



**Regular Meeting of the Community Advisory Committee (CAC)
of Valley Clean Energy Alliance
Thursday, August 28, 2025 at 5:00 p.m.
City of Davis Conference Room
(inside Community Chambers building)
23 Russell Blvd., Davis, California 95616**

CAC Members will be attending in-person and public participation will be in-person or available via Zoom Webinar (video/teleconference). Valley Clean Energy (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.

Meetings are accessible to people 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, 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 CAC and included in the official record, please hand it to a member of VCE staff who will distribute the information to the CAC 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 CAC member with the concurrence of the CAC. Staff recommendations are advisory to the CAC. The CAC 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 participate remotely in the CAC's meeting may do so with video/teleconferencing call-in number and meeting ID code. To join remotely, please see the Zoom Webinar (video/teleconference) information below:

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/89013242912>

Meeting ID: 890 1324 2912

By phone:

One tap mobile:

+1-669-900-9128,, 89013242912# US

+1-669-444-9171,, 89013242912# US



Dial:

+1-669-900-9128 US

+1-669-444-9171 US

Meeting ID: 890 1324 2912

Public comments may be submitted electronically or verbally 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.

Committee Members: Rahul Athalye (Chair), Keith Taylor (Vice Chair), Mark Aulman, David Springer, Lorenzo Kristov, Cynthia Rodriguez, Jennifer Rindahl, Diccon Westworth, Danielle Ballard, Ari Halberstadt

5:00 P.M. CALL TO ORDER

- 1. Welcome**
- 2. Public Comment:** This item is reserved for persons wishing to address the CAC 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 Regular 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 CAC 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 the information below under **PUBLIC PARTICIPATION** at the conclusion of this agenda about how to provide your public comment.
- 3. Brief Task Group and VCE Staff Reports (~ 15 minutes)** - Representatives of VCE staff and active Task Groups will provide verbal updates on on-going Staff and Task Group work. Task Group recommendations requiring Committee attention require a regular agenda item. Summaries of written reports received by the Committee in advance of the meeting will receive a time allocation of up to ten minutes. Otherwise, the time allocation will be five minutes, including questions and answers. The Committee may decide to allocate additional time at the end of the regular agenda.
 - a. Task Group Reports**
 - b. Staff Report**

CONSENT AGENDA (~ 5 minutes)

- 4. Approval of June 26, 2025 Meeting Minutes.**
- 5. Receive Customer Participation Update (2nd Quarter 2025).**
- 6. Receive 2025 Long Range Calendar. (Information)**



REGULAR AGENDA

7. **Seeking feedback and recommendation on Major update of VCE's Strategic Plan for 2026-2029. (Discussion/Action) (~ 20 minutes)**
8. **Introduction and discussion of Large Electric Load Policy. (Discussion) (~ 30 minutes)**
9. **Advisory Committee Member and Announcements. (~ 5 minutes)** Action items and reports from members of the Advisory Committee, including announcements, reports on meetings, and information which would be of interest to the Committee or the public.
10. **Announcement and Adjournment.** The CAC has scheduled a meeting for Thursday, September 25, 2025 at the City of Woodland Council Chambers located at 300 First Street, Woodland, California 95695.

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 CAC 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 CAC meeting it will be e-mailed to the CAC 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 CAC 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. Items read cannot exceed 300 words or approximately two (2) minutes in length. 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 agenda for a regular or special CAC meeting are available for public review on the VCE website. Records that are distributed to the CAC 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 CAC. 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/cac-meetings/>.

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

**VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE**

Staff Report - Item 4

TO: Community Advisory Committee

FROM: Alisa Lembke, Board Clerk/Administrative Analyst

SUBJECT: CAC June 26, 2025 Meeting and Strategic Plan Update Workshop Minutes

DATE: August 28, 2025

Recommendation

Receive, review and approve the attached June 26, 2025 meeting and Strategic Plan Update Workshop Minutes.

Please be advised that the CAC's scheduled July 24, 2025 meeting did not have a quorum; therefore, no Minutes were prepared. Actionable items, such as those on Consent, were moved to the CAC's August 28, 2025 meeting.

Attachment: 1. June 26, 2025 CAC meeting and Strategic Plan Update Workshop Minutes



**MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE MEETING
AND STRATEGIC PLAN WORKSHOP
Thursday, June 26, 2025 at 5:00 p.m.
University of California Agriculture and Natural Resources (UCANR)
San Joaquin Valley Room
2801 2nd Street, Davis, CA 95618**

Chair Athalye established that there was a quorum present and opened the Community Advisory Committee of Valley Clean Energy Alliance in a meeting on Thursday, June 26, 2025 beginning at 5:06 p.m., held at the University of California Agriculture and Natural Resources (UCANR), San Joaquin Valley Room located at 2801 2nd Street, Davis, California 95618.

Welcome and Roll Call

Committee Members Present: Rahul Athalye (Chair), Mark Aulman, Lorenzo Kristov, David Springer, Ari Halberstadt, Jennifer Rindahl, Cynthia Rodriguez (arrived at 5:18 p.m.)

Committee Members Absent: Keith Taylor (Vice Chair), Diccon Westworth, Danielle Ballard,

Welcome Chair Rahul Athalye welcomed everyone and reminded everyone that VCE is still seeking candidates to fill the unincorporated Yolo County CAC seat.

Public Comment / Introductions There were no verbal or written public comments on items not on the Agenda or on Consent.

Brief VCE staff Report

Task Group Reports:

- A) Legislative & Regulatory (Leg./Reg) Task Group: Lorenzo Kristov informed those present that the Task Group is keeping tabs on legislation regarding battery storage program funding for residential IOU (only) customers, and the expansion of the program to CAC customers. The Task Group is also keeping tabs on Assembly Bill (AB) 306: Building regulations: state building standards, as it relates to "REACH" codes and residential units.
- B) Programs & Outreach Task Group: VCE Staff Rebecca Kuczynski informed those present that the Task Group has not met recently.
- C) Bioenergy Task Group: VCE Staff Gordon Samuel informed those present that the Task Group has not met recently; however, the Task Group has provided feedback on a Biomass bill to the Leg/Reg Task Group. : feedback from Mark and Danielle for a Biomass bill that feedback was provide to Leg/Reg Task Group



- D) Strategic Plan Task Group: VCE staff Edward Burnham informed those present that the Task Group took the feedback from the May 22, 2025 Strategic Plan Update Workshop and outlined more action items. The Strategic Plan Update's current timeline will remain. The Task Group will meet again to review tonight's feedback from the Strategic Plan Update Workshop on Goals 3 and 4.

Staff Report: Mr. Samuel announced that the Board received at their June 12, 2025 meeting their annual Summer Preparedness Outlook update; approved the customer rate discounts for the remainder of 2025; allocated the 2024 Net Margin; reappointed Cynthia Rodriguez, David Springer, Rahul Athalye and Mark Aulman for another 3 years to represent each VCE jurisdiction; and, received highlights from Board Members and Staff on the CalCCA 2025 Conference held in late April. On behalf of Staff, Mr. Samuel thanked Mark Aulman for help staff at the California Honey Festival held at the Yolo County Fairgrounds on Saturday, June 21, 2025. (Cynthia Rodriguez arrived at 5:18 p.m.)

Consent Items

There were no written or verbal public comments as identified above.

Lorenzo Kristov made a motion to approve the Consent agenda item, seconded by David Springer. Motion passed with Taylor, Westworth, and Ballard absent and Aulman abstaining. The following items were:

4. approved May 22, 2025 meeting and Strategic Plan Updated Workshop Minutes;
5. received 2025 Long Range Calendar; and,
6. received Summer Preparedness outlook.

Item 7: Advisory Committee Member and Staff Announcements

Lorenzo Kristov informed those present that he attended a transmission planning workshop hosted by Sonoma Clean Power (SCP) and Peninsula Clean Power (PCE), which was held recently in Sacramento, and attended by a variety of agencies.

No other CAC or VCE Staff had any announcements.

Item 8: Adjournment of Regular meeting.

Chair Athalye announced that the CAC has scheduled a meeting for Thursday, July 24, 2025 at the City of Woodland Council Chambers. Chair Athalye adjourned the CAC's regular meeting at 5:27 p.m. to reconvene into the Strategic Plan Update Workshop at 5:30 p.m.



RECONVENED AS STRATEGIC PLAN UPDATE WORKSHOP

Item 1: Public Comment.

Chair Athalye began the Strategic Plan Update Workshop at 5:35 p.m. There were no written or verbal public comments.

Item 2: Strategic Plan Update Workshop

VCE Staff Edward Burnham welcomed those who were in attendance and reviewed the Workshop #2 agenda. Mr. Burnham provided a brief overview of Valley Clean Energy's (VCE) role as a Community Choice Aggregate (CCA); the location map of CCAs within California; and, the process of making a major update to VCE's Strategic Plan by holding workshops and soliciting input from VCE's customers through a survey. Mr. Burnham reviewed the key goals and objectives outlined in the Strategic Plan.

