



**Silicon Valley Clean Energy  
Executive Committee Meeting**

Friday, May 24, 2019  
9:30 am

Margaret Abe-Koga, Chair  
City of Mountain View

Howard Miller, Vice Chair  
City of Saratoga

Liz Gibbons  
City of Campbell

Rod Sinks  
City of Cupertino

Fred M. Tovar  
City of Gilroy

Jeannie Bruins  
City of Los Altos

Courtenay C. Corrigan  
Town of Los Altos Hills

Marico Sayoc  
Town of Los Gatos

Bob Nuñez  
City of Milpitas

Javed Ellahie  
City of Monte Sereno

Yvonne Martinez Beltran  
City of Morgan Hill

Susan Ellenberg  
County of Santa Clara

Nancy Smith  
City of Sunnyvale

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

**AGENDA**

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)

- 1) Approve Minutes of the April 26, 2019, Executive Committee Meeting

Regular Calendar

- 2) August 2019 SVCE Rate Update (Discussion)
- 3) Strategic Plan Update (Discussion)
- 4) CEO Update (Discussion)

Committee/Staff Remarks

Adjourn

[svcleanenergy.org](http://svcleanenergy.org)

333 W El Camino Real  
Suite 290  
Sunnyvale, CA 94087



Margaret Abe-Koga, Chair  
City of Mountain View

Howard Miller, Vice Chair  
City of Saratoga

Liz Gibbons  
City of Campbell

Rod Sinks  
City of Cupertino

Fred M. Tovar  
City of Gilroy

Jeannie Bruins  
City of Los Altos

Courtenay C. Corrigan  
Town of Los Altos Hills

Rob Rennie  
Town of Los Gatos

Bob Nuñez  
City of Milpitas

Javed Ellahie  
City of Monte Sereno

Yvonne Martinez Beltran  
City of Morgan Hill

Susan Ellenberg  
County of Santa Clara

Nancy Smith  
City of Sunnyvale

[svcleanenergy.org](http://svcleanenergy.org)

333 W El Camino Real  
Suite 290  
Sunnyvale, CA 94087

**Silicon Valley Clean Energy  
Executive Committee Meeting**

Friday, April 26, 2019  
9:30 am

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

**DRAFT MINUTES**

**Call to Order**

Vice Chair Miller called the meeting to order at 9:30 a.m.

**Roll Call**

**Present:**

Chair Margaret Abe-Koga, Mountain View (arrived at 9:35 a.m.)  
Vice Chair Howard Miller, City of Saratoga  
Director Nancy Smith, City of Sunnyvale  
Director Liz Gibbons, City of Campbell  
Director Rod Sinks, City of Cupertino

**Absent:**

None.

**Public Comment on Matters Not Listed on the Agenda**

No speakers.

**Consent Calendar**

MOTION: Director Gibbons moved and Director Sinks seconded the motion to approve the Consent Calendar.

The motion carried unanimously with Chair Abe-Koga absent.

**1) Approve Minutes of the March 22, 2019, Executive Committee Meeting**

**Regular Calendar**

**2) CCA Cost-Sharing Agreement (Discussion)**

Director of Finance and Administration Don Eckert introduced the item; Director of Power Resources Monica Padilla presented a PowerPoint presentation. Staff responded to committee member questions.



Margaret Abe-Koga, Chair  
City of Mountain View

Committee members provided suggestions to staff for presenting the item to the Board of Directors at the May 8, 2019 Board of Directors meeting.

Howard Miller, Vice Chair  
City of Saratoga

General Counsel Greg Stepanicich, participating by phone, provided additional information on the draft cost-sharing agreement between SVCE, Peninsula Clean Energy (PCE), San Jose Clean Energy (SJCE), East Bay Community Energy (EBCE), and Monterey Bay Community Power (MBCP).

