

Summer Readiness Communications

Executive Committee
May 28, 2021

Don Bray & Pamela Leonard



SVCE is leading a variety of communication efforts to address summer readiness

Flex Alerts, Emergencies and PSPS

- Content
 - Summer readiness fact sheet
 - Digital media toolkit
 - Draft social media posts
 - Program, eHub and resilience promotion
- Event-specific communications
 - MAWG and Board event notices
 - Social media posting
 - Customer emails

Conserve energy during Flex Alerts by doing the following between 3 p.m. and 9 p.m.

- Set air conditioning thermostats to 78 degrees, if health permits.
- Schedule EV charging after 9 p.m. if possible.
- Defer use of major appliances.
- Turn off unnecessary lights.
- Unplug unused electrical devices.
- Close blinds and drapes.
- Use fans when possible.



CAISO calls different kinds of power events during the summer

Alerts, Warnings & Emergencies

- CAISO monitors weather and issues various notifications depending on forecast
- Improvements from last summer
- CAISO and Flex Alert Twitter accounts are most up-to-date
 - twitter.com/California_ISO
 - twitter.com/flexalert

Flex Alert – Voluntary call for conservation.

Stage 1 – Strong need for conservation.

Stage 2 – Requires ISO intervention in the market, such as ordering power plants online.

Stage 3 – Power outages likely or in progress.



4 p.m. – 9 p.m. Voluntary Call for Conservation

- Actions
 - Message to MAWG & BOD
 - Social media posts – share from Flex Alert account, SVCE messages in multiple languages and Nextdoor (*limited*)
 - Activate SVCE website pop-up
 - Email large energy users and EV drivers with conservation request and energy saving tips
- Same outreach during a Stage 1 emergency



Flex Alert @flexalert · Apr 30

It's never too early to prep for summer, sign up for Flex Alerts to stay in the know! Visit [FlexAlert.org](https://flexalert.org) for more information. #FlexAlert





Stage 2 Emergency

CAISO to intervene and order power plants online

- Actions
 - Message to MAWG & BOD
 - Social media
 - Nextdoor alert
 - Activate SVCE website pop-up
 - Email to all residential and small-medium business customers about need to conserve



Stage 3 Emergency

Rolling blackouts imminent or in progress

- Actions
 - Message to MAWG & BOD
 - Social media
 - Share info from CAISO, PG&E, County OEM w/ cooling center and power outage resources
 - Activate SVCE website pop-up



Public Safety Power Shutoff

PG&E planned outages to prevent wildfires during extreme weather events

- Actions
 - Communicate info from PG&E to MAWG and Board
 - Social media
 - Share PG&E posts; community resource centers
 - Activate website pop-up
- Promote resilience programs during PSPS season



Back Up Slides



Communications Actions Summary

Flex Alerts & Stage 1

- Social media, Nextdoor post & digital toolkits
- Activate SVCE website pop-up
- MAWG and BOD email
- Customer email – large users & EV drivers

Stage 2

- Social media, Nextdoor alert & digital toolkits
- Activate SVCE website pop-up
- MAWG and BOD email
- Customer email – all residential and small/med businesses

Stage 3

- Social media – share resources about power outages, cooling centers
- Activate SVCE website pop-up
- MAWG and BOD email

PSPS

- Social media – share info and updates from PG&E, customer resource center info
- Activate SVCE website pop-up
- MAWG and BOD email
- Promote SVCE resilience programs



Emergency Load Reduction Program (ELRP)

New commercial customer program administered by the state

- Incentive rate: \$1/kWh - load reduction capacity not eligible for RA
- Availability: May-Oct, 7 days a week, 4 – 9 pm
- Event duration: 1 – 5 hours (60 hour annual dispatch limit)
- ELRP trigger: CAISO day-ahead alert, PG&E reserves the right to expand to a Day-Of trigger based on CPUC guidance.
- Eligible participants (bundled and unbundled customers)
 - Non-residential, non-DR customers
 - Base Interruptible Program aggregators
 - Rule 21 Exporting DERs
 - Virtual Power Plants



Status of Brown Act Bills

No legislative vehicle encompasses all the flexibility, but conversations fluid.

Challenge

- Pre-COVID law allows teleconferencing for Board meetings, but have to publish remote locations and grant public access.

