



Courtenay C. Corrigan, Chair
Town of Los Altos Hills

Margaret Abe-Koga, Vice Chair
City of Mountain View

Liz Gibbons
City of Campbell

Rod Sinks
City of Cupertino

Daniel Harney
City of Gilroy

Jeannie Bruins
City of Los Altos

Rob Rennie
Town of Los Gatos

Marsha Grilli
City of Milpitas

Burton Craig
City of Monte Sereno

Steve Tate
City of Morgan Hill

Dave Cortese
County of Santa Clara

Howard Miller
City of Saratoga

Nancy Smith
City of Sunnyvale

Silicon Valley Clean Energy Executive Committee Meeting

Tuesday, June 26, 2018
12:30 pm

****Note Special Time****

Silicon Valley Clean Energy Office
Conference Room
333 W El Camino Real, Suite 290
Sunnyvale, CA

AGENDA (Amended)

Call to Order

Roll Call

Public Comment on Matters Not Listed on the Agenda

The public may provide comments on any item not on the Agenda. Speakers are limited to 3 minutes each.

Consent Calendar (Action)

- 1a) Approve Minutes of the March 27, 2018, Executive Committee Meeting

Regular Calendar

- 2) Strategic Plan Review (Discussion)
- 3) "Super JPA" – Proposed New JPA for Increased Collaboration Between CCAs (Discussion)

Committee/Staff Remarks

Adjourn

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**Silicon Valley Clean Energy
Executive Committee Meeting**

Tuesday, March 27, 2018
11:30 am

Silicon Valley Clean Energy Office
Conference Room
333 W El Camino Real, Suite 290
Sunnyvale, CA

DRAFT MINUTES

Call to Order

Chair Corrigan called the meeting to order at 11:37 a.m.

Roll Call

Present:

Chair Courtenay Corrigan, Town of Los Altos Hills
Vice Chair Margaret Abe-Koga, Mountain View
Director Liz Gibbons, City of Campbell
Director Rod Sinks, City of Cupertino
Director Nancy Smith, City of Sunnyvale (arrived at 12:25 p.m.)

Absent:

None.

Public Comment on Matters Not Listed on the Agenda

No speakers.

Consent Calendar

CEO Girish Balachandran noted an addition to Item 1c) Changes to SVCE Staff Reports, to include an *Alternatives* section to future staff reports.

MOTION: Director Gibbons moved and Director Sinks seconded the motion to approve the Consent Calendar, with the amendment to Item 1c to include a section in the staff report for *Alternatives*.

The motion carried unanimously with Director Smith absent.

- 1a) Approve Minutes of the February 27, 2018, Executive Committee Special Meeting**
- 1b) Board and Executive Committee 2018 Schedule**
- 1c) Changes to SVCE Staff Reports**



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Regular Calendar

2) CEO 30-day Organization Assessment, Priorities and SVCE Staffing Plan (Discussion)

CEO Balachandran introduced the item and presented a PowerPoint presentation on the CEO's 30-day organization assessment, priorities and SVCE staffing plan; Director of Administration and Finance Don Eckert provided additional information on compensation and benefits. Staff responded to Committee questions.

Committee members commented on the assessment and provided feedback for the presentation to bring back to the Board.

Chair Corrigan opened public comment.

James Tuleya, Sunnyvale resident involved in Sunnyvale climate advocacy, supported the overall direction proposed. Tuleya commented his belief that Silicon Valley is a leader in innovation and climate advocacy and climate solutions going forward, and should lead by example. Tuleya noted the importance of reaching disadvantaged communities.

Bruce Karney, Mountain View resident, supported the direction and future for Silicon Valley Clean Energy presented. Karney commented the five bullet points of the unique advantages of Silicon Valley, in terms of academia, are unique and important.

Tom Kabat, Carbon Free Silicon Valley, commented he was encouraged by steps and actions being made by Silicon Valley Clean Energy in helping people focus on bending the carbon curve.

Bruce Karney commented his perspective that SVCE recruits against municipal utilities, investor owned utilities and other CCAs, and that comparisons to City government are not appropriate. Karney noted he considers retention to be a red flag for the organization and encouraged SVCE to retain good staff.

MOTION: Director Gibbons moved and Director Sinks seconded the motion to recommend the organizational chart to the Board as presented by Staff.

Director Smith noted she would be abstaining on the item due to not being present for discussion.

The motion carried unanimously with an abstention by Director Smith.

3) Update on SVCE Market Share Analysis (Discussion)

Director of Marketing and Public Affairs Alan Suleiman introduced the item; CEO Balachandran provided additional information. Staff responded to Committee questions regarding data information and a change in reporting metrics. CEO Balachandran noted more specifics on the new method of reporting would be brought back to the Committee.

Chair Corrigan summarized Committee comments to suggest Staff use the reporting method which makes the most sense, and clarify that as the organization has matured,

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the former method of reporting is no longer the best metric to measure. Chair Corrigan noted the importance of reporting publicly on metrics that make sense to SVCE and are within the law.

Margaret Abe-Koga, Vice Chair
City of Mountain View

Director Sinks clarified the reporting metric agreed upon is the idea of what fraction of total market has SVCE acquired in customers and load.

Liz Gibbons
City of Campbell

Chair Corrigan opened public comment.

Rod Sinks
City of Cupertino

Bruce Karney supported the change in reporting and noted SVCE account percentages have continuously gone up every month through December. Karney commented the only reason to have greenhouse gas assessments is to publicize and take action based on them, and noted he hoped SVCE would not run into a situation where GHG numbers cannot be shared with the public.

Daniel Harney
City of Gilroy

4) SVCE Board of Directors Workshop Series (Discussion)

Jeannie Bruins
City of Los Altos

CEO Balachandran introduced Staff's proposal to host a workshop series for the Board and responded to Committee questions.

Rob Rennie
Town of Los Gatos

Director Gibbons suggested some topics could be covered by a memo to the Board and requested past and future workshop materials be accessible to the Board electronically in a shared folder.

Marsha Grilli
City of Milpitas

The Committee provided additional suggestions including taping the workshops, and various timing options for the workshops.

Burton Craig
City of Monte Sereno

Chair Corrigan opened public comment.

James Tuleya supported the idea of the workshop series.

Steve Tate
City of Morgan Hill

Chair Corrigan closed public comment.

Dave Cortese
County of Santa Clara

Committee/Staff Remarks

CEO Balachandran announced an opportunity for Board members to attend the Community Choice Energy Summit in La Jolla, CA in April. CEO Balachandran noted there would be additional opportunities for Board members to attend events in the future.