VCE Staff Rebecca Kuczynski reviewed the results of Workshop 1, where Goals 1 (Financial Strength) and 2 (Procurement and Power Supply) were discussed. Positive and helpful feedback was provided. Ms. Kuczynski briefly highlighted the survey results.

Ms. Kuczynski reviewed Goal 3 - Customers and Community and highlighted proposed changes to enhance and amplify VCE's community benefits and increase customer satisfaction and retention.

Mr. Samuel reviewed Goal 4 - Decarbonization and Grid Innovation and proposed that this goal be retitled to "Energy Service Resilience" and to revise the objectives accordingly, with possibly moving 4.3 objective (increase participation in VCE's UltraGreen 100% renewable product) to Goal 3 (Customers and Community).

Both Ms. Kuczynski and Mr. Samuel solicited and received feedback from those present. There was no written or verbal public comment.

Item 3: Adjournment of Workshop

The meeting was adjourned at 7:00 p.m.

Alisa M. Lembke
Board Clerk/Administrative Analyst

**VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE**

Staff Report – Item 5

TO: Community Advisory Committee

FROM: Rebecca Boyles, Director of Customer Care & Marketing

SUBJECT: Receive Quarterly Customer Participation Update (Information)

DATE: August 28, 2025

RECOMMENDATION (Information only)

Receive the quarterly Customer Participation update staff report reflecting the time period of April 1, 2025 through June 30, 2025 (Quarter 2 2025).

Attachment: VCE 2025 Quarter 2 Customer Participation Update

Item 5 – Customer Participation Update

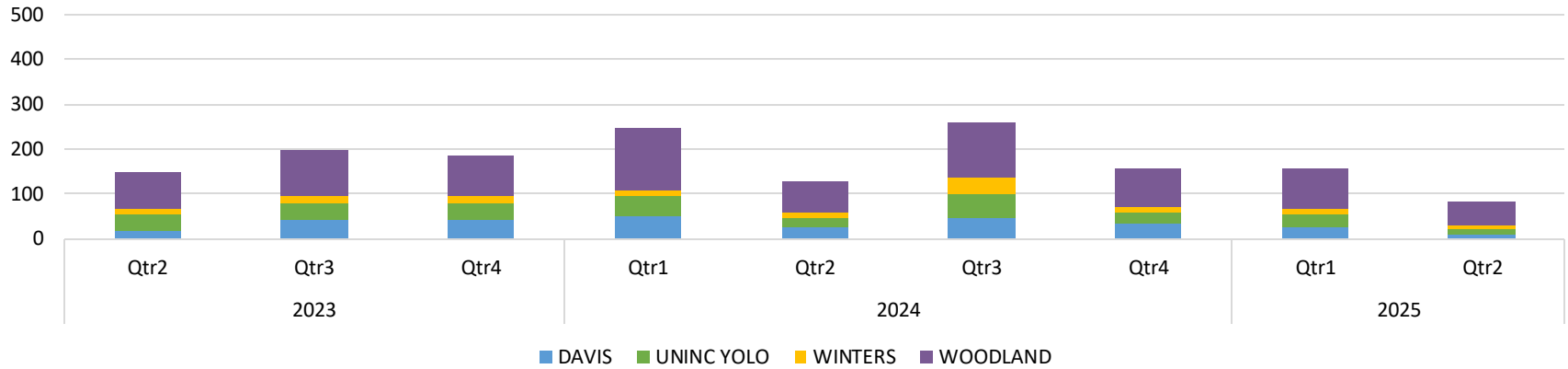
	Davis	Woodland	Winters	Yolo Co	Total	Residential	Commercial	Industrial	Ag	NEM	Non-NEM
VCEA customers	28,472	20,564	2,624	10,849	62,509	54,476	6,084	11	1,938	14,988	47,521
Eligible customers	29,916	24,160	3,099	12,506	69,681	60,712	6,773	11	2,185	16,912	52,769
Participation Rate	95%	85%	85%	87%	90%	90%	90%	100%	89%	89%	90%

% of Load Opted Out

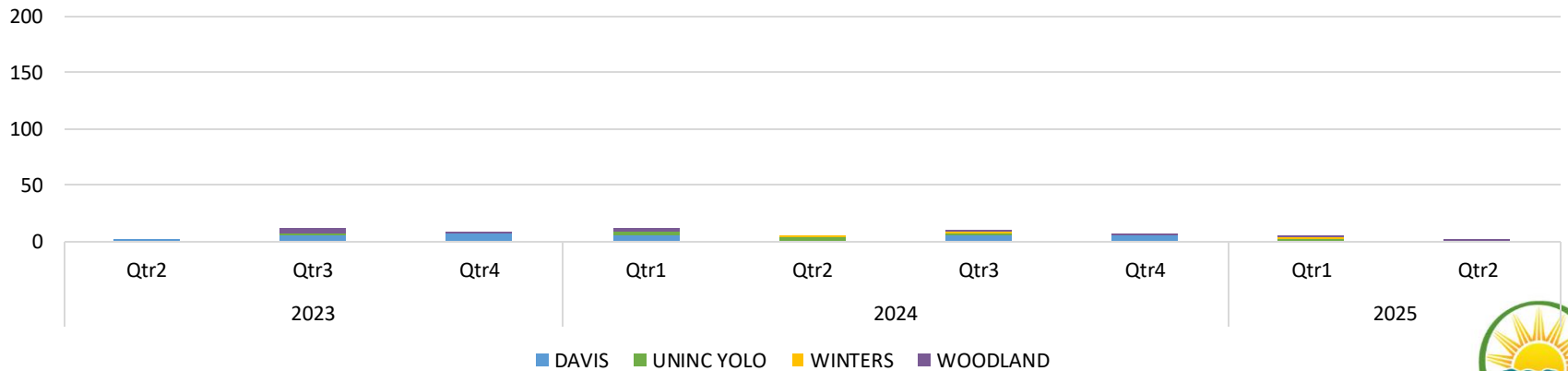
	Davis	Woodland	Winters	Yolo Co	Total	Residential	Commercial	Industrial	Ag	Total
% of Load Opted Out	7%	11%	13%	11%	10%	10%	10%	0%	11%	10%
% of Load Opted Up	3%	1%	1%	1%	1%	1%	3%	0%	0%	1%

Item 5 – Customer Participation Update

Quarterly Opt-Outs



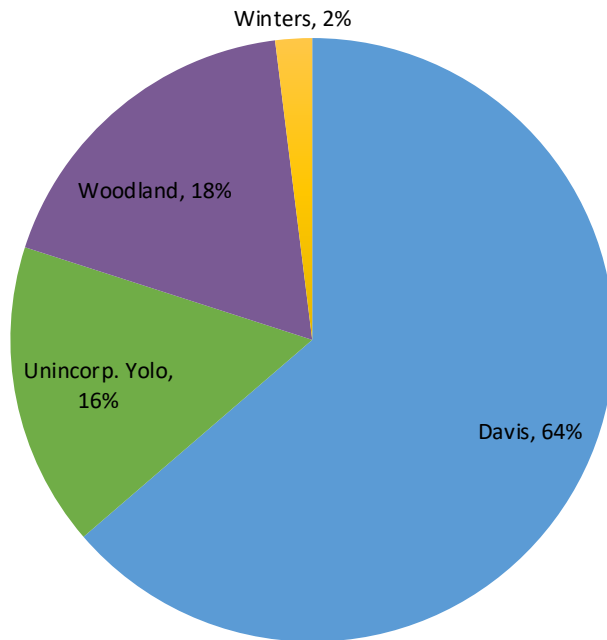
Quarterly Opt-Ups



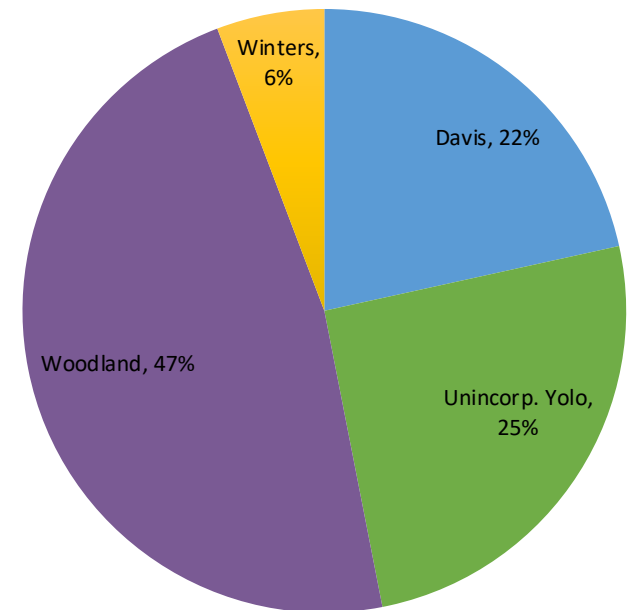
VALLEY
CLEAN ENERGY

Item 5 – Customer Participation Update

559 Opt-Ups



12,544 Opt-Outs



These pie charts are based on total opt-ups and opt-outs since launch. The percentages in the charts are the percentages of those opt-ups and opt-outs by TOT (town or territory).



