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VCE Community Advisory Committee Meeting – Thursday, March 26, 2026



Item 7 – Integrated Resource Plan Process and Schedule

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Agenda:

- Background
- Process
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- Team
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Item 7 – IRP Background

2026 IRP Background

- The Integrated Resource Plan (IRP) is a (nominally) biennial plan in which load serving entities (LSEs) like VCE outline how they will procure power resources to meet greenhouse gas (GHG) reduction targets and CPUC reliability requirements.
- VCE last filed an IRP in 2022
- Original IRP Target Date was 2024
- Earlier this year, the CPUC announced a deadline for LSEs to file IRPs of June 1, 2026, later delayed to August 10, 2026.

2026 IRP Process

- Each LSE must file a “conforming portfolio” with the CPUC:
 - Targets GHG emissions of MMT by 2035 and 8 MMT by 2045
- CPUC inputs, e.g load forecasts, resource costs, statewide resource potential, and generation profiles
- VCE performs portfolio modeling to create a conforming portfolio, consisting of existing resources in VCE’s power portfolio, and future resources to be procured.

VCE's IRP filing will consist of three components:

- A **narrative template** describing VCE's plan development approach, results of analytical work, and action plan.
- A **resource data template (RDT)** reporting VCE's existing and planned energy and capacity contracts.
- A **clean system power calculator (CSP)** estimating the GHG and criteria pollutant emissions of VCE's portfolios and verifying that VCE's portfolio achieves its assigned GHG and reliability planning benchmarks.

Item 7 – IRP Contents

Table 3 – Summary of Preferred Conforming Portfolio Resources (cumulative MW Nameplate Capacity)

| | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|--|------|------|------|------|------|------|------|------|------|------|------|------|------|
| BTM Solar | 62 | 66 | 71 | 77 | 83 | 90 | 96 | 103 | 109 | 116 | 122 | 128 | 134 |
| CAM/CPE Capacity¹ | 30.3 | 26.2 | 18.2 | 12.4 | 6.2 | 6.2 | 6.2 | 6.2 | 6.2 | 6.2 | 6.2 | 6.2 | 6.2 |
| RA-only Resources (planned) | | 28.9 | 39.9 | 41.5 | 57.1 | 69.7 | 75.9 | 26.7 | 44.2 | 59.7 | 70.9 | 93.6 | 79.6 |
| Contracted Operating Resources (as of August 2022) | | | | | | | | | | | | | |
| Solar PV | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Small Hydro | 2.9 | 2.9 | 2.9 | | | | | | | | | | |
| Demand Response ² | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | | | | |
| 4-Hour BESS | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | | | |
| Contracted In-Development Resources (as of August 2022) | | | | | | | | | | | | | |
| Solar PV+Storage | 165 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 |
| 8-Hour BESS | | | 2.3 | 5.1 | 5.1 | 5.1 | 5.1 | 5.1 | 5.1 | 5.1 | 5.1 | 5.1 | 5.1 |
| Geothermal | | 5.1 | 5.1 | 5.1 | 5.1 | 5.1 | 5.1 | 5.1 | 5.1 | 5.1 | 5.1 | 5.1 | 5.1 |
| Planned Resources | | | | | | | | | | | | | |
| New 4-Hour BESS | | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | | |
| New 6-Hour BESS | | | | | | | | 53 | 53 | 53 | 53 | 53 | 53 |
| New 8-Hour BESS | | | | | | | | | | | | | 17 |
| New Onshore Wind | | | | 20 | 20 | 20 | 20 | 39 | 39 | 39 | 39 | 39 | 39 |
| New Offshore Wind | | | | | | | | 9 | 9 | 9 | 9 | 9 | 35 |

Notes:

1. Year-ahead 2023 volumes for CAM and CAM DR RA; and 2024 and 2025 volumes for CAM CPE are assumed to remain constant throughout the 2023-2035 period.
2. This row is an RA-only contract.