Howard Miller
City of Saratoga

Director Gibbons requested dates for future opportunities as soon as possible, and clarified directors would not have special reporting requirements for attending the events.

Nancy Smith
City of Sunnyvale

Director Sinks suggested directors begin attending events and telling SVCE's story, and requested Staff subscribe to Stanford University's email list and inform directors of opportunities to spread SVCE's message and impact on the broader community.

Adjournment

Chair Corrigan adjourned the meeting at 1:01 p.m.

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Staff Report – Item 2

To: Silicon Valley Clean Energy Executive Committee

From: Girish Balachandran, CEO

Item 2: Strategic Plan Review

Date: 6/26/2018

RECOMMENDATION

This item is informational only.

BACKGROUND

SVCE’s Strategic Plan was adopted by the Board in June 2017. This plan was developed to ensure transparency in SVCE’s operations and provide clear direction to staff about strategies and tactics used to achieve our goals.

ANALYSIS & DISCUSSION

The Strategic Plan was intended to be a living document which would be edited and altered based on the changing landscape of the CCA world. Having provided service for over a year now, we felt it would be appropriate to revisit the goals and tactics that were established in 2017 to see what needed to be changed based on experiences and additional goals that have been identified since the creation of the document. Following is a summary of the minor and major changes identified, as well as others that are to be determined:

Section	Minor Changes	Major Changes	TBD
Workplace	Removed outdated figures	Addition of a bi-annual compensation study to Strategy 1.6, <i>Reward staff to keep them engaged</i>	
Customer and Community	Updated timeline for achieving goals in customer awareness, conducting a customer survey, measurement methodology and baseline, decarbonization program roadmap, and GHG inventory data.	Addition of Strategy 5.4, <i>Establish SVCE customer resource center</i> , and 5.5, <i>Establish SVCE customer interval data analytics platform</i>	Goal 5: "Work with the community to achieve energy and transportation GHG reductions of 30% from the 2015 baseline, by 2021" to be updated with goals for 2021, 2025 and 2030.
Finance and Fiscal Responsibility	Updated timeline for receiving an investment grade credit rating, removed member agency loan pay back tactic, and changed Annual 5-year net revenue update to Bi-Annual update.		
Regulatory and Legislative	Additional emphasis on contributing to CalCCA and taking an active role in engaging the community on SVCE's advocacy efforts		
Power Supply	Updated timeline for RPS goals and California's mandated energy storage requirement.	Addition of Strategy 9.3, <i>Identify and pursue cost effective, local distributed energy resources to meet RPS needs</i> , Goal 11: <i>Manage power supply resources and risks to financial and rate objective</i> , and Strategies 11.1, <i>Optimize existing resources to increase value to SVCE customers and evaluate opportunities to minimize cost of procuring and scheduling electricity and related products</i> and 11.2, <i>Manage market price, credit, load and supplier volume risk to meet rate and financial objectives</i> .	
Information Technology		A majority of the IT goals and tactics were revised to reflect a more specific plan for ensuring reliability and security of SVCE's IT infrastructure.	

Agenda Item: 2**Agenda Date: 6/26/2018**

These edits, and any additional suggestions from the Committee, will help us in revising our Strategic Plan to better align with our goals and objectives for the coming year.

STRATEGIC PLAN

SVCE's Board-adopted Strategic Plan identifies our mission, to reduce dependence on fossil fuels by providing carbon free, affordable and reliable electricity and innovative programs for the SVCE community, and various goals and tactics for achieving this mission. Revisiting our initial goals and tactics will help in realigning our vision and mission for SVCE and the community.

ALTERNATIVE

There are no alternatives to this report as feedback received will be incorporated into the next presentation to the Board.

FISCAL IMPACT

N/A

ATTACHMENTS

1. Proposed Changes to SVCE's Strategic Plan – Clean
2. Proposed Changes to SVCE's Strategic Plan - Redlined



Strategic Plan Review – June 2018

DRAFT

Workplace

Human capital is a successful organization's greatest asset, and at SVCE we strive to build a highly talented and dedicated team that will ensure the success and prosperity of our organization. Valuing this team and nurturing its talent will require a start-up culture that supports creativity, open communication, and the free flow of ideas to spur innovation. We will provide an infrastructure within SVCE 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 SVCE, for success. In attracting and maintaining skilled employees, SVCE will continue to provide a rewarding workplace experience.

Goal 1: Build a high-performing team

Strategy 1.1: Build an environment that encourages creativity and innovation

- 1.1.1) Support professional development by paying for memberships, conferences and other continuing education opportunities
- 1.1.2) Encourage staff to attend conferences and networking events

Strategy 1.2: Support employee health and wellness

- 1.2.1) Promote healthy habits
- 1.2.2) Provide flexible schedules to accommodate family needs

Strategy 1.3: Build an inclusive and fulfilling company culture

- 1.3.1) Monthly, arrange opportunities for staff to socialize in or outside of the office
- 1.3.2) Annually, sponsor family events (e.g. holiday celebration, summer picnic, etc.)
- 1.3.3) Promote team building through volunteer work
- 1.3.4) Maintain an open-door policy for CEO and directors

Strategy 1.4: Provide effective and safe feedback processes

- 1.4.1) Research and develop an annual feedback process, promoting an open and safe performance assessment
- 1.4.2) Conduct an annual survey to measure employee engagement

Strategy 1.5: Provide opportunities for cross-team interaction and collaboration

1.5.1) Establish a monthly all-hands meeting

Strategy 1.6: Reward staff to keep them engaged

1.6.1) Annually, update compensation schedule to account for cost of living adjustment. Bi-annually conduct a compensation study and make necessary adjustments to ensure wage competitiveness

1.6.2) Continue to provide competitive benefits

1.6.3) Ensure that staff has the tools necessary to effectively do the job

CUSTOMER AND COMMUNITY

SVCE will use various channels and platforms to cultivate relationships with and bring customer value to all segments of the communities we serve. 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 customers are particularly important to building SVCE's brand in a region known for innovation. Communicating our competitive rates and superior product in clear and accessible ways will strengthen customer loyalty and enhance our financial standing, enabling us to better serve our communities.

Aligning customer programs to the SVCE mission is paramount to the design and execution of these programs. Decarbonization and electrification are front and center in developing strategic programs to lower greenhouse gases and curbing climate change.