VALLEY
CLEAN ENERGY

**VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE**

Staff Report – Item 6

TO: Community Advisory Committee

FROM: Alisa Lembke, Board Clerk/Administrative Analyst

SUBJECT: Receive 2025 Long Range Calendar meeting topics

DATE: August 28, 2025

Please find attached the 2025 Board and Community Advisory Committee (CAC) Long Range Calendar. Please note that it has some added information (coding) to each item for Staff purposes only.

At any time, if you have an item that you would like added, including future topics, please send an email to Chief Operating Officer Gordon Samuel, Board Clerk Alisa Lembke, CAC Chair and/or Vice Chair for consideration.

Due to the holidays in November and December 2025, the CAC's meeting dates have been moved to the 3rd Thursday and are as follows:

- November 20, 2025 (3rd Thursday) – Woodland
- December 18, 2025 (3rd Thursday) – Davis

Attachment:

1. 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)	<ul style="list-style-type: none"> This meeting was cancelled. 	
January 23, 2025 NO QUORUM, ITEMS MOVED TO FEBRUARY 27, 2025 MEETING	Advisory Committee (Woodland)	<ul style="list-style-type: none"> 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) 	<ul style="list-style-type: none"> Discussion/Action Discuss/Action Information Discussion/Action
February 13, 2025	Board (Davis)	<ul style="list-style-type: none"> 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.) 	<ul style="list-style-type: none"> Action Nominations Information Information Information Action Action Information/Discussion Discussion/Action
February 27, 2025	Advisory Committee (Davis)	<ul style="list-style-type: none"> 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) 	<ul style="list-style-type: none"> Discussion/Action Information Information Discussion/Action
March 13, 2025	Board (Woodland)	<ul style="list-style-type: none"> This meeting was cancelled. 	
March 27, 2025	Advisory Committee (Woodland)	<ul style="list-style-type: none"> Approval of 2025 CAC Task Group "Charges" (R) (historically in Jan.) Senate Bill 540 (Pathways Initiative & Regional Organization) 	<ul style="list-style-type: none"> Action Information/Discussion

April 10, 2025	Board (Davis)	<ul style="list-style-type: none"> 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) 	<ul style="list-style-type: none"> Information Information Action Information Information Information
April 24, 2025	Advisory Committee (Davis)	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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)	<ul style="list-style-type: none"> Meeting cancelled. 	
May 22, 2025	Advisory Committee / Strategic Plan Workshop (Esparto)	<ul style="list-style-type: none"> <u>Strategic Plan Workshop</u>: Focus: Financial Strength/Rates and Procurement & Power Supply 	<ul style="list-style-type: none"> Information/Discussion
June 12, 2025	Board (Davis)	<ul style="list-style-type: none"> 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) 	<ul style="list-style-type: none"> Action Information Discussion/Action Information Information
June 26, 2025	Advisory Committee / Strategic Plan Workshop (UCANR - Davis)	<ul style="list-style-type: none"> Summer Preparedness outlook (O) Strategic Plan Workshop: Focus: Customers & Community and Decarbonization and Grid Innovation 	<ul style="list-style-type: none"> Information Information/Discussion

*No meeting unless an urgent matter needs to be addressed

July 10, 2025	Board Woodland	<ul style="list-style-type: none"> Meeting cancelled. 	
July 24, 2025	Advisory Committee (Woodland)	<ul style="list-style-type: none"> Review preliminary draft Strategic Plan Major Update and Survey Plan (O) Power Portfolio Update (O) 	<ul style="list-style-type: none"> Information/Discussion Information
August 14, 2025	Board (Davis)	<ul style="list-style-type: none"> NO MEETING* 	
August 28, 2025	Advisory Committee (Davis)	<ul style="list-style-type: none"> Review draft Strategic Plan Major update / Seeking recommendation to the Board Large Load Tariff Design Customer Participation Update (2nd Quarter 2025) (O) 	<ul style="list-style-type: none"> Discussion/Action Discussion/Action Information
September 11, 2025	Board (Woodland)	<ul style="list-style-type: none"> Certification of 2024 Power Content Label (Annual) (R) Capitalization Policy (placeholder) (O) Customer Participation Update (2nd Quarter 2025) (O) AgFIT Pilot Program Update (O) Large Load Rate Setting Policy (O) Strategic Plan Major Update Workshop (O) 	<ul style="list-style-type: none"> Action Information/Discussion Information Information Discussion/Action Information/Discussion
September 25, 2025	Advisory Committee (Woodland)	<ul style="list-style-type: none"> Review Phase 2 of EV Rebate Program (“Charge Your Ride”) / Seeking recommendation to the Board (placeholder) 	<ul style="list-style-type: none"> Discussion/Action
October 9, 2025	Board (Davis)	<ul style="list-style-type: none"> Enterprise Risk Management Update (Annual) (R) Customer Participation Update (3rd Quarter 2025) (O) Legislative End of Session Update (O) Phase 2 of EV Rebate Program (“Charge Your Ride”) (O) (placeholder) Adoption of Strategic Plan Major Update (O) 	<ul style="list-style-type: none"> Discussion/Action Information Information Discussion/Action Discussion/Action
October 23, 2025	Advisory Committee (Davis)	<ul style="list-style-type: none"> 2024 Power Content Label Outreach (placeholder) (O) Customer Participation Update (3rd Quarter 2025) (O) Legislative End of Session Update (O) GHG Free Attributes (R) Integrated Resource Plan (R) 	<ul style="list-style-type: none"> Information Information Information Discussion/Action Discussion/Action
November 13, 2025	Board (Woodland)	<ul style="list-style-type: none"> 2026 Preliminary Operating Budget (R) GHG Free Attributes (R) Integrated Resource Plan (R) Contract Renewals (R) 	<ul style="list-style-type: none"> Information/Discussion Discussion/Action Discussion/Action Discussion/Action

*No meeting unless an urgent matter needs to be addressed

		<ul style="list-style-type: none"> Adoption of Strategic Plan Major Update (placeholder) (O) 	<ul style="list-style-type: none"> Discussion/Action
November 27, 2025 November 20, 2025 (rescheduled to November 20 due to Thanksgiving holiday on Nov. 27 th)	Advisory Committee (Woodland)	<ul style="list-style-type: none"> Review CAC Draft 2025 Task Group Year-end Reports (R) Draft 2026 Legislative & Regulatory Platform (R) 	<ul style="list-style-type: none"> Discussion/Action Discussion/Action
December 11, 2025	Board (Davis)	<ul style="list-style-type: none"> Approve 2026 Operating Budget (Annual) and 2026 Customer Rates (R) Receive VCE Grant/Program Annual Report (R) 2026 Legislative & Regulatory Platform (R) Contract Renewals (R) 	<ul style="list-style-type: none"> Discussion/Action Information Discussion/Action Discussion/Action
December 25, 2025 December 18, 2025 (rescheduled to December 18 due to Christmas holiday on Dec. 25 th)	Advisory Committee (Davis)	<ul style="list-style-type: none"> Approve 2025 Task Group Year-end Reports (R) Power Portfolio Update (R) Election of Officers for 2026 (Annual) (R) 	<ul style="list-style-type: none"> Discussion/Action Information Nominations
January 8, 2026	Board (Woodland)	<ul style="list-style-type: none"> Oaths of Office for Board Members (Annual - new Members only) (R) Election of Officers for 2026 (Annual) (R) Customer Participation Update (4th Quarter 2025) (O) 2025 Year in review: Customer Care & Marketing (R) Receive 2025 Task Group Year-end Reports (R) 	<ul style="list-style-type: none"> Action Nominations Information Information Information
January 22, 2026	Advisory Committee (Woodland)	<ul style="list-style-type: none"> Rates/Budget 2026 Update (O) Customer Participation Update (4th Quarter 2025) (O) 2026 CAC Task Group(s) formation (Annual) (R) 	<ul style="list-style-type: none"> Information Information Discuss/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
COMMUNITY ADVISORY COMMITTEE**

Staff Report – Item 7

TO: Community Advisory Committee

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

SUBJECT: VCE 2026-2029 Strategic Plan Major Update - Proposed

DATE: August 28, 2025

RECOMMENDATION

Recommend that the VCE Board of Directors approve the 2026-2029 VCE Strategic Plan Major Update.