Liz Gibbons  
City of Campbell

Director of Power Resources Padilla noted the first service agreement under the cost-sharing agreement for resource adequacy (RA) with Alliance for Cooperative Energy Services Power Marketing, LLC (ACES) was still in negotiation, and hoped to have a draft to the Board for the May 8<sup>th</sup> Board of Directors meeting. Committee members requested General Counsel ensure there is an exit clause that would facilitate the change in state law, or change the level of service needed.

Rod Sinks  
City of Cupertino

Fred M. Tovar  
City of Gilroy

Director of Account Services and Community Relations Don Bray presented information on data management services and the potential for a future joint agreement.

Jeannie Bruins  
City of Los Altos

Chair Abe-Koga opened public comment. Bruce Karney, resident of Mountain View, applauded the notion of sharing with CCAs in the local area. Karney commented on pooling with other CCAs, RA regulations, and community advocacy in the East Bay.

Courtenay C. Corrigan  
Town of Los Altos Hills

Chair Abe-Koga closed public comment.

Rob Rennie  
Town of Los Gatos

### **3) Built Environment, Mobility and Innovation Programs – Background and Interim Update (Discussion)**

Bob Nuñez  
City of Milpitas

Director of Decarbonization and Grid Innovation Programs Aimee Bailey presented a PowerPoint presentation and responded to committee member questions.

Javed Ellahie  
City of Monte Sereno

Committee members suggested staff agendaize updates on the Built Environment, including information on SB330 and SVCE's reach code program, and Mobility programs at the May 8, 2019 Board of Directors meeting. Committee members suggested addressing Innovation Programs at a later date for both the Executive Committee and Board of Directors meetings due to time sensitivity of the other topics.

Yvonne Martinez Beltran  
City of Morgan Hill

Director of Account Services and Community Relations Bay provided additional information on program updates.

Susan Ellenberg  
County of Santa Clara

Director Smith left the meeting at 10:46 a.m.

Nancy Smith  
City of Sunnyvale

Director Gibbons proposed a program idea to replace batteries in electric vehicles and make the cars available at a low cost to low income people.

Chair Abe-Koga opened public comment. Bruce Karney suggested offering customers a great price on electricity in the future for charging systems that they haven't installed yet, and provided an example of Texas' free nights and weekends electricity rate that uses wind power. Karney commented his opinion that putting more money toward apartment buildings is good.

[svcleanenergy.org](http://svcleanenergy.org)

333 W El Camino Real  
Suite 290  
Sunnyvale, CA 94087



Margaret Abe-Koga, Chair  
City of Mountain View

Bruce Karney commented he hopes the first city to adopt the proposed reach codes will influence the rest of the member agencies, and offered advocacy efforts to encourage cities to adopt the reach codes.

Howard Miller, Vice Chair  
City of Saratoga

Chair Abe-Koga closed public comment.

Liz Gibbons  
City of Campbell

Committee members provided feedback on the presentation for the Board of Directors meeting on May 8, 2019, and requested staff include an update on reach code participation from member agencies. Committee members suggested staff follow up individually with Directors on their agency participation.

Rod Sinks  
City of Cupertino

Committee members suggested creating educational YouTube videos on the benefits of building electrification that could be used as a resource for the public.

Fred M. Tovar  
City of Gilroy

**Committee/Staff Remarks**

Director of Finance and Administration Eckert announced a reminder for the Bike to the Future event on April 27<sup>th</sup>, and noted staff would send an email with event details to the Board.

Jeannie Bruins  
City of Los Altos

**Adjournment**

Courtenay C. Corrigan  
Town of Los Altos Hills

Chair Abe-Koga adjourned the meeting at 11:29 a.m.

Rob Rennie  
Town of Los Gatos

Bob Nuñez  
City of Milpitas

Javed Ellahie  
City of Monte Sereno

Yvonne Martinez Beltran  
City of Morgan Hill

Susan Ellenberg  
County of Santa Clara

Nancy Smith  
City of Sunnyvale



**Staff Report – Item 2**

---

To: Silicon Valley Clean Energy Executive Committee

From: Girish Balachandran, CEO

**Item 2: August 2019 SVCE Rate Update**

Date: 5/24/2019

---

This item will be addressed in the form of a presentation to the Executive Committee.