Goal 2: Maintain competitive rates to acquire and retain customers

Strategy 2.1: Provide carbon-free electricity to additional customers in the SVCE service area and increase market share

2.1.1) Communicate competitive rates to all customers

2.1.2) Annually, communicate rates and power content mix of the SVCE electric supply in a joint rate comparison mailer with PG&E

2.1.3) On an on-going basis, engage with selected prospective customers not currently served by SVCE to review options and benefits of service from SVCE

2.1.4) Examine customized rate options for large customers while meeting SVCE's carbon and financial goals

Goal 3: Benchmark customer awareness in 2019 and establish goals

Strategy 3.1: Update baseline customer awareness measure and build a trusted brand

- 3.1.1) Conduct customer survey in 2019
- 3.1.2) Develop customer segmentation model and personas
- 3.1.3) Establish ongoing goals and communications plan for awareness

Strategy 3.2: Build awareness and trust through continuous interaction with the SVCE community

- 3.2.1) Annually, provide SVCE update to member agency councils or state of the city events highlighting SVCE and community activity related to electrification and decarbonization.
- 3.2.2) Annually, place booth/table at six regional events that emphasize energy efficiency, sustainability, and efficient use of natural resources
- 3.2.3) Sponsor community and industry events that align with SVCE's sponsorship guidelines
- 3.2.4) Create a Speakers Bureau to present to community groups, environmental organizations, trade allies, commercial customers, chambers, and neighborhood associations at their respective meetings

Strategy 3.3: Share SVCE and customer stories to build goodwill and awareness

- 3.3.1) Submit quarterly news features to all local papers
- 3.3.2) Write and promote customer profiles for related work and recognition already in the community

Strategy 3.4: Leverage the SVCE member agencies' sustainability and communication staff to disseminate information to the communities in the SVCE service area

- 3.4.1) Organize and conduct monthly meetings of the Member Agency Working Group for SVCE member agency sustainability and communication staff
- 3.4.2) Organize quarterly meetings between commercial and industrial customers and various interest groups to promote renewable resources, decarbonization, and advanced technologies for energy storage

Strategy 3.5: Leverage partnerships with other Community Choice Aggregators (CCAs) to increase general CCA “brand recognition” among consumers

- 3.5.1) Promote the undertaking of joint marketing campaigns with Peninsula Clean Energy and other regional CCAs
- 3.5.2) Co-brand publicly visible energy service infrastructure

Goal 4: Benchmark customer service satisfaction

Strategy 4.1: Establish measurement methodology and baseline

- 4.1.1) Develop methodology in 2019
- 4.1.2) Establish baseline in 2019

Strategy 4.2: Create a customer-centric culture

- 4.2.1) Ensure that customer contact center reps are trained and deliver pleasant and effective customer experiences
- 4.2.2) Randomly monitor and listen to calls, live or recorded, each quarter
- 4.2.3) Monitor customer service statistics to ensure adherence to Service Level Agreements
- 4.2.4) Offer a post-transaction survey to customers

Strategy 4.3: Recognize GreenPrime customers’ added contribution to SVCE’s mission

- 4.3.1) Recognize customers participating in the GreenPrime program
- 4.3.2) Maintain third party validation and marketplace recognition

Goal 5: Work with the community to achieve energy and transportation GHG reductions of 30% from the 2015 baseline, by 2021

Strategy 5.1: Utilize local GHG data and key ‘clean electric’ operating measures to guide SVCE program activities

- 5.1.1) Document 2015 baseline GHG inventory data related to energy and transportation for the SVCE service territory, by July 2018
- 5.1.2) Identify and document common Climate Action Plan (CAP) goals and measurement methods relevant to SVCE, and quantify penetration of related ‘clean electric’ infrastructure by July 2018
- 5.1.3) Establish and document an initial set of SVCE ‘clean electric’ operating metrics and targets, where related to an SVCE program by July 2018

- 5.1.4) Support local GHG accounting efforts and customer GHG accounting (e.g. Power Content Label, emissions intensity, recognized certifications, etc.)

Strategy 5.2: Establish an SVCE decarbonization program roadmap and related processes

- 5.2.1) Establish high-level evaluation criteria and weighting to assess relative program impact and value
- 5.2.2) Identify and document candidate programs that promote decarbonization via improved energy efficiency and/or fuel switching to clean electricity
- 5.2.3) Confirm top-ranked programs for detailed development and launch in 2019
- 5.2.4) Establish process and mechanisms for ongoing stakeholder input and review

Strategy 5.3: Develop and conduct SVCE programs that promote decarbonization via grid innovation and fuel switching to clean electricity

- 5.3.1) Support initial programs
- 5.3.2) Engage built environment trade allies (e.g. architects, engineers, builders, developers and realtors) and member agency building officials in creating a roadmap addressing and encouraging the advancement of decarbonization technologies and measures (e.g. expediting/subsidizing building permits, adding codes and ordinances beyond existing building codes)
- 5.3.3) Engage industry partners (e.g. startups, corporations, academia) in designing innovative grid technology programs that provide value to customers and help enable further grid decarbonization.

Strategy 5.4: Establish SVCE customer resource center

- 5.4.1) Develop initial requirements for SVCE web based knowledge center to support customer awareness, education and action with respect to electrification and decarbonization
- 5.4.2) Develop pilot implementation

Strategy 5.5: Establish SVCE customer interval data analytics platform

- 5.5.1) Develop initial requirements for SVCE customer data to support future program activity, e.g. TOU incentives and targeted outreach
- 5.5.2) Develop pilot implementation

FINANCE AND FISCAL RESPONSIBILITY

A respected financial ranking requires disciplined fiscal strategies and financially sound policies. SVCE 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 SVCE, our commitment to fiscal 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 earn us a high credit rating and a healthy position in delivering customer value.

Goal 6: Achieve an investment grade credit rating by 2021

Strategy 6.1: Develop and maintain comprehensive policies for the governance of SVCE financials

- 6.1.1) Develop and report on SVCE dashboards that include key financial metrics
- 6.1.2) Develop an annual budget and update mid-fiscal year
- 6.1.3) Bi-Annually, develop 5-year financial forecasts to predict rate adjustments or financial risks
- 6.1.4) Frequently monitor discretionary expenses (non-power supply) to ensure that they remain within 5% of budget

Strategy 6.2: Establish a Cash Reserves Policy to hedge unexpected variation in power supply costs, provide capital during economic downturns and mitigate against rate increases

- 6.2.1) Update Cash Reserves Policy by July 2019
- 6.2.2) Establish retail rates a minimum of 1% below PG&E's rates
Establish a range of 90 to 270 expense coverage days with a reserves target of 180 expense coverage days
- 6.2.3) Maintain a debt-to-equity ratio of 0.5 or less

Goal 7: Target rates at 1-3%, or more, below the surrounding investor owned utility

Strategy 7.1: Ensure ongoing price competitiveness

- 7.1.1) Annually, identify major shifts in key cost components and recommend an approach to minimize risks associated with those shifts

REGULATORY & LEGISLATIVE

The regulatory and legislative processes wield critical influence over SVCE's ability to serve our customers and fulfill our core goals and mission. SVCE will actively engage with the regulatory and legislative communities in order 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 8: Engage regulators and legislators in developing policy that protects CCA rights and facilitates CCA contributions to decarbonization, grid reliability, affordability, and social equity.