OVERVIEW /BACKGROUND

At the January 23, 2025, CAC Meeting, Staff provided an update on the process of the major update to the VCE Strategic Plan (Plan), which can be found [here](#). The CAC has formed the Strategic Plan Task Group to review and provide feedback as part of the update process. Staff presented the initial draft of the 2026-2029 Strategic Plan Major Update at the July 24, 2025, meeting, which can be found [here](#).

Over the course of developing the proposed 2026-2029 Strategic Plan Update, Staff incorporated comments and feedback from the Strategic Plan Task Group, CAC, workshop participants from the public, and results from customer surveys. General themes and several specific points outlined below have been incorporated into the attached draft Initial Plan Update. Generally, these include added emphasis on:

- Affordability
- Energy resilience
- Incorporating additional local distributed energy resources into VCE’s resource mix
- Affirming commitment and focus on low-income and other vulnerable customers.

New Updates

Upon further consideration since the last CAC meeting on the draft Plan, Staff and the Strategic Plan Task group are proposing several key additional updates in the following sections:

1. Plan Introduction - Adding reference to energy resilience in 2nd paragraph.
2. Revised Goal 2 and Objective 2.3 . These modifications are driven mainly by forecasted renewable projects' costs, regulatory changes to Power Charge Indifference Adjustment (PCIA), providing additional grid resiliency, and rate affordability to balance overall customer and

community impact. The revised goal and objective maintain a high renewable target (minimum 90%), align with State's 2045 goal of 100% carbon free, while allowing VCE to explore local investment in distributed energy resources as a way to contribute toward those goals.

Updated Goal 2: Manage power supply resources to consistently exceed California's Renewable Portfolio Standard (RPS) while working toward a resource portfolio that is a minimum 90% Renewable and 100% Carbon Free ~~100% renewable~~ by 2030.

Updated Objective 2.3: Develop strategies to identify and pursue cost-effective, local distributed energy resources ~~Identify and pursue cost-effective, local distributed energy resources, including both front-of-meter solar+storage resources for VCE's renewable energy supply portfolio, as well as behind-the-meter solar+storage aggregations (VPPs) to help reduce RA requirements.~~ Strategies could include, but are not limited to, an allocation of resource portfolio investment in cost-effective local energy and storage resources even though such local investment may affect achievement of overall resource portfolio goals.

3. Revised Objective 3.5 to add references to energy efficiency and building weatherization because of the key role they can play in lowering building energy needs and reducing energy bills:

Updated 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.

The draft Plan contains additional minor edits that have previously been reviewed by the CAC in earlier versions.

As outlined in the strategic plan guidelines, Staff will continue to review and update the Plan on an annual basis to ensure that VCE remains on track and course corrects if necessary. The 2026-2029 Major Update Board workshop is scheduled for September and is to be adopted by the Board by the end of 2025.

CONCLUSION

Staff believe the recommended 2026-2029 Strategic Plan Major Update represents a balanced approach to moving the organization forward with setting reasonable goals for the near-term based on input from VCE's stakeholders. Staff is seeking a recommendation of the attached 2026-2029 Strategic Plan Major Update from the CAC.

ATTACHMENTS

1. Proposed 2026-2029 Strategic Plan Major Update – Clean
2. Proposed 2026-2029 Strategic Plan Major Update – Redlined



Valley Clean Energy Strategic Plan

Last Approved update by VCE Board August 16,2023
2026-2029 Major Update (Initial Draft)

VCE MISSION

Deliver cost-competitive affordable clean electricity, product choice, price stability, energy efficiency, and greenhouse gas emission reductions.

VCE VISION

Valley Clean Energy Alliance (VCE) is a joint-powers authority working to implement a state-authorized Community Choice Energy (CCE) program. Participating VCE governments include the City of Davis, the City of Woodland, the City of Winters, and County of Yolo. 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 residential, commercial, governmental, agricultural and industrial users in the VCE territory. PG&E 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 have the choice not to participate in the VCE program.

Near-Term Vision (Launch)

The near-term vision was essential for the launch of VCE to provide electricity users with greater choice over the sources and prices of the electricity they use, by:

- Offering basic electricity service with higher renewable electricity content, at a rate competitive with PG&E;
- Developing and offering additional low-carbon or local generation options at modest price differentials;
- Establishing an energy planning framework for developing local energy efficiency programs and local energy resources and infrastructure; and
- Accomplishing the goals enumerated above while accumulating reserve funds for future VCE energy programs and mitigation of future energy costs and risks.

Long -Term Vision

The long-term vision for VCE is to continuously improve the electricity choices available to VCE customers, while expanding local energy-related economic opportunities, by:

- Causing the deployment of new renewable and low carbon energy sources;
- Evaluating and adopting best practices of the electricity service industry for planning and operational management;
- Substantially increasing the renewable electricity content of basic electricity service, with the ultimate goal of achieving zero carbon emissions electricity;
- Developing and managing customized programs for energy efficiency, on-site electricity production and storage;
- Accelerating deployment of local energy resources to increase localized investment, employment, innovation and resilience;
- Working to achieve the climate action goals of participating jurisdictions to shape a sustainable energy future;
- Saving money for ratepayers on their energy bills; and
- Remaining open to the participation of additional jurisdictions.

STRATEGIC PLAN

The VCE Strategic Plan is focused on achieving better energy outcomes for its customers, communities and member jurisdictions by guiding the organization's actions. The Plan and major update map a route to VCE's goals and allow for course correction as new information and learning occurs. The energy sector in California is in a transformational period and VCE allows local energy priorities and needs to be heard and ultimately acted upon. This plan helps VCE build a strong foundation from which to identify and guide strategic actions, being mindful of the longer-term aspirations of the Agency. The Plan is designed to be reviewed periodically to ensure that VCE remains on track and course corrects if necessary.

VCE's major strategic plan update continues to focus on developing a cost-effective clean resource portfolio to combat the effects of climate change while balancing affordability. Since the initial strategic plan, VCE has grown its renewable power portfolio while recognizing that cost pressures – many of which are outside of VCE's control – have increased the cost of electricity XX% over the last X years. During this time, VCE has actually lowered generation rates relative to the IOU, and this plan continues to put an emphasis on making affordability a priority in VCE's decision-making. At the same time, the increasing severity of climate-related weather extremes and system disruptions has elevated concerns about energy resilience — ensuring continuous electric service especially for vulnerable customers during climate-driven utility grid outages.

METHODOLOGY AND ORGANIZATION

VCE's initial strategic plan was based on the experience of the Agency's first two years in operation as well as current energy market conditions. The original Plan incorporated a strengths/weaknesses/opportunities/threats (SWOT) analysis which was completed in 2019, and detailed feedback from the Board of Directors, Community Advisory Committee (CAC) members and VCE staff. This 2025 Plan update continues to cover six topical categories which are most relevant to VCE's operations. Within each category, the Plan specifies a set of aspirational goals and follows with strategies to achieve or make progress toward those goals during the planning period of 2026-2026. Subsequent, Strategic Plan major updates will occur every four years.

Strategic Plan Update Schedule

2021-2023 Plan Extension			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

VCE's STRATEGIC GOALS

A) FINANCIAL STRENGTH

A successful CCA program requires disciplined financial strategies and policies. VCE is committed to managing its financial resources responsibly and setting a standard of transparency and accountability, ensuring efficiency and strong stewardship of the agency's financial resources. At VCE, our commitment to financial and operational excellence will ensure that all processes and operations are clearly defined and efficiently designed to align people, systems, and policies to maximize productivity and improve efficiency. Adhering to these policies and actively examining and assessing risk will help earn a high credit rating and a healthy position from which to deliver customer and community value.

Goal 1: Maintain and grow a strong financial foundation and manage costs to achieve long-term organizational health.

- 1.1. Objective: Develop a model to maintain reserve policies to fund VCE's mission, vision, and goals.
- 1.2. Objective: Maintain investment-grade credit rating.
- 1.3. Objective: Commit to fiscal efficiencies to build a program foundation from which to deliver customer and community value.
- 1.4. Objective: Manage customer rates to optimize VCE's financial goals while maintaining rate affordability and competitiveness with PG&E.
- 1.5. Objective: Develop a long range financial model for financial health and rate stability.
- 1.6. Objective: Develop a long term cash reserve and community investment strategy for reserve management.

B) PROCUREMENT AND POWER SUPPLY

Navigating the world of wholesale power markets and state-mandated power mix and reliability requirements while fulfilling our commitment to sourcing low/no-carbon electricity requires a constant search for the right resources to meet sustainability and value proposition goals. The threat of losing load, either to Direct Access or the investor-owned utility (IOU) presents challenges and opportunities to enhance product offerings to meet VCE's decarbonization goals and our customers' own environmental goals while considering financial and risk impacts. VCE is committed to providing carbon free electricity through a balanced approach that considers cost, risk, long-term value and best fit in meeting community goals while exceeding California's RPS mandates.