From VCE's 2022 IRP:
<https://valleycleanenergy.org/wp-content/uploads/Item-13-Approval-of-2022-Integrated-Resource-Plan-10-12-22.pdf>



Item 7 – IRP Team

- **EQ Research** - VCE's regulatory consultant
 - Monitor, interpret, and ensure compliance with regulatory requirements, and prepare regulatory filings such as the IRP
- **The Energy Authority (TEA)** - VCE's Wholesale Energy Provider
 - Assist VCE with analysis, planning, procurement, and implementation of VCE's power procurement portfolio
- **Keyes & Fox** - Regulatory Counsel for the IRP
- **First Principles Advisory (FPA)**
 - VCE contracted with FPA in February 2026 (and 2022) to provide IRP portfolio optimization modeling services



Item 7 – IRP Impacts on VCE

IRP Impacts for VCE

- Influence long-term procurement decisions
- Possible updates to 2026-2029 Strategic Plan
- Major Update years do not align with Integrated Resource Plan (IRP) updates

| Extension of 2021-2023 Plan | | | Strategic Plan | | | | Strategic Plan | | | |
|-----------------------------|----------|--------------|----------------|--------------|----------|--------------|----------------|--------------|----------|--------------|
| 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
| Minor Update | | Major Update | | Minor Update | | Major Update | | Minor Update | | Major Update |
| | IRP WORK | | IRP WORK | | IRP WORK | | IRP WORK | | IRP WORK | |

Item 7 – IRP Process and Schedule: Next Steps

Next Steps:

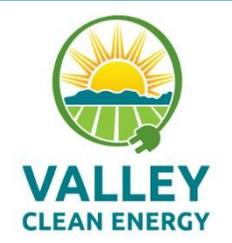
- **May 28, 2026** - Staff presents initial IRP analysis to the CAC
- **June 25, 2026** –Staff seeks additional feedback from the CAC (if necessary)
- **July 9, 2026** – Staff presents and seeks approval to file the IRP from the Board
- **August 10, 2026** – IRP due to be filed at the CPUC



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VCE Community Advisory Committee Meeting – Thursday, March 26, 2026

Item 9 – Local Energy Task Group



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Item 9 – Local Energy Task Group – Introduction

- Scalable, carbon-free electricity supply resources – solar PV, battery storage, load & microgrid controls – enable customers & communities to meet their energy needs locally & reduce reliance on costly, large-scale distant power plants & transmission infrastructure.
- Local supply can support local energy initiatives, provide local climate resilience, strengthen local economies, & achieve State clean energy goals faster & without triggering land-use controversies.
- However, the entire industry, including CCAs, has traditionally procured electric power supply via "power purchase agreements" (PPAs) with these large-scale distant power plants, AND MOREOVER
- State policy & standard benefit-cost analysis ignore the benefits of local resources & bias procurement decisions toward large-scale distant resources
- This TG was formed to educate ourselves & VCE's constituents & customers about local energy possibilities & benefits, to help advance VCE's strategic plan objectives to advance local energy in our service area.

Item 9 – Local Energy Task Group – Some Possible Project Types

- Community Resilience Centers – A local community center outfitted with solar PV & batteries to provide energy-dependent services (heat or cooling) to people during extreme climate events & utility system outages (MK)
- Community-scale Solar + Storage projects – Deploying PV + Storage on roofs of warehouses, schools, shopping malls, parking lots, to add to VCE's supply portfolio instead of more distant PPAs (Lorenzo / Chad)
- Public or coop-owned EV charging stations – As EV adoption accelerates, including school buses & small-business EV fleets, locally-owned PV-powered charging systems can strengthen the local economy (Lorenzo)
- Energy self-supply for new housing & mixed-use developments – Greenfield developments can incorporate city-owned electric distribution & on-site solar + storage + microgrids for immediate & long-term economic value & climate resilience (Ari / Sierra / David)

Item 9 – Local Energy TG – Community Resilience Centers (MK)

- What can community resilience centers be?
 - Hubs, spaces, neighborhoods, or blocks
- Theory of change:
 - Systems to encourage community ownership
- Concise list of co-benefits:
 - Disaster preparedness
 - Public health
- Potential outputs:
 - Greenhouse gas emissions reductions
 - Interconnection standards, incentive structures
 - Economic development and partnerships
 - Neighborhoods, especially: Fewer experienced outages



Item 9 – Local Energy TG – Community-scale Solar + Storage

- California must consume 100% carbon-free electricity by 2045 (SB 100)
- The State has massive unused solar potential on rooftops (warehouses, shopping malls, schools, parking lots) -- State could meet 74% of annual electricity needs per 2016 NREL solar potential study
- Yet State resource planning processes (SB 100 & IRP) exclude local front-of-meter solar + storage (FOM S+S) from consideration
- Local FOM S+S connected to distribution lines has no land-use issues, can provide local resilience & economic benefits, does not require costly transmission interconnections & upgrades, & can achieve faster cheaper SB 100 compliance
- LETG will (1) explore FOM S+S project options in VCE area; (2) identify barriers in state policy & regulation to formulate policy strategies
- This is a major statewide issue that threatens energy affordability & resilience & SB 100 mandates -- it needs all other CCAs to understand & get activated.