Strategy 8.1: Use strategic lobbying to foster a regulatory and legislative environment that supports SVCE's existence and GHG mitigation efforts

- 8.1.1) Coordinate with CalCCA lobbyists to maximize legislators' awareness of CCA issues
- 8.1.2) Leverage the voices of SVCE's Board of Directors and other community leaders within SVCE's territory by arranging for them to contact and meet with their legislators to discuss CCA issues
- 8.1.3) Ensure that climate and CCA stewardship are part of the conversation during local elections for municipal and state legislative positions

Strategy 8.2: Build the California Community Choice Association (CalCCA) into a stable, resilient institution and a respected political brand that can advocate for SVCE values statewide

- 8.2.1) Identify opportunities for CalCCA to grow or improve its operations, and help develop CalCCA's institutional goals and vision.
- 8.2.2) Support CalCCA staff in facilitating and hosting CalCCA conference calls and meetings
- 8.2.3) Contribute to the development of protocols and procedures governing CalCCA's activities
- 8.2.4) Contribute to orientation, mentoring, and knowledge transfer for new CalCCA members
- 8.2.5) Author comments, testimony, articles for the media, and other documents under the CalCCA name as needed until CalCCA staff can take over this function
- 8.2.6) Facilitate SVCE Board participation in CalCCA advocacy activities in order to maximize advocacy efficiency and effectiveness

Strategy 8.3: Develop relationships with community stakeholder organizations that foster support for SVCE and decarbonization

8.3.1) Attend or cohost relevant community meetings and events to engage individual community leaders and groups

8.3.2) Encourage members of local stakeholder organizations to assist in SVCE's advocacy efforts by contacting policymakers

Strategy 8.4: Conduct research that quantifies CCA contributions to decarbonization and other core policy goals, and documents the benefits CCA members receive under CCA operation

8.4.1) Annually, use data collected during SVCE operations to provide quantitative evidence of the qualitative benefits of CCA membership (e.g. rate stability, carbon savings, community engagement, etc.)

8.4.2) Publish results in peer-reviewed journals or industry publications where they can be seen and shared

8.4.3) Share results with other CCAs and encourage them to do the same in order to identify best practices and opportunities for improvement

POWER SUPPLY

Navigating the world of power markets and state-mandated power mix requirements while fulfilling our commitment to sourcing 100% carbon free electricity requires a constant search for the right resources. SVCE is committed to providing carbon free electricity through a balanced approach and competitive acquisition, while supporting regionalization and expanding the California Independent System Operator (CAISO) to improve access to more carbon free resources.

Goal 9: Annually, acquire sufficient bundled energy and renewable type 1 resources (PCC1) to meet 100% of California's Renewable Portfolio Standard (RPS) regardless of the allowance that the state makes for type 2 or type 3 renewables

Strategy 9.1: Stagger acquisitions to accommodate regulatory uncertainty, changes in load and supply price risks

9.1.1) For the upcoming calendar year, procure 100% of RPS through PCC1

9.1.2) Achieve 65% of RPS through power purchase agreements for terms no less than ten years starting in 2021

Strategy 9.2: Diversify the use of technologies to meet RPS needs

9.2.1) Assess the value of diversifying resource technology, location and terms as part of the selection process

- 9.2.2) Invest in storage capacity to meet California's mandated energy storage requirement of 1% of SVCE's 2020 peak load forecast by 2021

Strategy 9.3: Identify and pursue cost effective, local distributed energy resources to meet RPS needs

- 9.3.1) Assess technical, economic and market potential
- 9.3.2) Determine value of local distributed energy resources
- 9.3.3) Evaluate the use of feed-in-tariffs and/or other mechanisms to contribute towards local economic development.
- 9.3.4) Issue a distributed energy resource RFO for locally-sited renewable resources

Goal 10: Acquire sufficient resources to ensure that 100% of SVCE's energy needs are from carbon free resources

Strategy 10.1: Strike a balance between large hydro and renewable resources when considering cost to meet 100% of SVCE's load with carbon-free resources

Strategy 10.2: Promote regionalization to enhance the value of out-of-state renewable resources and speed the timeline for achieving carbon neutrality

- 10.2.1) Support the CAISO's effort to establish a western-wide balancing authority and promote the development of renewable resources throughout the western interconnected grid
- 10.2.2) Conduct a study to compare the value of investing in-state versus out-of-state for renewable resources by March 2018

Goal 11: Manage power supply resources and risks to financial and rate objectives

Strategy 11.1: Optimize existing resources to increase value to SVCE customers and evaluate opportunities to minimize cost of procuring and scheduling electricity and related products

- 11.1.1) Assess core procurement, scheduling, settlements and reporting functions and determine best use of in-house versus outsourced resources
- 11.1.2) Consider joint procurement for electricity and related services with other CCAs through the formation of a joint power agency and/or other arrangements
- 11.1.3) Explore opportunities to partner/procure energy and related services with publicly owned utilities

Strategy 11.2: Manage market price, credit, load and supplier volume risk to meet rate and financial objectives

- 11.2.1) Implement an energy risk management program consistent with the Board-approved Energy Risk Management Policy
- 11.2.2) Develop internal models to measure, monitor and report portfolio and net revenue risks
- 11.2.3) Evaluate hedging strategy and use of hedging products

INFORMATION TECHNOLOGY

At SVCE, we 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 SVCE 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 12: SVCE's Information Technology infrastructure must be secure, reliable, and disaster resilient to provide 24/7/365 online access

Strategy 12.1: Deliver advanced capabilities to foster collaboration, knowledge management, and analytics

- 12.1.1) Enhance collaboration across departments through digital solutions to inform and engage internal and external audiences
- 12.1.2) Ensure the availability of and access to information that enables departments to make timely, informed decisions by strengthening data and knowledge management approaches
- 12.1.3) Implement quality management processes to baseline, and begin routine reporting on the performance of projects, key metrics
- 12.1.4) Develop metrics and communicate to management via a monthly Information Technology report to gauge the overall performance of the system

Strategy 12.2: Provide a robust and secure IT infrastructure that supports on-demand access to information