Goal 2: Manage power supply resources to consistently exceed California’s Renewable Portfolio Standard (RPS) while working toward a resource portfolio that is a minimum 90% Renewable and 100% Carbon Free by 2030.

- 2.1 Objective: Continue to identify and pursue cost effective local renewable energy and storage resources.
- 2.2 Objective: Through strategic procurement acquire sufficient clean energy and renewable resources including storage and other resource adequacy products to achieve VCE’s greenhouse gas reduction targets and regulatory requirements.
- 2.3 Develop strategies to identify and pursue cost-effective, local distributed energy resources. Strategies could include, but are not limited to, an allocation of resource portfolio investment in cost-effective local energy and storage resources even though such local investment may affect achievement of overall resource portfolio goals.
- 2.4 Evaluate and pursue opportunities for shared investment and procurement strategies with other CCAs.
- 2.6 Objective: Optimize the hedging strategy to mitigate risk in accordance with the energy risk guidelines and procurement plan.

C) CUSTOMERS AND COMMUNITY

VCE is a customer- and community-focused organization. We use all available channels and platforms to cultivate relationships with, and bring customer value to, all segments of the communities we serve – including those that have been historically underserved/under-resourced. These channels include leveraging existing outlets established by our member agencies, partnering with commercial customers to enhance their community presence, and re-engaging with those who have opted out. Partnerships with commercial and agricultural customers are particularly important to building VCE’s brand in a region rooted in food production and innovation. Focusing on affordability for customers wherever possible will help us to continue to build a loyal and satisfied customer base. Communicating our competitive rates and product and service benefits in clear and accessible ways will strengthen customer loyalty and enhance our financial standing, enabling us to better serve our communities.

Goal 3: Enhance and amplify VCE’s community benefits, and increase customer satisfaction and retention.

- 3.1 Objective: 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.
- 3.2 Objective: Develop and implement programs and initiatives to better support community goals, including supporting member agency achievement of energy-sector emissions reduction targets.
- 3.3 Objective: Design and implement a strategy to more effectively engage local business and agricultural customers.
- 3.4 Objective: Build awareness and trust of the VCE brand through direct engagement with customers, communities and organizations in VCE’s service territory.
- 3.5 Objective: 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.
- 3.6 Objective: Measure and increase customer satisfaction, using tools such as surveys and focus groups, while maintaining an overall participation rate of no less than 90%.
- 3.7 Objective: Develop a roadmap to integrate and address the concerns and priorities of emerging and historically marginalized communities in the design and implementation of VCE’s services and programs.
- 3.8 Objective: Consider affordability when making rates, services, and program design decisions.

D) DECARBONIZATION AND ENERGY SERVICE RESILIENCE

One of the key factors driving the formation of VCE was to address climate change and improve local resiliency. We will play a vital role in this decades-long endeavor, with the ongoing support of our community and our Board. In addition to providing carbon-free electricity, we are reinvesting in our region and expanding our toolset for furthering emissions reductions and energy resiliency by launching decarbonization and grid innovation programs. These programs represent the next stage in VCE’s maturity and are the mechanism by which VCE will further engage our communities to achieve our mission. We will leverage partnerships, prioritize innovation and use data science to manage and influence carbon-free energy use. We will embody the entrepreneurial and innovative spirit of the community in which we live and work, the spirit of Yolo County, to bend the carbon curve downwards and improve the lives of our community members while maintaining rate affordability.

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

- 4.1 Objective: Work with a variety of local, regional and state partners, to develop strategies and initiatives to pressure state policy makers to remove barriers to technical feasibility and economic viability of local renewable and storage resources, both FOM and BTM.
- 4.2 Objective: Work with member jurisdictions (e.g., city and school district planning staff) to help plan and implement local energy resilience, decarbonization and electrification initiatives and where practical, powered by local supply resources.
- 4.3 Objective: Increase participation in VCE’s UltraGreen 100% renewable product.
- 4.4 Objective: Identify external funding sources to support decarbonization, community energy resilience and grid-related programs and initiatives.
- 4.5 Objective: Identify and pursue cost effective, local distributed energy (e.g., behind the meter opportunities) resources to help meet reliability needs.

E) STATEWIDE ISSUES: REGULATORY AND LEGISLATIVE AFFAIRS

The regulatory and legislative processes wield critical influence over VCE’s ability to serve our customers and fulfill our core goals and mission. Working with CalCCA and other operating CCAs, VCE will actively engage with the regulatory and legislative communities in order to advance a positive narrative on the value of CCA, manage operational risk, protect the interests of our customers, enhance our ability to mitigate greenhouse gas emissions, and help build a regulatory framework that supports innovation and customer choice in an equitable and cost-effective manner while preserving reliability and universal access.

Goal 5. Strongly advocate for public policies that support VCE’s Vision/Mission.

- 5.1 Objective: Work with CalCCA and other partners to proactively engage State regulators, legislators, and other State authorities in developing policy that furthers VCE’s mission and facilitates our contributions to decarbonization, grid reliability, energy resiliency, affordability, local programs and social equity.
- 5.2 Objective: Work with partners and policy makers at the local, regional and state levels to remove barriers to the technical feasibility and economic viability of local solar+storage and other renewable resources, for both in front of the meter and behind the meter installations.
- 5.3 Objective: Work with statewide allies to develop utility cost reduction solutions, including promotion of local energy resources to enhance climate resilience, reduce cost impacts of grid outages, and reduce needs for transmission investment.
- 5.4 Objective: Develop relationships with and provide energy education for community stakeholder organizations that foster support for VCE’s mission and vision.
- 5.5 Objective: Optimize regulatory compliance activities.

F) ORGANIZATION, WORKPLACE, AND TECHNOLOGY

Human capital is a successful organization's greatest asset, and at VCE we've built a highly talented and dedicated team that will ensure the success and prosperity of our organization. Building, valuing, and nurturing this team's talent will require an adaptive culture that supports creativity, open communication, and the free flow of ideas to spur mission-focused innovation. We will provide an infrastructure within VCE that supports and cultivates our employees through professional and personal development, recognizes and rewards their contributions to achieving our mission, and offers opportunities that position our people, as well as VCE, for success. In attracting and maintaining skilled employees, VCE will continue to provide a rewarding workplace experience.

VCE will develop a decision support system that will enable it to nimbly assess and react to expansion opportunities as they arise. In addition, VCE will assess opportunities for shared services with other CCAs to optimize function and efficiency of service.

We also take customer information, privacy, and security seriously. Our systems and processes follow best practices and industry standards. Performance metrics are in place to ensure resiliency and high system availability on standard and mobile platforms. Periodic upgrades to IT resources will ensure continued adherence to these high standards. This strategic plan provides the approach that VCE is taking to address the challenges of delivering IT services in a dynamic environment with new regulations and continuous advancements in science and technology.

Goal 6: Analyze and implement optimal long-term organizational, management, and information technology structure at VCE.

- 6.1 Objective: Develop a roadmap to evaluate and guide future steps toward formation of a local Publicly Owned Utility (POU).
- 6.2 Objective: Evaluate and pursue opportunities for shared services with other CCAs for certain functions.
- 6.3 Objective: Develop an evaluation framework to guide future expansion opportunities beyond the existing service territory.
- 6.4 Objective: Identify optimal management, staffing and contracting structure of VCE in the near and long term; factors include balance of internal staff vs. consultant support services.
- 6.5 Objective: Promote diversity, equity and inclusion in leadership, hiring, promotion, and contracting policies.
- 6.6 Objective: Develop a performance reward system that promotes health, wellness, and a productive workplace.
- 6.7 Objective: Create an innovation-focused culture that rewards based on active participation, proactive problem solving, new customer-focused initiatives, and creative use of partnerships and member agencies.
- 6.8 Objective: Deploy a modernized Enterprise Resource Planning (ERP) approach that enables knowledge management, dashboard analytics, and collaboration through robust use of live data and information resources.
- 6.9 Objective: Develop a quality management system (QMS) to improve effectiveness and efficiency continuously to meet customer and regulatory requirements.

TIMING, MEASUREMENT AND UPDATES

VCE's Strategic Plan is a living document that will be revisited and updated regularly. At a minimum, staff will review and update the Plan on an annual basis, including goals, objectives and metrics. In addition, staff will establish an implementation timeline and appropriate reporting format to use in reporting performance against the Plan's goals and objectives to VCE leadership and Board. The reports, commencing in 2021, will show metrics, status and mitigations where appropriate. Consolidated summary reporting on the status of all high-priority enterprise goals and objectives will be reported out as follows:

- **Quarterly Report to VCE Management**

Staff will report quarterly to the Executive Officer on the status of goals, objectives and metrics for which they are responsible.