Item 9 – Local Energy TG – Public or Coop-owned EV charging stations

- Transportation electrification will be a big part of the clean energy future
- School buses, public transport & small business fleets are participating in the transition to EVs
- Unlike fossil fuels, electricity can be produced locally, potentially shifting massive revenue streams away from fossil fuels & into local economies
- Self-powered (with PV & stationary batteries) public charging stations & fleet garages can be locally owned by cities, counties, school districts, public agencies, worker-owned coops & community organizations, etc.
- LETG will (1) gather information on these facilities being implemented elsewhere, & (2) engage with local entities to explore possibilities.

Item 9 – Local Energy TG – Greenfield community energy

Energy self-supply for new development projects (Ari / Sierra / David):

- New (greenfield) residential and commercial projects can provide most (80%+) of their energy needs—including transportation—from local, on-site solar and storage
- Local (possibly new) public utility provides administrative structure as load-serving entity; local control over policies, rates, etc.
- Local utility owns wires and generation; forms sub-grid within larger grid, exports or purchases power and can provide grid services
- No conflict with PG&E franchise; not subject to CPUC jurisdiction
- Revenue pays for energy systems, distribution transferred from developer
- Optional microgrid to provide project-wide resilience for days at a time
- Allowed under current laws and regulations—no new state laws needed

Item 9 – Local Energy TG – Greenfield community energy benefits

Energy self-supply for new development projects (Ari / Sierra / David):

- Enhance affordability through lower and more stable energy costs
- Enable local economic development
- Lower upfront costs compared to individual systems
- Retain value in local economy through ownership
- Provide large savings to residents and revenue stream for city
- Provide revenue to finance additional measures (e.g., transit, electrification)
- Overcome interconnection and grid limits
- Reduce need for grid and transmission upgrades
- Reduce climate emissions
- Increase self-sufficiency and provide resilience during power outages
- Reduce impact to lands by placing solar on built environment

Item 9 – Local Energy TG – Opportunities in New Affordable Housing

Energy self-supply for new multifamily housing & mixed-use developments (Ari / Sierra / David):

- Greatest immediate opportunity is for new low and mid-rise affordable housing that is code-required to include PV systems and where storage can increase the economic value of PV generation
- Centralized battery advantages:
 - Installed at a lower cost than batteries at each unit and potential for SGIP program incentives
 - If in front-of-the meter storage may be eligible for lower tariffs and serve as an RA resource
- Modification of rules for rent-controlled housing are needed so that energy costs are factored into affordability
- The status of CPUC proceedings on community renewables and green tariffs (SB 43, AB 327, AB 2316) must be followed to determine applicability
- Value to developers/owners needs to be explored to encourage participation, for example by creating "straw man" examples
- Eventually, other models can be pursued such as for existing housing and planned unit developments [I would avoid talking about sequencing – new projects can go now]

Item 9 – Local Energy Task Group – Next Steps

- Explore possible VCE roles in different project types
- Identify local interests; explore potential project ideas
- Describe policy/regulatory/legal context and identify needed changes
- Describe additional design details for different project types, including financing, value, ownership and scale
- Identify & describe qualitative considerations
 - Non-energy benefits & impacts typically omitted from conventional benefit-cost analysis
 - Location-specific benefits & impacts
- Develop Local Energy page on VCE web site for definitions & resources
- Provide introductory LETG presentation to VCE Governing Board

Item 9 – Local Energy Task Group -- Resources

Resources:

- Lawrence Berkeley National Laboratory. (2025). DER Integration Framework Final Report. https://eta-publications.lbl.gov/sites/default/files/202502/der_integration_framework_final_20250117.pdf
- NorCal Resilience. (2020). Resilient Hub Initiative. <https://norcalresilience.org/resilient-hub-initiative/>
- National Renewable Energy Laboratory (2016). Rooftop Solar PV Technical Potential in the US. <https://docs.nrel.gov/docs/fy16osti/65298.pdf>
- [Article on growth of small business EV fleets \(2026\).](https://www.act-news.com/news/small-fleets-missing-link-in-electrification/) <https://www.act-news.com/news/small-fleets-missing-link-in-electrification/>
- Article on community solar + storage in CA (2026). <https://www.canarymedia.com/articles/solar/fight-over-california-community-solar-plan-heating-up>