**Staff Report – Item 3**

---

To: Silicon Valley Clean Energy Executive Committee

From: Girish Balachandran, CEO

**Item 3: Strategic Plan Update**

Date: 5/24/2019

---

This item will be addressed in the form of a presentation to the Executive Committee. Attached is a draft redlined copy of the proposed strategic plan amendments.



## Strategic Plan – May 2019 (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:**~~ **Strategy 1.1:** Support employee health and wellness

- ~~1.2.1)~~ 1.1.1) Promote healthy habits
- ~~1.2.2)~~ 1.1.2) Provide At least once every two years, Annually evaluate wellness benefits to industry benchmarks and make recommendations for improvement ~~flexible schedules to accommodate family needs~~

**Strategy 1.2:** Reward staff to keep them engaged

- 1.2.1) Annually, update compensation schedule to account for cost of living adjustment.
- 1.2.2) Through an annual review process, compensate staff accordingly
- 1.2.3) Conduct a biennial compensation study and make necessary adjustments to ensure wage competitiveness

**Strategy 1.3:** Ensure a healthy and productive workplace

1.3.1) Evaluate current facilities and recommend changes to promote a happy and productive workforce

1.3.2) Evaluate Human Resources Information Technology Software (HRIS) to streamline core functions

~~1.3.1)~~ **Strategy 1.4:** Build an inclusive and fulfilling company culture

~~1.3.1)~~ 1.4.1) Monthly, arrange opportunities for staff to socialize in or outside of the office

~~1.3.2)~~ 1.4.2) Annually, sponsor family events (e.g. holiday celebration, summer picnic, etc.)

~~1.3.3)~~ 1.4.3) Promote team building through volunteer work

1.4.4) Maintain an open-door policy for CEO and directors

~~1.3.4)~~ 1.4.5) Maintain a monthly all-hands meeting

**Strategy 1.5:** Build an environment that encourages creativity and innovation

1.5.1) Support professional development

1.5.2) Encourage staff to attend conferences and networking events

~~1.4.1)~~ **Strategy 1.6:** Provide effective and safe feedback processes

~~1.4.1)~~ 1.6.1) Research and develop an annual feedback process, promoting an open and safe performance assessment

~~1.4.2)~~ 1.6.2) Conduct an annual survey to measure employee engagement  
~~satisfaction~~  
~~engagement~~

~~1.5.1)~~ **Strategy 1.5:** Provide opportunities for cross-team interaction and collaboration

~~1.5.1)~~ Establish a monthly all-hands meeting

~~1.6.1)~~ **Strategy 1.6:** Reward staff to keep them engaged

~~1.6.1)~~ Annually, update compensation schedule to account for cost of living adjustment. Conduct a biennial 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; establish SVCE margin analysis by customer class, and tools for evaluating customized rate options including targeted customer discounts and 'green sleeve' PPA arrangements

## **Goal 3: ~~Benchmark~~ Promote 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:~~ **Strategy 3.1:** Build awareness and trust through continuous interaction with the SVCE community

- ~~3.2.1)~~ 3.1.1) 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)~~ 3.1.2) Annually, place booth/table at six or more regional events that emphasize energy efficiency, sustainability, and efficient use of natural resources
- ~~3.2.3)~~ 3.1.3) Sponsor community and industry events that align with SVCE's sponsorship guidelines
- ~~3.2.4)~~ 3.1.4) ~~Create a Speakers Bureau to p~~ Present to community groups, environmental organizations, trade allies, commercial customers, chambers, and neighborhood associations at their respective meetings

~~Strategy 3.3:~~ **Strategy 3.2:** Share SVCE and customer stories to build goodwill and awareness

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

~~Strategy 3.4:~~ **Strategy 3.3:** Leverage the SVCE member agencies' sustainability and communication staff to disseminate information to the communities in the SVCE service area