- **Annual Report to Board and CAC**

Staff will report annually to the Board and CAC on the status of goals, objectives and metrics, and will recommend any mitigations or amendments as may be necessary for Board approval.

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Near-Term[±] Vision (Launch)

The near-term vision was essential for the launch of ~~for VCE~~ ~~is~~ to provide electricity users with greater choice over the sources ~~and~~ prices of the electricity they use, by:

- Offering basic electricity service with higher renewable electricity content, at a rate competitive with PG&E;
- Developing and offering additional low-carbon or local generation options at modest price differentials;
- Establishing an energy planning framework for developing local energy efficiency programs and local energy resources and infrastructure; and
- Accomplishing the goals enumerated above while accumulating reserve funds for future VCE energy programs and mitigation of future energy costs and risks.

Long -Term Vision

The ~~future-long-term~~ vision for VCE is to continuously improve the electricity choices available to VCE -customers, while expanding local energy-related economic opportunities, by:

- Causing the deployment of new renewable and low carbon energy sources;
- Evaluating and adopting best practices of the electricity service industry for planning and operational management;
- Substantially increasing the renewable electricity content of basic electricity service, with the ultimate goal of achieving zero carbon emissions electricity;
- Developing and managing customized programs for energy efficiency, on-site electricity production and storage;
- Accelerating deployment of local energy resources to increase localized investment, employment, innovation and resilience;
- Working to achieve the climate action goals of participating jurisdictions to shape a sustainable energy future;
- Saving money for ratepayers on their energy bills; and
- Remaining open to the participation of additional jurisdictions.

[±] Launch Phase and First Year

STRATEGIC PLAN

The VCE Strategic Plan is focused on achieving better energy outcomes for its customers, ~~and~~ communities ~~and~~ member jurisdictions by guiding the organization's actions. The Plan and ~~major~~ ~~minor~~ update map a route to VCE's goals and allows for course correction as new information and learning occurs. The energy sector in California is in a transformational period and VCE allows local energy priorities and needs to be heard and ultimately acted upon. This plan helps VCE build a strong foundation from which to identify and guide strategic actions, being mindful of the longer-term aspirations of the Agency. The Plan is designed to be reviewed periodically to ensure that VCE remains on track and course corrects if necessary.

VCE's major strategic plan update continues to focus on developing a cost-effective clean resource portfolio to combat the effects of climate change while balancing affordability. Since the initial strategic plan, VCE has grown its renewable power portfolio while recognizing that cost pressures – many of which are outside of VCE's control – have increased the cost of electricity XX% over the last X years. During this time, VCE has actually lowered generation rates relative to the IOU, and this plan continues to put an emphasis on making affordability a priority in VCE's decision-making. At the same time, the increasing severity of climate-related weather extremes and system disruptions has elevated concerns about energy resilience — ensuring continuous electric service especially for vulnerable customers during climate-driven utility grid outages. As VCE drafts this major strategic plan update, climate scientists are pointing to likely 3-degree C global warming, with severe impacts occurring more rapidly than was anticipated just a few years ago. At the same time, electricity customers in IOU service areas are experiencing an energy affordability crisis, driven mainly by escalating delivery charges. This plan therefore increases VCE's emphasis on climate resilience (ensuring continuous electric service during heat extremes and utility grid outages) and affordability (engaging with our CCA allies to focus state policy makers on measures to reduce major cost drivers, rather than cutting needed services like low-income bill relief and energy efficiency).

METHODOLOGY AND ORGANIZATION

VCE’s initial strategic plan was based on the experience of the Agency’s first two years in operation as well as current energy market conditions. The original Plan incorporated a strengths/weaknesses/opportunities/threats (SWOT) analysis which was completed in 2019, and detailed feedback from the Board of Directors, Community Advisory Committee (CAC) members and VCE staff. This 2025 Plan update continues to cover six topical categories which are most relevant to VCE’s operations. Within each category, the Plan specifies a set of aspirational goals and follows with strategies to achieve or make progress toward those goals during the planning period of 2026-2026. Subsequent, Strategic Plan major updates will occur every four years.

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VCE’s STRATEGIC GOALS

A) FINANCIAL STRENGTH

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Goal 1: Maintain and grow a strong financial foundation and manage costs to achieve long-term organizational health.

- 1.1. Objective: ~~Maintain consistently healthy~~Develop a cash model to maintain reserves policies to fund VCE’s mission, vision, and goals.
- 1.2. Objective: ~~Achieve an~~ Maintain investment-grade credit rating ~~by end of 2028~~.
- 1.3. Objective: Commit to fiscal efficiencies to build a program foundation from which to deliver customer and community value.
- 1.4. -Objective: Manage customer rates to optimize VCE’s financial goals while maintaining rate affordability and competitiveness with PG&E ~~and lowering customer costs~~.
- 1.5. Objective: Develop a long range financial model for financial health and rate stability.
- 1.6. Objective: Develop a long term cash reserve and community investment strategy for reserve management.

B) PROCUREMENT AND POWER SUPPLY

Navigating the world of wholesale power markets and state-mandated power mix and reliability requirements while fulfilling our commitment to sourcing low/no-carbon electricity requires a constant search for the right resources to meet sustainability and value proposition goals. The threat of losing load, either to Direct Access or the investor-owned utility (IOU) presents ~~new~~ challenges and opportunities to enhance product offerings to meet VCE’s decarbonization goals and our customers’ own environmental goals while considering financial and risk impacts. VCE is committed to providing carbon free electricity through a balanced approach that considers cost, risk, long-term value and best fit in meeting community goals while exceeding California’s RPS mandates.

Goal 2: Manage power supply resources to consistently exceed California’s Renewable Portfolio Standard (RPS) while working toward a resource portfolio that is a minimum 90% 100% Rrenewable and 100% Carbon Free by 2030.

2.1 Objective: Continue to identify and pursue cost effective local renewable energy and storage resources.

2.2 Objective: ~~Through strategic procurement~~ Acquire sufficient ~~carbon neutral~~ clean energy and ~~bundled energy~~ and renewable resources including storage and other resource adequacy products to achieve VCE’s greenhouse gas reduction targets and regulatory requirements.

~~2.3 Objective: Deploy storage and other strategies to achieve renewable, carbon neutral, resource adequacy, and resiliency objectives.~~

~~2.3~~ Objective: Identify and pursue cost effective, local distributed energy (e.g., behind the meter rooftop solar+storage) resources to help meet reliability needs. Develop strategies to identify and pursue cost-effective, local distributed energy resources. Strategies could include, but are not limited to, an allocation of resource portfolio investment in cost-effective local energy and storage resources even though such local investment may affect achievement of overall resource portfolio goals. Identify and pursue cost-effective, local distributed energy resources, including both front-of-meter solar+storage resources for VCE’s renewable energy supply portfolio, as well as behind-the-meter solar+storage aggregations (VPPs) to help reduce RA requirements.

~~2.4~~ Evaluate and pursue opportunities for shared investment and procurement strategies with other CCAs.

~~2.2~~ Objective: Study and present options for achieving a 100% carbon neutral resource portfolio as well as 100% carbon free resource portfolio (carbon free hour by hour) by 2030.² [LK — Upon rereading, perhaps 2.5 is not needed (redundant) given the changes to the goal statement and the text of 2.3 and 2.4.]

~~2.5~~ Develop strategies to cost-effectively achieve the intent of the 100% renewable target while incorporating both utility-scale, front of meter, resources as well as behind the meter resources minimum

2.6 Objective: Optimize the hedging strategy to mitigate risk in accordance with the energy risk guidelines and procurement plan.

C) CUSTOMERS AND COMMUNITY

VCE is a customer- and community-focused organization. We ~~will~~ use all available channels and platforms to cultivate relationships with, and bring customer value to, all segments of the communities we serve – including those that have been historically underserved/under-resourced. These channels include leveraging existing outlets established by our member agencies, partnering with commercial customers to enhance their community presence, and re-engaging with those who have opted out. Partnerships with commercial and agricultural customers are particularly important to building VCE’s brand in a region rooted in food production and innovation. Focusing on affordability for customers wherever possible will help us to continue to build a loyal and satisfied customer base. Communicating our competitive rates and product and service benefits in clear and accessible ways will strengthen customer loyalty and enhance our financial standing, enabling us to better serve our communities ~~while ensuring rate affordability.~~

Goal 3: Enhance and amplify ~~Prioritize enhancing and marketing~~ VCE’s community benefits, and increase customer satisfaction and retention.

3.1 Objective: 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.

² Carbon neutral electricity is net zero carbon electricity that may include the use of carbon credits and/or higher production of carbon free electricity that averages out to provide a carbon free portfolio over a period of time whereas carbon free hour-by-hour means all electricity consumed by VCE customers will be from carbon free and/or renewable resources.