- 12.2.1) Deploy a modernized IT infrastructure that enables seamless access to information resources
- 12.2.2) Protect the integrity of the department's information and IT assets by strengthening our cybersecurity posture
- 12.2.3) (Cloud Computing) Drive centralized and streamlined cloud adoption to meet the business needs of the department

12.2.4) SVCE will administer an internal security audit of the system on a monthly basis. SVCE will conduct an annual audit with an independent third party to determine the security of the system and correct any findings and consider implementing recommendations

12.2.5) Provide 24/7/365 continuous support, 100% system reliability and 0% data breaches by third parties

Strategy 12.3: Advance business management practices to transform service delivery

12.3.1) (IT Policy and Governance) Establish and employ streamlined policy and governance processes that align IT solutions with customer expectations and mission requirements

12.3.2) (IT Human Capital Management) Build, develop, and retain a talented, diverse IT workforce

12.3.3) (IT Business Systems) Ensure efficient and effective performance of core business functions and enterprise services

Strategy 12.4: Improve mandates & IT audit compliance

12.4.1) Develop a strategy that includes a disaster recovery solution that provides business continuity for critical applications and vital records

12.4.2) SVCE will conduct an annual audit with an independent third party to determine the security of the system and correct any findings and consider implementing recommendations

Strategy 12.5: Improve asset management

12.5.1) Leverage enterprise architecture and asset management tools to collect a complete inventory of assets and applications to enhance asset management

12.5.2) Evaluate available industry standard IT service frameworks and develop and implement a strategy in support of managing, maintaining, and applying IT governance over applications and technologies

Strategy 12.6: Reduce redundancy and promote consolidation

12.6.1) Streamline the procurement portfolio by performing strategic sourcing and category management.

12.6.2) Leverage enterprise architecture (EA) and business capability model to reduce infrastructure footprint

12.6.3) Perform application rationalization to identify unused, redundant and out of date applications, and trim down the portfolio through application modernization and decommissioning

Strategy 12.7: Enhance cybersecurity compliance and operations

- 12.7.1) Enhance and strengthen the Cybersecurity program to conduct highly effective incident response, insider threat detection, operational situational awareness, compliance, and to decrease the overall security risks to sensitive information and IT infrastructure
- 12.7.2) Implement data loss prevention, multi-factor authentication, security incident/event management tools, and encryption at rest
- 12.7.3) Implement continuous diagnostics and mitigation capabilities to identify cybersecurity risks on an ongoing basis and prioritize these risks based upon potential impacts



Strategic Plan Review – June 2018

DRAFT

Workplace

Human capital is a successful organization's greatest asset, and at SVCE we strive to build a highly talented and dedicated team that will ensure the success and prosperity of our organization. Valuing this team and nurturing its talent will require a start-up culture that supports creativity, open communication, and the free flow of ideas to spur innovation. We will provide an infrastructure within SVCE 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 SVCE, for success. In attracting and maintaining skilled employees, SVCE will continue to provide a rewarding workplace experience.

Goal 1: Build a high-performing team with 90% employee engagement and less than 10% employee turnover per year

Strategy 1.1: Build an environment that encourages creativity and innovation

- 1.1.1) Support professional development by paying for memberships, conferences and other continuing education opportunities
- 1.1.2) Encourage staff to attend conferences and networking events

Strategy 1.2: Support employee health and wellness

- 1.2.1) Promote healthy habits
- 1.2.2) Provide flexible schedules to accommodate family needs

Strategy 1.3: Build an inclusive and fulfilling company culture

- 1.3.1) Monthly, arrange opportunities for staff to socialize in or outside of the office
- 1.3.2) Annually, sponsor family events (e.g. holiday celebration, summer picnic, etc.)
- 1.3.3) Promote team building through volunteer work
- 1.3.4) Maintain an open-door policy for CEO and directors

Strategy 1.4: Provide effective and safe feedback processes

- 1.4.1) Research and develop an annual feedback process ~~to be implemented in 2018~~, promoting an open and safe performance assessment

1.4.2) Conduct an annual survey to measure employee engagement

Strategy 1.5: Provide opportunities for cross-team interaction and collaboration

1.5.1) Establish a monthly all-hands meeting

Strategy 1.6: Reward staff to keep them engaged

1.6.1) Annually, update compensation schedule to account for cost of living adjustment. Bi-annually conduct a compensation study and make necessary adjustments to ensure wage competitiveness

1.6.2) Continue to provide competitive benefits

1.6.3) Ensure that staff has the tools necessary to effectively do the job

CUSTOMER AND COMMUNITY

SVCE will use various channels and platforms to cultivate relationships with and bring customer value to all segments of the communities we serve. 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 customers are particularly important to building SVCE's brand in a region known for innovation. Communicating our competitive rates and superior product in clear and accessible ways will strengthen customer loyalty and enhance our financial standing, enabling us to better serve our communities.

Aligning customer programs to the SVCE mission is paramount to the design and execution of these programs. Decarbonization and electrification are front and center in developing strategic programs to lower greenhouse gases and curbing climate change.

Goal 2: Maintain competitive rates to acquire and retain customers

Strategy 2.1: Provide carbon-free electricity to additional customers in the SVCE service area and increase market share

2.1.1) Communicate competitive rates to all customers

2.1.2) Annually, communicate rates and power content mix of the SVCE electric supply in a joint rate comparison mailer with PG&E

2.1.3) On an on-going basis, engage with selected prospectiveselected customers not currently served by SVCE-Direct Access customers

~~and large bundled customers who have opted out,~~ to review options and benefits of service from SVCE

~~2.1.3)~~2.1.4) Examine customized rate options for large customers while meeting SVCE's carbon and financial goals

Goal 3: Benchmark~~Achieve 50%~~ customer awareness in **by 2019 and establish goals**

Strategy 3.1: Update baseline customer awareness measure and build a trusted brand

~~3.1.1)~~3.1.1) Conduct customer survey in 2019

~~3.1.2)~~3.1.2) Develop customer segmentation model and personas Q1 of 2018

~~3.1.1)~~3.1.3) Establish ongoing goals and communications plan for awareness and biannually thereafter

Strategy 3.2: Build awareness and trust through continuous interaction with the SVCE community

~~3.2.1)~~3.2.1) Hold annual community meetings, one per member agency, highlighting the value that SVCE brings to its customersAnnually, provide SVCE update to member agency councils or state of the city events highlighting SVCE and community activity related to electrification and decarbonization.