- 3.3.1) Organize and conduct monthly meetings of the Member Agency Working Group for SVCE member agency sustainability and communication staff
- 3.3.2) 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:~~ **Strategy 3.4:** Leverage partnerships with other Community Choice Aggregators (CCAs) to increase general CCA "brand recognition" among consumers

- ~~3.5.1)~~ 3.4.1) Promote the undertaking of joint marketing campaigns with Peninsula Clean Energy CalCCA and other regional CCAs
- ~~3.5.2)~~ 3.4.2) Co-brand publicly visible energy service infrastructure

#### **Goal 4: Maintain Benchmark customer service satisfaction**

**Strategy 4.1:** ~~Monitoring~~ Establish measurement methodology and baseline

- 4.1.1) ~~Develop methodology in 2019~~ Track ongoing participation rate and opt out trends

- 4.1.2) ~~Establish baseline in 2019~~ Track response rates to customer inquiries

**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

~~**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~~

**DECARBONIZATION & GRID INNOVATION PROGRAMS**

SVCE was founded to address climate change, the greatest existential threat of our time. 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 by launching decarbonization and grid innovation programs. These programs represent the next stage in SVCE's maturity and are the mechanism by which SVCE 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-in, the spirit of Silicon Valley, to bend the carbon curve downwards and improve the lives of our community members.

**~~Goal 1~~ Goal 5: Work with the community to achieve energy and transportation GHG reductions of 30% from the 2015 baseline by 2021, 40% by 2025, and 50% by 2030**

**~~Strategy 1.1~~ Strategy 5.1:** Collect and track Utilize local GHG data data for SVCE service territory and key 'clean electric' operating measures to guide SVCE decarbonization program activities

- ~~1.1.1) Document 2015 baseline GHG inventory data related to energy and transportation for the SVCE service territory, by July 2018~~
- ~~1.1.2) 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~~
- ~~5.1.1) Establish and document an initial set of SVCE 'clean electric' operating metrics and targets, where related to an SVCE program by July 2018~~Carry out an annual emissions inventory
- ~~5.1.2) Use the updated emissions inventory to assess progress toward meeting SVCE-wide emissions reduction targets. Reassess targets, as needed~~
- ~~5.1.3) Evaluate developing sector-specific objectives or targets (e.g. "25% of new construction all-electric by 2020)~~
- ~~5.1.4) Support local member agency and customer GHG accounting efforts and customer GHG accounting (e.g. Power Content Label, emissions intensity, recognized certifications, etc.)~~

**~~Strategy 1.2~~ Strategy 5.2:** Establish execute and maintain an SVCE's D decarbonization Strategy & pPrograms rRoadmap and related processes (Please see the Decarb Roadmap for the comprehensive list of programs and strategies SVCE is pursuing.)

- ~~5.2.1) Execute the programs and strategies identified and adopted in the Decarb Roadmap to achieve community-wide emissions reduction targets~~
- ~~5.2.2) Leverage external partnerships (CCAs, municipal utilities, etc.) where feasible for programmatic initiatives~~
- ~~1.2.1) Establish high-level evaluation criteria and weighting to assess relative program impact and value~~
- ~~1.2.2) Identify and document candidate programs that promote decarbonization via improved energy efficiency and/or fuel switching to clean electricity~~
- ~~1.2.3) Confirm top-ranked programs for detailed development and launch in 2019~~

~~1.2.4)~~5.2.3) Establish process and mechanisms for ongoing stakeholder input and review  
Review and update the roadmap on an approximately annual basis, guided by comprehensive stakeholder input (community members, startups, non-profits, academia, corporations, etc.), updated emissions and market data, and initial program results

**Strategy 5.3:** Create an innovation-focused culture

5.3.1) Support staff training and use of concepts and tools to support innovation, such as design thinking, rapid iteration, and various brainstorming techniques

5.3.2) Strive to develop a reputation as an active partner in innovation amongst academia, accelerators/incubators, and other entities in the innovation ecosystem

5.3.3) Develop 2-5 year roadmap for priority innovation areas to focus innovation program activities

