Civ. Code §§ 1633.1 – 1633.17, inclusive of the California Civil Code and any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act (15 U.S. Code § 7001 et seq.).

5. **Program Notices.** Program communications, such as requests for additional documentation, Application approval notifications, and payment notifications, will be sent via email. It is an Applicant's responsibility to ensure the email address provided in the Application is accurate and permits the receipt of program emails. Denial of a Rebate due to failure to respond to electronic communication, including failure to respond due to Program emails being filtered as spam, is not appealable.
6. **Third Party Contracts.** The Program is not intended to be a point-of-sale or dealership incentive. Any agreements made between an Applicant and a dealership regarding use of the rebate funds are not sanctioned by PG&E and do not affect the contractual rights and responsibilities of PG&E and the Applicant under the program.
7. **Disclosure.** Any information provided in an Application may be used internally by PG&E for purposes other than processing the Application and may be made available to the CPUC and the California Air Resources Board.
8. **Consent to Receive Emails.** An Applicant consents to receive Program and marketing emails from PG&E and CSE. These emails may include information about programs, services, promotions, and events. Email addresses will not be shared with third parties without explicit consent, except as required by law. An Applicant has the right to opt-out of receiving marketing emails at any time. PG&E and CSE will promptly remove email addresses from its marketing list. To unsubscribe from marketing emails, please follow the instructions provided in the footer of any marketing email or contact the Program directly at ev@pgerebate.com to request removal from PG&E and CSE mailing lists. An Applicant may not unsubscribe from Program emails.
9. **Taxes.** An Applicant acknowledges and agrees to be solely responsible for the payment of any and all local, state, and federal income taxes, and any other applicable taxes, duties, or levies, that may arise in connection with receipt of a Rebate. It is an Applicant's sole responsibility to seek professional advice and determine any tax consequences of receipt of a Rebate.

- 10. Representations and Warranties.** PG&E makes no representations or warranties regarding an Applicant's eligibility to receive a Rebate. Furthermore, PG&E makes no representations, expressed or implied, regarding the design, construction, reliability, efficiency, performance, operation, maintenance, or use of any vehicle, discussed, selected, rejected, purchased/leased or otherwise considered by an Applicant. Any decisions regarding the selection, design, purchase/lease, use and operation of any vehicle shall be at the sole discretion and are the sole responsibility of the Applicant. PG&E does not guarantee energy or bill savings as a result of purchasing an EV and receiving Rebate.
- 11. Termination.** The Program may be terminated at any time by PG&E and/or the California Public Utilities Commission ("CPUC").
- 12. Indemnification.** An Applicant agrees to release and hold harmless PG&E, its officers, directors, shareholders, employees and contractors from and against any and all causes of action, damages, losses, claims, expenses, demands, costs (including attorneys' fees and expenses and all court, arbitration or other dispute resolution costs), or any of them, resulting from, arising out of, or in any way directly connected with the Program, an Applicant's receipt of a Rebate, failure to receive a Rebate, any taxes associated therewith, or an Applicant's vehicle registration or registration status.

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Attachment 5: Program Preliminary Design/Implementation Form

Program Concept: Phase 2 of the Electric Vehicle (EV) Pilot Program: Charge Your Ride

Date: 11/13/25

Staff Resources and Support:

Assigned Program Managers and Support: Rebecca Kuczynski, Mary-Kathryn Rueff

Programs Task Group members: Dave Springer, Mark Aulman, Diccon Westworth

Consultant name (if applicable): Sacramento Municipal Utilities District (SMUD)

Scope: 2 years, or when funds are exhausted

Timing: Q1 2026-Q4 2027

Program Design Criteria Evaluation:

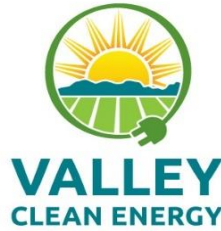
	Criteria 1	Criteria 2	Criteria 3
Criteria Type	<u>Availability of Funds</u>	<u>Staff Time</u>	<u>Strategic Plan Alignment</u>
Reasoning for Program Score	High score: uses less than half of the available budget.	Average score: will require some staff time to set up, but less so during implementation.	High score: Target customers are low-income customers and multi-family property owners, both difficult-to-reach demographics. Focuses on transportation electrification, local infrastructure and customer satisfaction.

Program Metrics and Goals:

Metrics: number of EVs incentivized, number of multi-family charging installations, number of electrification assistance given (e.g. panel upgrades), number of customers assisted with Concierge Service

Goals:

- 50 low-income rebates, with at least ten (10) rebates each in Winters, Woodland and Davis; and five (5) in unincorporated Yolo County
- Five (5) charger maintenance assists (expires 5 years after installation)
- Multi-Family installations:
 - Five (5) L1 charging installations with five (5) chargers each (total of 10 charging ports)



- Six (6) L2 charging installations with two (2) chargers each (total of 12 charging ports)
- Five (5) electric panel upgrades and five (5) avoided panel upgrades

Proposed Programs Budget:

Resource	Source	Proposed Budget	\$ Remaining in Program Funds
Rebates, Incentives and Tech Support (Concierge Service)	Programs Budget	\$880,000	
Consultants, Staff Time and Program Contingency	Programs Budget	\$120,000	
	Total	\$1,000,000	\$1,641,585

Organizational Goals Addressed:

Alignment with VCE's Strategic Plan

- **Goal 3: Enhance and amplify VCE's community benefits and increase customer satisfaction and retention.**
 - **Objective 3.1:** Develop and implement engagement strategies to increase awareness of, and participation in, local control of VCE's energy supply and programs with a particular focus on engaging disadvantaged and historically marginalized communities.
 - **Objective 3.4:** Build awareness and trust of the VCE brand through direct engagement with customers, communities and organizations in VCE's service territory.
 - **Objective 3.5:** Develop and implement customer programs and initiatives that prioritize decarbonization, community resiliency, energy efficiency, building



weatherization, rate affordability, and customer savings, including focused efforts on low-income and medically vulnerable customers.

- Objective 3.6: Measure and increase customer satisfaction, using tools such as surveys and focus groups, while maintaining an overall participation rate of no less than 90%.
- Objective 3.8: Consider affordability when making rates, services, and program design decisions.

Program Eligibility: VCE customers in good standing.

Marketing, Education and Outreach (ME+O) Strategy: Could include print advertisements, social media, telephone calls, direct mail, in-person visits, working with CBOs to recruit customers (methods depend on target customers).

Board, CAC, PTG Input: Pilot has gone through several rounds of feedback from the Board, CAC and POTG. Main feedback themes have included ensuring low-income customers have access to EVs and charging, ensuring renters have access to EV charging, ensuring geographic diversity in incentive recipients, and the importance of incentivizing local electrical infrastructure upgrades.

Next Steps: Finalize terms and conditions, marketing and outreach strategy, and scopes of work for contractors (if applicable).