3.2.2) Annually, place booth/table at six regional events that emphasize energy efficiency, sustainability, and efficient use of natural resources

3.2.3) Sponsor community and industry events that ~~promote resource efficiency, alternative transportation, and clean energy~~align with SVCE's sponsorship guidelines

3.2.4) Create a Speakers Bureau to present to community groups, environmental organizations, trade allies, ~~large~~-commercial customers, chambers, and neighborhood associations at their respective meetings

Strategy 3.3: ~~Engage the media to inform the community of SVCE product offerings~~Share SVCE and customer stories to build goodwill and awareness

3.3.1) Submit quarterly news features to all local papers

~~3.3.2)~~3.3.2) Quarterly, pitch one story for earned mediaWrite and promote customer profiles for related work and recognition already in the community

Strategy 3.4: Leverage the SVCE member agencies' sustainability and communication staff to disseminate information to the communities in the SVCE service area

- 3.4.1) Organize and conduct monthly ~~calls of the Communications Working Group~~ meetings of the Member Agency Working Group for SVCE member agency sustainability and communication staff
- ~~3.4.2) Provide updates at council meetings once a quarter via Board of Directors or other SVCE representative~~
- ~~3.4.3)~~ 3.4.2) Organize quarterly meetings between commercial and industrial customers and various interest groups to promote renewable resources, decarbonization, and advanced technologies for energy storage

Strategy 3.5: Leverage partnerships with other Community Choice Aggregators (CCAs) to increase general CCA "brand recognition" among consumers

- 3.5.1) Promote the undertaking of joint marketing campaigns with Peninsula Clean Energy and other regional CCAs
- 3.5.2) Co-brand publicly visible energy service infrastructure

Goal 4: Benchmark Achieve 95% customer service satisfaction by 2020

Strategy 4.1: Establish measurement methodology and baseline

- 4.1.1) Develop methodology ~~by Q4 of 2017~~ in 2019
- 4.1.2) Establish baseline in 2019~~8~~

Strategy 4.2: Create a customer-centric culture

- 4.2.1) Ensure that customer contact center reps are trained and deliver pleasant and effective customer experiences
- 4.2.2) Randomly monitor and listen to calls, live or recorded, each quarter
- 4.2.3) Monitor customer service statistics to ensure adherence to Service Level Agreements
- 4.2.4) Offer a post-transaction survey to customers

Strategy 4.3: Recognize GreenPrime customers' added contribution to SVCE's mission

- ~~4.3.1) Biannually, conduct an event to R~~ recognize large commercial customers participating in the GreenPrime program
- ~~4.3.1)~~ 4.3.2) Maintain third party validation and marketplace recognition
- ~~4.3.2) Quarterly, promote customer stories featuring residents and businesses who have upgraded to GreenPrime~~

Goal 5: Work with the community to achieve energy and transportation GHG reductions of 30% from the 2015 baseline, by 2021

Strategy 5.1: Utilize local GHG data and key 'clean electric' operating measures to guide SVCE program activities

- 5.1.1) Document 2015 baseline GHG inventory data related to energy and transportation for the SVCE service territory, by ~~July 2018~~January 2018
- 5.1.2) Identify and document common Climate Action Plan (CAP) goals and measurement methods relevant to SVCE, and quantify penetration of related 'clean electric' infrastructure by ~~July- 2018~~Q1 2018
- 5.1.3) Establish and document an initial set of SVCE 'clean electric' operating metrics and targets, where related to an SVCE program by ~~July~~Q1 2018
- 5.1.4) Support local GHG accounting efforts and customer GHG accounting (e.g. Power Content Label, emissions intensity, recognized certifications, etc.)

Strategy 5.2: Establish an SVCE decarbonization program roadmap and related processes

- 5.2.1) Establish high-level evaluation criteria and weighting to assess relative program impact and value ~~by June 2017~~
- 5.2.2) Identify and document candidate programs that promote decarbonization via improved energy efficiency and/or fuel switching to clean electricity ~~by July 2017~~
- 5.2.3) ~~Confirm top-ranked programs for detailed development and launch in 2019~~ Generate an initial ranking of candidate programs vs evaluation criteria, and confirm top-ranked 'starter programs' by Q3 2017
- 5.2.4) Establish process and mechanisms for ongoing stakeholder input and review ~~by August 2017~~

Strategy 5.3: Develop and conduct SVCE programs that promote ~~decarbonization to via fuel-switching to~~ decarbonization via grid innovation and fuel switching clean electricity, ~~and improved energy efficiency~~

- 5.3.1) ~~Support initial programs~~ Plan and launch initial 'starter programs' as prioritized in Q4 2017
- 5.3.2) Engage built environment trade allies (e.g. architects, engineers, builders, developers and realtors) and member agency building officials in creating a roadmap addressing and encouraging the

advancement of decarbonization technologies and measures (e.g. expediting/subsidizing building permits, adding codes and ordinances beyond existing building codes), ~~etc.~~)

~~5.3.2)~~ 5.3.3) Engage industry partners (e.g. startups, corporations, academia) in designing innovative grid technology programs that provide value to customers and help enable further grid decarbonization.

Strategy 5.4: Establish SVCE customer resource center

5.4.1) Develop initial requirements for SVCE web based knowledge center to support customer awareness, education and action with respect to electrification and decarbonization

5.4.2) Develop pilot implementation

Strategy 5.5: Establish SVCE customer interval data analytics platform

5.5.1) Develop initial requirements for SVCE customer data to support future program activity, e.g. TOU incentives and targeted outreach

5.5.2) Develop pilot implementation

FINANCE AND FISCAL RESPONSIBILITY

A respected financial ranking requires disciplined fiscal strategies and financially sound policies. SVCE 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 SVCE, our commitment to fiscal 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 earn us a high credit rating and a healthy position in delivering customer value.

Goal 6: Achieve an investment grade credit rating ~~A or higher credit rating~~ by 2021~~0~~

Strategy 6.1: Develop and maintain comprehensive policies for the governance of SVCE financials

6.1.1) Develop and report on SVCE dashboards that include key financial metrics ~~by September 2017~~

6.1.2) Develop an annual budget and update mid-fiscal year

- 6.1.3) ~~Bi-Annually~~, develop ~~5-10~~-year financial forecasts to predict rate adjustments or financial risks
- 6.1.4) Frequently monitor discretionary expenses (non-power supply) to ensure that they remain within 5% of budget

Strategy 6.2: Establish a Cash Reserves Policy~~Rate Stabilization Fund (RSF)~~ to hedge unexpected variation in power supply costs, provide capital during economic downturns and mitigate against rate increases