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

~~1.3.1) — Support initial programs~~

~~1.3.2) — 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)~~

~~1.3.3) — 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 1.4:** **Strategy 5.4:** ~~Strategy 5.5:~~ Define, develop, maintain and leverage internal databases and tools to carry out high-impact analyses to support activities and functions across SVCE~~  
~~Establish SVCE customer interval data analytics platform~~

5.4.1) Establish SVCE customer interval data analytics platform based on requirements developed with from input from across all functions at SVCE

~~1.4.1) 5.5.1) Develop initial requirements for SVCE customer data to support future program activity, e.g. TOU incentives and targeted outreach~~

5.4.2) 5.5.2) Acquire, aggregate, and manage additional data sets with high potential for business insight (tax assessor data, EV adoption, etc.)

Develop visualization and other interpretation tools to facilitate distilling complex, data-intensive, and/or technical topics into informative graphics and actionable insight for broad audiences~~Develop pilot implementation~~

~~1.4.2)~~

5.4.3)

## **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: Commit to Excellence**

**Strategy 6.1:** Evaluate current systems, policies and processes to identify opportunities to optimize agency resources

6.1.1) Identify opportunities for collaboration internally between departments and externally with community partners

6.1.2) Optimize the business processes to maximize value to the community and realize cost-efficiency opportunities at both the department and agency levels

6.1.3) Define and implement project management processes and tools that meet the needs of the agency

~~1.4.3)~~6.1.4) Identify opportunities for eliminating redundancies by increasing automation and system functionality

~~Goal 2:~~**Goal 7: Achieve an investment grade credit rating by end of 2020±**

~~Strategy 2.1:~~**Strategy 7.1:** Develop and maintain comprehensive policies for the governance of SVCE financials  
Update the cash reserves policy and monitor reserves to hedge unexpected variation in power supply costs, provide capital during economic downturns and mitigate sudden rate increases

~~2.1.1)~~7.1.1) Develop and report on SVCE dashboards that include key financial metrics  
Maintain pursuit of the liquidity target of 180 days of the following twelve months of projected operating expenses

~~2.1.2)~~7.1.2) Develop an annual budget and update mid-fiscal year  
Maintain a debt-to-equity ratio of 0.5 or less

~~2.1.3)~~7.1.3) Bi-Annually, develop 5-year financial forecasts to predict rate adjustments or financial risks  
Maintain rate competitiveness with PG&E

~~2.1.4)~~7.1.4) Frequently monitor discretionary expenses (non-power supply) to ensure that they remain within 5% of budget  
Develop and maintain risk management policies and controls with respect to power procurement

~~Strategy 2.2:~~ Establish a Cash Reserves Policy to hedge unexpected variation in power supply costs, provide capital during economic downturns and mitigate against rate increases

~~2.2.1)~~ Update Cash Reserves Policy by July 2019

~~2.2.2)~~ 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

~~2.2.3)~~ Maintain a debt-to-equity ratio of 0.5 or less

~~Goal 3:~~**Goal 8: Target rates at 1-3%, or more, below the surrounding investor-owned utility**  
**Empower decision making with data**

~~Strategy 3.1:~~**Strategy 8.1:** Ensure ongoing price competitiveness  
Integrate advances in information and systems technology to enhance the collection, structuring and analysis of data for decision-making and change management

~~8.1.1)~~ Annually, identify major shifts in key cost components and recommend an approach to minimize risks associated with those

- ~~shifts~~Bi-annually update and present 5-year financial forecast to predict rate adjustments and financial risks
- 8.1.2) Assess agency budgeting and planning approach in order to define strategies and solutions that will advance strategic initiatives and strengthen financial sustainability
- 8.1.3) Build executive dashboards in order to utilize accurate and timely data in both operational and strategic decision-making
- 8.1.4) Evaluate data available in financial systems and other administrative systems to identify and address gaps between the data available and the data desired
- ~~3.1.1)~~8.1.5) Provide analysis and context to guide and inform decision making for our business partners