- 3.2 Objective: Develop and implement programs and initiatives to better support community goals, including supporting member agency achievement of energy-sector emissions reduction targets.
- 3.3 Objective: Design and implement a strategy to more effectively engage local business and agricultural customers.
- 3.4 Objective: Build awareness and trust of the VCE brand through direct engagement with customers, communities and organizations in VCE's service territory.
- 3.5 Objective: 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. -
- 3.6 Objective: Measure and increase customer satisfaction, using tools such as surveys and focus groups, while maintaining an overall participation rate of no less than 90%.
- 3.7 Objective: Develop a roadmap to integrate and address the concerns and priorities of emerging and historically marginalized communities in the design and implementation of VCE's services and programs.
- ~~3.6~~3.8 Objective: Consider affordability when making rates, services, and program design decisions.

~~3.7—Objective: Develop and implement customer programs and initiatives that prioritize decarbonization, community resiliency and customer savings.~~

~~3.8—Objective: Measure and increase customer satisfaction, using tools such as surveys and focus groups, while maintaining an overall participation rate of no less than 90%.~~

~~3.9—Objective: Integrate and address the concerns and priorities of emerging and historically marginalized communities in the design and implementation of VCE's services and programs.~~

D) DECARBONIZATION AND ENERGY SERVICE RESILIENCE~~GRID INNOVATION~~

One of the key factors driving the formation of VCE was to address climate change and improve local resiliency. We will play a vital role in this decades-long endeavor, with the ongoing support of our community and our Board. In addition to providing carbon-free electricity, we are reinvesting in our region and expanding our toolset for furthering emissions reductions and energy resiliency by launching decarbonization and grid innovation programs. These programs represent the next stage in VCE's maturity and are the mechanism by which VCE will further engage our communities to achieve our mission. We will leverage partnerships, prioritize innovation and use data science to manage and influence carbon-free energy use. We will embody the entrepreneurial and innovative spirit of the community in which we live and work, the spirit of Yolo County, to bend the carbon curve downwards and improve the lives of our community members while maintaining rate affordability.

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

- 4.1 Objective: Working with a variety of local, regional and state partners, to develop strategies and initiatives to pressure state policy makers to remove barriers to technical feasibility and economic viability of local renewable and storage resources, both FOM and BTM. Working with a variety of local, regional and state partners, to develop strategies and initiatives to pressure state policy makers to remove barriers to technical feasibility and economic viability of local solar+storage resources, both FOM and BTM, a grid innovation roadmap for VCE's service territory that supports community energy resilience and reliability.
- 4.2 Objective: Work with member jurisdictions (e.g., city and school district planning staff) to help plan and implement local energy resilience, decarbonization and electrification initiatives and where practical, powered by local supply resources. Work with member jurisdictions (e.g., city and school district planning staff) to help plan and implement local energy resilience, decarbonization and electrification initiatives powered by local supply resources. Develop a VCE decarbonization roadmap to guide near and long term program decisions and offerings.
- 4.3 Objective: Increase participation in VCE's UltraGreen 100% renewable product.

- 4.4. Objective: Identify external funding sources to support decarbonization, community energy resilience and grid-related programs and initiatives.
- 4.5 Objective: Identify and pursue cost effective, local distributed energy (e.g., behind the meter opportunities) resources to help meet reliability needs.

E) STATEWIDE ISSUES: REGULATORY AND LEGISLATIVE AFFAIRS

The regulatory and legislative processes wield critical influence over VCE's ability to serve our customers and fulfill our core goals and mission. Working with CalCCA and other operating CCAs, VCE will actively engage with the regulatory and legislative communities in order to advance a positive narrative on the value of CCA, manage operational risk, protect the interests of our customers, enhance our ability to mitigate greenhouse gas emissions, and help build a regulatory framework that supports innovation and customer choice in an equitable and cost-effective manner while preserving reliability and universal access.

Goal 5. Strongly advocate for public policies that support VCE's Vision/Mission.

- ~~5.1 Work with a variety of local, regional and state partners, to develop strategies and initiatives to pressure state policy makers to remove barriers to technical feasibility and economic viability of local solar+storage resources, both FOM and BTM.~~
- ~~5.2 As state's search for affordability solutions proceeds, work with statewide allies to oppose false solutions (e.g., cutting energy efficiency or low-income assistance) and promote the benefits of local energy resources, including climate resilience (reducing cost impacts of outages) and reducing transmission needs.~~
- 5.13 Objective: Work with CalCCA and other partners to proactively engage State regulators, legislators, and other State authorities in developing policy that furthers VCE's mission and facilitates our contributions to decarbonization, grid reliability, energy resiliency, affordability, local programs and social equity.
- ~~5.21~~ Objective: Work with partners and policy makers at the a variety of local, regional and state levels partners, to develop strategies and initiatives to pressure state policy makers to remove barriers to the technical feasibility and economic viability of local solar+storage and other renewable resources, for both in front of the meter and behind the meter installations FOM and BTM.
- ~~5.32~~ Objective: As state's search for affordability solutions proceeds, Wwork with statewide allies to develop utility cost reduction rate affordability oppose false solutions, including promotion of local energy resources to enhance climate resilience, reduce cost impacts of grid outages, and reduce needs for transmission investment. (e.g., cutting energy efficiency or low-income assistance) that and promote the benefits of local energy resources, including climate resilience (reducing cost impacts of outages), while and reducing transmission needs.
- 5.42 Objective: Develop relationships with and provide energy education for community stakeholder organizations that foster support for VCE's mission and vision.
- 5.53 Objective: Optimize regulatory compliance activities.

F) ORGANIZATION, WORKPLACE, AND TECHNOLOGY

Human capital is a successful organization's greatest asset, and at VCE we've built a highly talented and dedicated team that will ensure the success and prosperity of our organization. ~~Contracting with Sacramento Municipal Utility District (SMUD) to deliver high-quality services and personnel support during launch and early operations has allowed VCE to realize these objectives from the outset. Over the period of this strategic plan, VCE will explore transition from a contract dependent organization to one that balances the values and efficiencies of development and retention of high-quality in-house staff supported by high-quality outside services.~~ Building, valuing, and nurturing this team's talent will require an start-up adaptive culture that supports creativity, open communication, and the free flow of ideas to spur mission-focused innovation. We will provide an infrastructure within VCE that supports and cultivates our employees through professional and personal development,

recognizes and rewards their contributions to achieving our mission, and offers opportunities that position our people, as well as VCE, for success. In attracting and maintaining skilled employees, VCE will continue to provide a rewarding workplace experience.

VCE will develop a decision support system that will enable it to nimbly assess and react to expansion opportunities as they arise. In addition, VCE will assess opportunities for shared services with other CCAs to optimize function and efficiency of service.

We also take customer information, privacy, and security seriously. Our systems and processes follow best practices and industry standards. Performance metrics are in place to ensure resiliency and high system availability on standard and mobile platforms. Periodic upgrades to IT resources will ensure continued adherence to these high standards. This strategic plan provides the approach that VCE is taking to address the challenges of delivering IT services in a dynamic environment with new regulations and continuous advancements in science and technology.

Goal 6: Analyze and implement optimal long-term organizational, management, and information technology structure at VCE.

- 6.1 Objective: Develop a roadmap to evaluate and guide future steps toward formation of a local Publicly Owned Utility (POU).
- 6.2 Objective: Evaluate and pursue opportunities for shared services with other CCAs for certain functions.
- 6.3 Objective: Develop an evaluation framework to guide future expansion opportunities beyond the existing service territory.
- 6.4 Objective: Identify optimal management, staffing and contracting structure of VCE in the near and long term; factors include balance of internal staff vs. consultant support services, transition of leadership positions to permanent internal employees.
- 6.5 Objective: Promote diversity, equity and inclusion in leadership, hiring, promotion, and contracting policies.
- 6.6 Objective: Support Develop a performance reward system that promotes health, wellness, and a productive workplace.
- 6.7 Objective: Create an innovation-focused culture that rewards based on active proactive participation, proactive problem solving, new ideascustomer-focused initiatives, and creative use of partnerships and member agencies.
- 6.8 Objective: Deploy a modernized IT infrastructure Enterprise Resource Planning (ERP) approach that enables knowledge management, dashboard analytics, and collaboration through robust use of live data and information resources.
- ~~6.8.6.9~~ Objective: Develop a quality management system (QMS) to improve effectiveness and efficiency continuously to meet customer and regulatory requirements.

TIMING, MEASUREMENT AND UPDATES

VCE's Strategic Plan is a living document that will be revisited and updated regularly. At a minimum, staff will review and update the Plan on an annual basis, including goals, objectives and metrics. In addition, staff will establish an implementation timeline and appropriate reporting format to use in reporting performance against the Plan's goals and objectives to VCE leadership and Board. The reports, commencing in 2021, will show metrics, status and mitigations where appropriate. Consolidated summary reporting on the status of all high-priority enterprise goals and objectives will be reported out as follows:

- **Quarterly Report to VCE Management**
Staff will report quarterly to the Executive Officer on the status of goals, objectives and metrics for which they are responsible.