- ~~6.2.1)~~ Update Cash Reserves Policy by July 2019
- ~~6.2.1)~~ ~~Establish~~ Hold retail rates a minimum of at 1% below PG&E's rates ~~for 2017-18 and sweep net operating margins into the RSF~~
- 6.2.2) Establish a range of 90 to 270 expense coverage days with a reserves target of 180 expense coverage days~~25-75% of operating expenses for the RSF balance and a target of 50%~~
- ~~6.2.3)~~ ~~Retire lines of credit by December 2017; pay back loan from member agencies by the end of FY 2017-18~~
- ~~6.2.4)~~ 6.2.3) Maintain a debt-to-equity ratio of 0.5 or less ~~and debt service coverage ratio of 2.0 or higher~~

Goal 7: Target rates at 1-3%, or more, below the surrounding investor owned utility

Strategy 7.1: Ensure ongoing price competitiveness

- ~~7.1.1)~~ ~~By Fall 2018, conduct a study comparing power supply cost of SVCE to PG&E and other regional CCAs~~
- ~~7.1.2)~~ 7.1.1) Annually, identify major shifts in key cost components and recommend an approach to minimize risks associated with those shifts

REGULATORY & LEGISLATIVE

~~Depending on the stance adopted by policymakers, the regulatory and legislative environments can either nourish the success of the Community Choice Energy business model or threaten its successful operation. The regulatory and legislative processes wield critical influence over SVCE's ability to serve our customers and fulfill our core goals and mission. SVCE will actively engage with the regulatory and legislative communities in order 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 8: Engage regulators and legislators in developing policy that protects CCA rights and facilitates CCA contributions to decarbonization, grid reliability, affordability, and social equity.~~to promote least-cost carbon neutrality while maintaining electric grid reliability~~

Strategy 8.1: Use strategic lobbying to foster a regulatory and legislative environment that supports SVCE's existence and GHG mitigation efforts

- 8.1.1) Coordinate with CalCCA lobbyists to maximize legislators' awareness of CCA issues
- 8.1.2) Leverage the voices of SVCE's Board of Directors and other community leaders within SVCE's territory by arranging for them to contact and meet with their legislators to discuss CCA issues
- 8.1.3) Ensure that climate and CCA stewardship are part of the conversation during local elections for municipal and state legislative positions

Strategy 8.2: ~~Help~~ Build the California Community Choice Association (CalCCA) into a stable, resilient institution and a respected political brand that can advocate for SVCE values ~~statewide~~regionally

- 8.2.1) ~~Take an active role in the conversation about what CalCCA should look like as an institution in its "mature" state, and help build a roadmap for how to get there~~Identify opportunities for CalCCA to grow or improve its operations, and help develop CalCCA's institutional goals and vision.
- 8.2.2) Support CalCCA staff in facilitating and hosting CalCCA conference calls, and meetings ~~and other forms of communication~~
- 8.2.3) Contribute to the development of protocols and procedures ~~to govern CalCCA activity~~ governing CalCCA's activities
- 8.2.4) ~~Develop orientation materials to be distributed to staff of new CalCCA member CCAs that pass on knowledge from existing members~~Contribute to orientation, mentoring, and knowledge transfer for new CalCCA members
- 8.2.5) Author comments, testimony, articles for the media, and other documents ~~to be released~~ under the CalCCA name as needed necessary until CalCCA staff can take over this function~~has its own staff~~
- 8.2.6) Facilitate SVCE Board participation in CalCCA advocacy activities in order to maximize advocacy efficiency and effectiveness

Strategy 8.3: Develop relationships with ~~Foster support for CCAs and least-cost carbon neutrality among key~~ community stakeholder organizations that foster support for SVCE and decarbonization

8.3.1) ~~Quarterly, a~~ Attend or cohost relevanta community meetings and ~~events~~ to engage individual community leaders and groups

8.3.2) ~~Reach out to members of local organizations to e~~ Encourage members of local stakeholder organizationsthem to assist in SVCE's advocacy efforts by ~~calling and emailing legislators~~ contacting policymakers

Strategy 8.4: Conduct ~~comparative~~ research that quantifiesto quantify CCA contributions to decarbonization and other core policy goals, the impact of the CCA model and documents the benefits CCA members receive under CCA operation

8.4.1) Annually, use data collected during SVCE operations to provide quantitative evidence of the qualitative benefits of CCA membership (e.g. rate stability, carbon savings, community engagement, etc.)

8.4.2) Publish results in peer-reviewed journals or industry publications where they can be seen and shared

8.4.3) Share results with other CCAs and encourage them to do the same in order to identify best practices and opportunities for improvement

POWER SUPPLY

Navigating the world of power markets and state-mandated power mix requirements while fulfilling our commitment to sourcing 100% carbon free electricity requires a constant search for the right resources. SVCE is committed to providing carbon free electricity through a balanced approach and competitive acquisition, while supporting regionalization and expanding the California Independent System Operator (CAISO) to improve access to more carbon free resources.

Goal 9: Annually, acquire sufficient bundled energy and renewable type 1 resources (PCC1) to meet 100% of California's Renewable Portfolio Standard (RPS) the state's annual mandates for renewable resources regardless of the allowance that the state makes for type 2 or type 3 renewables

Strategy 9.1: Stagger acquisitions to accommodate regulatory uncertainty, changes in load and supply price risks

9.1.1) ~~For the upcoming calendar year, procure Hedge PCC1 at 100% of RPS through PCC1 for 2017, reduce the hedge by 10% every year for the next 5 years~~

9.1.2) ~~Starting in 2018, acquire the equivalent of a minimum of 10% of the state renewable mandate through long-term project~~

~~participation agreements~~Achieve 65% of RPS through power purchase agreements for terms no less than ten years starting in 2021

Strategy 9.2: Diversify the use of technologies to meet ~~PCC1RPS~~ resource needs

~~9.2.1) Ensure that supply acquisitions would limit any single technology to no more than 50% of the renewable resources needed to meet state mandates~~Assess the value of diversifying resource technology, location and terms as part of the selection process

~~9.2.2) Annually, invest up to 2% of expected supply resource cost in storage capacity~~to meet California's mandated energy storage requirement of 1% of SVCE's 2020 peak load forecast by 2021

Strategy 9.3: Identify and pursue cost effective, local distributed energy resources to meet RPS needs

~~9.3.1) Assess technical, economic and market potential~~

~~9.3.2) Determine value of local distributed energy resources~~

~~9.3.3) Evaluate the use of feed-in-tariffs and/or other mechanisms to contribute towards local economic development.~~

~~9.2.3)~~9.3.4) Issue a distributed energy resource RFO for locally-sited renewable resources

Goal 10: Acquire sufficient carbon free credits resources to ensure that 100% of SVCE's energy needs are demand will be sourced from 100% from carbon free resources