## **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 4: Goal 9: Engage regulators and legislators in developing policy that protects CCA rights and facilitates CCA contributions to decarbonization, grid reliability, affordability, and social equity**

~~Strategy 4.1:~~ **Strategy 9.1:** ~~Use strategic lobbying to~~ Develop a voice and identity for SVCE in Sacramento that allows us to effectively shape foster a regulatory and legislative environment that supports SVCE's existence and GHG mitigation efforts

- ~~4.1.1)~~9.1.1) Coordinate with CalCCA lobbyists to maximize legislators' awareness of CCA issues Work with SVCE's lobbyists to establish and strengthen relationships with key legislative decisionmakers
- ~~4.1.2)~~9.1.2) 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
- ~~4.1.3)~~9.1.3) Ensure that climate and CCA stewardship are part of the conversation during local elections for municipal and state

~~legislative positions~~ Engage in long-term legislative planning that facilitates efficient use of SVCE's advocacy resources

~~Strategy 4.2:~~ **Strategy 9.2:** ~~Build the California Community Choice Association (CalCCA) into a stable, resilient institution and a respected political brand that can advocate for SVCE values statewide~~ Maximize the effectiveness of SVCE's advocacy through collaboration with the California Community Choice Association (CalCCA) and other CCAs where appropriate

~~4.2.1)~~ 9.2.1) ~~Identify opportunities for CalCCA to grow or improve its operations, and help develop CalCCA's institutional goals and vision.~~ Where CalCCA and SVCE priorities are aligned, coordinate advocacy with CalCCA and contribute to CalCCA efforts in order to maximize efficiency of SVCE advocacy

~~4.2.2)~~ 9.2.2) ~~Support CalCCA staff in facilitating and hosting CalCCA conference calls and meetings~~ Develop an understanding of where SVCE's priorities differ from CalCCA's in order to make strategic decisions about when to collaborate and when to work independently

~~4.2.3)~~ 9.2.3) ~~Contribute to the development of protocols and procedures governing CalCCA's activities~~ Identify and collaborate with other CCAs who share SVCE's policy priorities

~~4.2.4)~~ 9.2.4) ~~Contribute to orientation, mentoring, and knowledge transfer for new CalCCA members~~ Organize collaborative initiatives with other CCAs where possible in order to facilitate efficient expenditure of SVCE advocacy and policy resources

~~4.2.5)~~ Author comments, testimony, articles for the media, and other documents under the CalCCA name as needed until CalCCA staff can take over this function

~~4.2.6)~~ Facilitate SVCE Board participation in CalCCA advocacy activities in order to maximize advocacy efficiency and effectiveness

~~Strategy 4.3:~~ **Strategy 9.3:** ~~Develop relationships with community stakeholder organizations that foster support for SVCE and decarbonization~~

~~9.3.1)~~ Attend or cohost relevant community meetings and events to engage individual community leaders and groups Identify stakeholders whose goals and priorities align with SVCE's and develop plans for outreach and relationship-building

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

9.3.2) Include Encourage members of local stakeholder organizations to assist in SVCE's advocacy efforts by providing updates on key

issues and encouraging them to contact legislators  
contacting  
policymakers

~~Strategy 4.4:~~ **Strategy 9.4:** Conduct research that quantifies CCA contributions to decarbonization and other core policy goals, and documents the benefits CCA members receive under CCA operation  
Provide thought leadership and policy development expertise to help advance California's energy policy framework in a manner that supports SVCE's values.