- **Annual Report to Board and CAC**

Staff will report annually to the Board and CAC on the status of goals, objectives and metrics, and will recommend any mitigations or amendments as may be necessary for Board approval.

DRAFT

**VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE**

Staff Report - Item 8

TO: Community Advisory Committee

FROM: Mitch Sears, Chief Executive Officer

SUBJECT: Draft VCE Large Electric Load (LEL) Customer Service Policy

DATE: August 28, 2025

RECOMMENDATION

Review goals, objectives and desirability of establishing a VCE Large Electric Load (LEL) Customer Service Policy.

OVERVIEW

Large electricity loads are in the headlines and are prompting a re-evaluation of the electricity sector. CCA's in California are encountering questions about how best to provide generation services to these newly emerging loads that have not been part of the State's load forecasts. The purpose of this CAC agenda item and staff report is to initiate discussion around these issues/opportunities and introduce a draft framework for how VCE would engage with new large load customers.

BACKGROUND

Valley Clean Energy's (VCE) mission is to provide clean electricity, product choice, and greenhouse gas emission reductions --- all with local control at competitive prices. Given this mission, VCE desires to efficiently and effectively serve the power supply needs for all existing and new customer electric loads within Member service areas. Significant added load expansion/integration required by new and/or existing customers may necessitate non-standard tariff¹ arrangements to clearly address and mitigate associated power supply costs, operational impacts and to specify other related power service provisions.

¹ A CCA tariff is a rate structure or formula charged by a CCA for electricity generation services that recover the cost of electricity, fixed costs, and establishment of reserves. Tariffs are not just billing formats but are often used by Load Serving Entities like CCA's and

VCE's existing Industrial and Agricultural customers comprise about 10-20% of VCE's overall load and varies seasonally. VCE's current total customer annual retail power sales are about 700,000 MWh, or about 80 aMW². July is typically VCE's peak service month with total energy loads near 125 aMW. Potential new large load additions could range from 2-20 aMW on the lower end, to over 500 aMW or more at the higher end for tech related data facilities. Such new loads could thus increase total VCE annual loads by about 20% at the lower range, to quintupling or more, at the upper range. These potential incremental load additions could have significant impacts on VCE's existing customer base, power generation/resource adequacy portfolios, power system operations, relevant operating risk parameters, and overall budget and financial performance. In addition, some new customers may seek to include new renewable and/or conventional generation facilities to provide backup power service if/when grid level service may be interrupted.

VCE is considering implementing a Large Electric Load (LEL) Customer Service Policy to provide staff with direction to evaluate and address likely impacts associated with large new load additions (and any associated resource additions) and, as warranted, to possibly serve such loads pursuant to a negotiated Power Service Contract (PSC) between VCE and new LEL customers.

ANALYSIS & DISCUSSION

VCE currently has no established policy to evaluate and provide service to new large electric loads that may have significant cost/benefit and operational implications on VCE's existing customer base and power resource portfolio. Further, LEL customers may have unique service needs that could require non-standard contract terms and power procurement/hedging flexibility, or to integrate/manage customer provided generation. Moreover, VCE may need to devise special credit and or contract terms to mitigate impacts on existing customers and assure potential associated operational and financial risks have been addressed in a manner consistent with VCE Board approved policies and procedures.

To this end, staff have developed a discussion draft Large Electric Load (LEL) Customer Service Policy which includes the following elements:

IOU's as a tool to influence consumption behavior and operational decisions (e.g. Time of Use, Dynamic Rates, etc.).

² An average megawatt ("aMW") is calculated by taking total energy load during a given time period divided by the total hours during the same time period, and shows what the resultant energy load would have been if it were constant or "flat" during each hour of the given period.

1. Defining a LEL based on added energy load greater than 20,000 MWh or peak demand equal to or exceeding 2MW during any contiguous 12-month period.
2. LEL customers must notify VCE of intent to add/increase load prior to facilities construction or establishing LEL service.
3. Provisions to conduct a Business and Power Supply Impact study to evaluate how new LEL customers may affect existing customers, power supply portfolio and composition, and identify and recommend any needed mitigation measures.
4. Determination to serve LEL under an existing tariff structure or by way of a negotiated Power Service Contract (PSC).
5. LEL sales are to recover the associated full and reasonable costs incurred by VCE to serve such LEL, including contributions to General & Administrative costs, overhead costs and financial operating reserves.
6. PSCs are to comply with applicable VCE risk management policies and procedures.
7. VCE's Chief Executive Officer, or his/her designee, shall have authority to negotiate PSCs in consultation with General and/or Special Counsel.
8. PSCs must be approved by the VCE Board of Directors.

Note, due to existing large load customers and pending/proposed large loads, several CCA's in California have adopted similar LEL policies (e.g. Silicon Valley Clean Energy), which have been used to successfully provide electrical generation services to these types of customers.

FISCAL IMPACT

There are no direct fiscal impacts. Under the draft LEL Customer Service Policy new large electric load fiscal impacts would be evaluated and addressed on a case-by-case basis when such prospective customers notice intention of becoming a VCE LEL customer.

SUMMARY

Establishing a large electric load service policy would provide guidance to staff and prospective LEL customers regarding evaluating and managing such new loads as well as provide flexibility to incorporate nonstandard terms and conditions on a case-by-case basis. Any negotiated Power Service Contract would need to be approved by the Board prior to service implementation.

ATTACHMENT

1. Draft Large Electric Load Customer Service Policy.

VALLEY CLEAN ENERGY

LARGE ELECTRIC LOAD CUSTOMER SERVICE POLICY

Valley Clean Energy's (VCE) mission is to provide clean electricity, product choice, and greenhouse gas emission reductions --- all with local control at lower prices. VCE has adopted this Large Electric Load Customer Service Policy (Policy) to assure consistency with its mission while providing efficiency and value when offering retail power supply to Large Electric Load (LEL) Customers. The purpose of this Policy is to provide guidance to LEL Customers regarding VCE electric service pursuant to defined commercial terms, and to provide transparent guidelines to VCE staff in evaluating and providing such service to existing and new LEL Customers. This Policy may be revised from time to time by the VCE Board.

POLICY PARTICULARS:

- 1) A LEL Customer is an existing or new customer that has historically, or is projected to consume and/or add greater than 20,000 MWh or incur a 2 MW or greater peak demand to its energy use during any contiguous 12-month period.
- 2) Prospective and existing LEL Customers are required to contact VCE's business office at [email/phone #] prior to facilities construction for new load service and or increasing existing load service above the threshold levels described in Paragraph 1 above.
- 3) For LEL additions, VCE, at its sole discretion, may require a Business and Power Supply Impact Study (IS) to estimate reasonable costs and operational implications of serving such LEL, together with identifying associated administrative, economic, reliability and or regulatory compliance effects on VCE or VCE's customer base, including, but not limited to, procurement composition requirements such as Renewables Portfolio Standards and Integrated Resource Planning processes. If an IS is conducted, VCE will manage or oversee such IS, the funding for which will be provided by VCE, the LEL entity, or some combination of both, as outlined in a letter agreement between VCE and the LEL.
- 4) VCE shall analyze the feasibility and implications of new load service to the LEL and form of such service (e.g., whether the prospective LEL is to be served under an existing tariff arrangement or may require a separately negotiated Power Sales Contract (PSC) between VCE and the LEL entity). If a PSC is required, such PSC shall identify and formalize commercial terms of service including power supply charges, resource adequacy obligations, local and system capacity obligations, contract duration, credit provisions, current and future regulatory requirements and other factors pertinent to VCE and the LEL. Such PSC may include flexibility for the LEL to self-provide and or self-procure, all or a portion of its power supply requirements.
- 5) LEL PSCs are intended to recover reasonable costs incurred by VCE associated with serving such LEL including a reasonable contribution to VCE's administrative and general costs and financial operating reserves, while complying with applicable law, VCE's Implementation Plan, Board rates and rate adjustments, approved business, operating and

risk management policies and the goals of controlling transaction costs and protecting VCE's customers.

- 6) LEL PSCs are intended to identify and mitigate potential operational and cost risks to VCE, VCE's existing customer base, and the LEL customer, in a manner consistent with VCE's risk management policies and procedures. Successful consummation of a PSC is a prerequisite for any LEL to obtain power supply services from VCE.
- 7) VCE's Chief Executive Officer, or his/her designee, shall have the authority to negotiate PSCs in consultation with VCE's General or Special Counsel, as applicable. VCE's Enterprise Risk Oversight Committee (EROC) shall review and recommend approval of any PSC prior to consideration by the Board of Directors.
- 8) PSCs must be approved by the VCE Board of Directors.