Strategy 10.1: Strike a balance between large hydro and ~~other unbundled~~ renewable resources when considering cost to meet 100% of SVCE's load with carbon-free resources~~the remainder of SVCE demand following the acquisition of type 1 renewable resources~~

~~10.1.1) Annually, conduct an analysis to determine the most effective and economical way to acquire sufficient renewable and carbon free credits to support the 100% carbon free resource goal~~

~~10.1.2) Consider acquiring additional unbundled renewable credits to exceed 100% of SVCE's needs to contribute to the region's decarbonization efforts~~

Strategy 10.2: Promote regionalization to enhance the value of out-of-state renewable resources and speed the timeline for achieving carbon neutrality

10.2.1) Support the CAISO's effort to establish a western-wide balancing authority and promote the development of renewable resources throughout the western interconnected grid

- 10.2.2) Conduct a study to compare the value of investing in-state versus out-of-state for renewable resources by March 2018

Goal 11: Manage power supply resources and risks to financial and rate objectives

Strategy 11.1: Optimize existing resources to increase value to SVCE customers and evaluate opportunities to minimize cost of procuring and scheduling electricity and related products

- 11.1.1) Assess core procurement, scheduling, settlements and reporting functions and determine best use of in-house versus outsourced resources
- 11.1.2) Consider joint procurement for electricity and related services with other CCAs through the formation of a joint power agency and/or other arrangements
- 11.1.3) Explore opportunities to partner/procure energy and related services with publicly owned utilities

Strategy 11.2: Manage market price, credit, load and supplier volume risk to meet rate and financial objectives

- 11.2.1) Implement an energy risk management program consistent with the Board-approved Energy Risk Management Policy
- 11.2.2) Develop internal models to measure, monitor and report portfolio and net revenue risks
- 11.2.3) Evaluate hedging strategy and use of hedging products

INFORMATION TECHNOLOGY

At SVCE, we 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 SVCE 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 11: Goal 12: SVCE's Information Technology infrastructure must be secure, reliable, and disaster resilient to provide 24/7/365 online access

Strategy 11.1: Strategy 12.1: Deliver advanced capabilities to foster collaboration, knowledge management, and analytics
~~Make essential information easily available anytime anywhere~~

- 12.1.1) Enhance collaboration across departments through digital solutions to inform and engage internal and external audiences
~~Implement qualitative and quantitative metrics to gauge the overall performance of our information technology~~
- 12.1.2) Ensure the availability of and access to information that enables departments to make timely, informed decisions by strengthening data and knowledge management approaches
~~Provide 24/7/365 continuous support, 100% system reliability and 0% data breaches by third parties~~
- 12.1.3) Implement quality management processes to baseline, and begin routine reporting on the performance of projects, key metrics
~~Maintain up-to-date system capabilities via timely software version upgrades~~
- 12.1.4) Develop metrics and communicate to management via a monthly Information Technology report to gauge the overall performance of the system

~~Ensure that all applications and services work on mobile devices~~

Provide a robust and secure IT infrastructure that supports on-demand access to information
~~Maintain secure, integrated access in the cloud and/or SVCE servers~~

Strategy 12.2:

- 12.2.1) Deploy a modernized IT infrastructure that enables seamless access to information resources
~~By September 2017, complete a strength, weakness, opportunities, and threats (SWOT) analysis to identify and analyze the internal and external factors that have an impact on the IT infrastructure~~
- 12.2.2) Protect the integrity of the department's information and IT assets by strengthening our cybersecurity posture
~~By August 2017, inventory all hardware and software used by SVCE to include program name, manufacturer and version number~~
- 12.2.3) (Cloud Computing) Drive centralized and streamlined cloud adoption to meet the business needs of the department
~~By October 2017, identify and map SVCE's network routes, including cable, routers and switches~~

- 12.2.4) SVCE will administer an internal security audit of the system on a monthly basis. SVCE will conduct an annual audit with an independent third party to determine the security of the system and correct any findings and consider implementing recommendations
- 12.2.5) Provide 24/7/365 continuous support, 100% system reliability and 0% data breaches by third parties

Strategy 12.3: Advance business management practices to transform service delivery~~Enhance intelligence about our customers~~

- ~~12.3.1)~~ (IT Policy and Governance) Establish and employ streamlined policy and governance processes that align IT solutions with customer expectations and mission requirements ~~By early 2018, complete best practices review of customer information database and include benchmarking with other CCAs~~
- ~~12.3.2)~~ (IT Human Capital Management) Build, develop, and retain a talented, diverse IT workforce ~~By mid-2018, develop objectives and a prioritized set of requirements for enhancements to the existing customer information database~~
- ~~12.3.3)~~ (IT Business Systems) Ensure efficient and effective performance of core business functions and enterprise services ~~Utilize data from the customer information database to initiate programs that best fits the needs of our customers~~

Strategy 12.4: Improve mandates & IT audit compliance

- 12.4.1) Develop a strategy that includes a disaster recovery solution that provides business continuity for critical applications and vital records
- 12.4.2) SVCE will conduct an annual audit with an independent third party to determine the security of the system and correct any findings and consider implementing recommendations

Strategy 12.5: Improve asset management

- 12.5.1) Leverage enterprise architecture and asset management tools to collect a complete inventory of assets and applications to enhance asset management
- 12.5.2) Evaluate available industry standard IT service frameworks and develop and implement a strategy in support of managing, maintaining, and applying IT governance over applications and technologies

Strategy 12.6: Reduce redundancy and promote consolidation

- 12.6.1) Streamline the procurement portfolio by performing strategic sourcing and category management.
- 12.6.2) Leverage enterprise architecture (EA) and business capability model to reduce infrastructure footprint
- 12.6.3) Perform application rationalization to identify unused, redundant and out of date applications, and trim down the portfolio through application modernization and decommissioning

Strategy 12.7: Enhance cybersecurity compliance and operations

- 12.7.1) Enhance and strengthen the Cybersecurity program to conduct highly effective incident response, insider threat detection, operational situational awareness, compliance, and to decrease the overall security risks to sensitive information and IT infrastructure
- 12.7.2) Implement data loss prevention, multi-factor authentication, security incident/event management tools, and encryption at rest
- 12.7.3) Implement continuous diagnostics and mitigation capabilities to identify cybersecurity risks on an ongoing basis and prioritize these risks based upon potential impacts



Staff Report – Item 3

To: Silicon Valley Clean Energy Executive Committee

From: Girish Balachandran, CEO

Item 3: "Super JPA" – Proposed New JPA for Increased Collaboration Between CCAs

Date: 6/26/2018

This report will be provided to the Executive Committee in the form of a presentation.