~~4.4.1)~~ 9.4.1) 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.)  
Contribute to CalCCA and CPUC working groups, public forums, and other processes in which stakeholders have the opportunity to actively shape regulatory and legislative policy

~~4.4.2)~~ 9.4.2) Publish results in peer-reviewed journals or industry publications where they can be seen and shared  
Ensure that the expertise of SVCE employees is given voice policymaking forums

9.4.3) Share results with other CCAs and encourage them to do the same in order to identify best practices and opportunities for improvement  
Identify knowledge gaps in SVCE-relevant policymaking conversations and recruit consultants or other resources to help fill them

~~4.4.3)~~ 9.4.4) Where appropriate, work with other departments in SVCE to publish white papers, research articles, and other materials that help spread SVCE's findings, ideas, and best practices

## **POWER SUPPLY**

Navigating the world of wholesale power markets and state-mandated power mix and reliability requirements while fulfilling our commitment to sourcing 100% carbon free electricity requires a constant search for the right resources to meet sustainability and value proposition goals. The threat of losing load to Direct Access presents new challenges and opportunities to enhance product offerings to meet SVCE's decarbonization goals and our customers' own environmental goals while considering financial and risk impacts. SVCE is committed to providing carbon free electricity through a balanced approach which considers cost, risk, long-term value and best-fit in meeting community goals.~~and competitive acquisition, while supporting regionalization and expanding the California Independent System Operator (CAISO) to improve access to more carbon free resources.~~

~~Goal 5:~~ **Goal 10: Annually, a** **Acquire sufficient bundled energy and renewable type 1 resources (PCC1) to achieve SVCE's greenhouse gas reduction goals while exceeding meet California's mandates 100% of California's Renewable Portfolio Standard (RPS) regardless of the allowance that the state makes for type 2 or type 3 renewables**

~~Strategy 5.1:~~ **Strategy 10.1:** Stagger acquisitions to accommodate regulatory uncertainty, changes in load and supply price risks On an annual basis, achieve 100% of California's Renewable Portfolio Standard (RPS) and meet long-term procurement requirements.

~~5.1.1)~~ **10.1.1)** For the upcoming calendar years (2020 and 2021), balance procurement of RPS resources with in-state bundled renewables procure 100% of RPS through (PCC1) and out-of-state bundled renewables (PCC2) taking into consideration availability, cost and carbon-free objectives

~~5.1.2)~~ **10.1.2)** Procure sufficient long-term resources to a Achieve a minimum 65% of the mandated RPS through power purchase agreements for terms no less than ten years starting in 2021 for RPS Compliance Period 4 (2021-2024)

**Strategy 10.2:** Stagger and diversify renewable energy acquisitions to accommodate regulatory uncertainty, changes in load and supply price risks

**10.2.1)** Diversify price risk by contracting for a mix of fixed-price and index-plus REC structured RPS resources

**10.2.2)** Consider the impacts of Direct Access and/or load loss by diversifying term with a mix of short-term (less than 5 years) and longer term RPS resources

~~Strategy 5.2:~~ **Strategy 10.3:** Diversify renewable resource acquisition for location and technology to achieve least-cost, best-fit planning objectives, while improving reliability, matching energy delivery to load needs and minimizing emissionsthe use of technologies to meet RPS needs

**10.3.1)** Assess the value and risk of diversifying resource technology, baseload versus intermittent, storage and potential changes in technology

~~5.2.1)~~ **10.3.2)** Consider location and expected generation value with consideration for time-of-delivery and uncertainty as terms as part of the selection process

~~5.2.2)~~ Invest in storage capacity to meet California's mandated energy storage requirement of 1% of SVCE's 2020 peak load forecast by 2021

**Strategy 10.4:** Deploy storage to achieve renewable, carbon-free and resource adequacy objectives

- 10.4.1) At a minimum invest in storage capacity to meet California's mandated energy storage requirement of 1% of SVCE's 2020 peak load forecast by 2021
- 10.4.2) Consider the costs and benefits of storage when combined with intermittent renewable resources to enhance energy value and minimize renewable curtailments
- 10.4.3) Assess the merits of various storage technologies, configurations, sizes and contracting mechanisms including AC versus DC coupled, grid versus non-grid charging and lease versus owned
- 10.4.4) Consider stand-alone storage to meet grid reliability and resource adequacy needs

**Strategy 5.3+ Strategy 10.5:** Identify and pursue cost effective, local distributed energy resources to meet RPS and reliability needs

- 5.3.1)10.5.1) Assess technical, economic and market potential
- 5.3.2)10.5.2) Determine value of local distributed energy resources
- 5.3.3)10.5.3) Evaluate the use of feed-in-tariffs and/or other mechanisms to contribute towards local economic development.
- 10.5.4) Issue a distributed energy resource RFO for locally-sited renewable resources
- 5.3.4)10.5.5) Pursue behind-the-meter storage and demand response solutions to meet resource adequacy and resiliency

**Goal 6: Goal 11:** Acquire sufficient resources to ensure that 100% of SVCE's energy needs are from carbon free resources

**Strategy 11.1:** Strike a balance between large hydro and renewable resources when considering cost to meet 100% of SVCE's load with carbon-free resources

- 11.1.1) Short-term, continue to contract for large hydro resources through carbon-free adder plus energy index structure with a variety of suppliers
- 11.1.2) Explore longer-term large hydro opportunities including run-of-river projects and/or participating in a lay-off with existing hydro project owners
- 6.1.1)11.1.3) Execute the Western Base Resource contract with the Western Area Power Administration to receive a share of the output from the Central Valley Project

~~Strategy 6.2+~~ **Strategy 11.2:** Promote ~~regionalization and~~ the expansion of the energy imbalance market to enhance the value of both in-state and out-of-state renewable and carbon-free resources and speed the timeline for achieving carbon neutrality

11.2.1) Support the CAISO's effort to expand the energy imbalance market and other initiatives ~~the CAISO's effort to establish a western-wide balancing authority and that~~ promote the development and cost-effective integration 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 7+~~ **Goal 12: Manage power supply resources and risks to financial and rate objectives**

~~Strategy 7.1+~~ **Strategy 12.1:** Optimize existing resources to increase value to SVCE customers and evaluate opportunities to minimize cost of procuring and scheduling electricity and related products

12.1.1) Assess core procurement, scheduling, settlements and reporting functions and determine best use of in-house versus outsourced resources

12.1.2) Consider joint procurement for electricity and related services with other CCAs through the formation of a joint power agency and/or other arrangements

12.1.3) Explore opportunities to partner/procure energy and related services with publicly owned utilities

~~Strategy 7.2+~~ **Strategy 12.2:** Manage market price, credit, load and supplier volume risk to meet rate and financial objectives

12.2.1) Implement an energy risk management program consistent with the Board-approved Energy Risk Management Policy

12.2.2) Develop internal models to measure, monitor and report portfolio and net revenue risks

12.2.3) Evaluate hedging strategy and use of hedging products

12.2.4) Evaluate the use of off-the-shelf products for enhanced risk management analytics, contract management and portfolio optimization

12.2.5) Leverage the use of consultants to evaluate product offerings, strategies and optimization of supply resources

## **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 8:~~ Goal 13: SVCE's Information Technology infrastructure must be secure, reliable, and disaster resilient to provide 24/7/365 online access**

**~~Strategy 8.1:~~ Strategy 13.1:** 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~~
- 13.1.1) 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~~
- 13.1.2) Deploy a modernized IT infrastructure that enables seamless access to information resources
- 13.1.3) Develop metrics and communicate to management via a monthly Information Technology report to gauge the overall performance of the system

**~~Strategy 8.2:~~** 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 13.2:** Advance business management practices to transform service delivery

13.2.1) (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~~

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

**Strategy 13.3:** Improve mandates & IT audit compliance

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

13.3.2) 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

13.3.3) SVCE will conduct a triennial AMI audit and report findings to the CPUC.

**Strategy 13.4:** Improve asset management

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

13.4.2) 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 13.5:** Reduce redundancy and promote consolidation

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

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

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

**Strategy 13.6: Enhance cybersecurity compliance and operations**

13.6.1) 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

- 13.6.2) Implement data loss prevention, multi-factor authentication, security incident/event management tools, and encryption at rest
- 13.6.3) Implement continuous diagnostics and mitigation capabilities to identify cybersecurity risks on an ongoing basis and prioritize these risks based upon potential impacts