Status

- Local Government Associations (e.g. CalCities, CSAC, CMUA) want 30-day transition to in-person meetings.
- Administration's Budget Trailer Bill allows state bodies to teleconference, similar to pandemic rules.
- AB 339 (Lee) requires public access to teleconferencing.
 - Does not change how Board Members teleconference.
 - Only applies to jurisdictions with populations over 250,000.

Electricity from Renewable Gas to Serve SB1383 Municipal Requirements

Don Bray and Ian Williams
SVCE Executive Committee Meeting
May 28, 2018



Member agency staff have approached SVCE for potential assistance with a 2022 organics procurement requirement.

Organics Landfill Diversion per SB1383 - Options

Resource	Required Qty / 100,00 Residents	Preliminary Cost Range / Year
Compost	11,600 Cubic Yards	\$400,000 - \$1.2M
Mulch	8,000 Tons	\$930,000 - \$2.7M
Electricity from qualifying Biomass	5.2M kWh	?
 Electricity from qualifying Renewable Gas (RNG)	1.9M kWh	\$190,000 - \$270,000



Initial research shows qualifying RNG is scarce/expensive, but likely represents the most practical option.

Next Steps for Member Agencies, SVCE

- Interested member agencies send an email request to SVCE for a joint RFP for electricity from RNG
- SVCE then sends an RFP 'Letter of Interest' template to requesting jurisdictions:
 - desired procurement volume
 - to be signed by agency lead exec by 7/1
 - LOI does not commit agency to actual purchase
- Assuming sufficient interest, SVCE conducts a joint RFP in July-September timeframe
- Based on terms outlined in winning bid, SVCE then requests 'Letter of Commitment' from participating agencies:
 - long-term, e.g. 10+ year commitment
 - agencies agree to pay incremental cost of RNG electricity supply via SVCE, less credit for current electricity supply costs

Resumption of SVCE's Delinquent Payment Policy

SVCE Executive Committee
May 28, 2021



Staff is seeking to confirm terms for a draft resolution, to resume SVCE's delinquent payment policy in July 2021.

Background

- In March 2020, PG&E suspended service disconnections, and SVCE suspended customer 'send backs'
- SVCE customer arrearage has more than doubled to nearly \$6M, and customers in arrears from 13,000 to 21,000
- PG&E to resume service disconnections for non-payment in August 2021
- Immediate/literal resumption of SVCE policy would result in 6,000+ send backs
- SVCE BOD, EC and F&A committees favor gradual policy resumption and investment in customer outreach and education, versus direct financial support
- Draft resolution to be brought to the BOD in June



A fresh re-start of the policy would provide a minimum 2-3 month 'grace period' for all customers in arrears.

LPN criteria now met
by ~9,000 customers

Update LPN to provide
all available programs and
resources for customers

SVCE Delinquency Policy

- Customers with overdue balance of \$100+ and 90+ days are sent a Late Payment Notice (LPN) re return to PG&E service UNLESS they:
 - make a sufficient payment, or
 - are enrolled in a structured Payment Plan with PG&E
- Customers that receive an LPN in three consecutive months are returned to PG&E

SVCE can promote a variety of available programs to impacted customers, via LPNs and other direct communications.

Payment Plans, Discounts, Debt Forgiveness Programs

- 20+% CARE/FERA bill discounts for income-qualified customers
- Debt forgiveness via Arrearage Mgt Program (AMP) for qualifying CARE/FERA
- Debt support via enrollment in 12-month PG&E 'Payment Plans'
- One-time payment support programs, e.g. LIHEAP, REACH
- CPUC 'special relief' proceeding proposed decision:
 - auto-enrollment of all IOU customers with balances past 60 days in a 24-month payment plan, with arrearage amount spread evenly over term
 - 'waterfall' scheme for residential payments still set to resume July 1
 - proposed decision to be finalized on June 24th



At the June BOD meeting, staff will present a draft resolution to re-start the delinquent payment policy.

Draft Resolution Terms

- SVCE's delinquent payment policy will re-start effective July 1, 2021
- Any customer with a balance >\$100 and 90 days past due, and not on a payment plan, will receive their first LPN in July
- LPNs will describe a broad range of payment support options available, and contact information. Support information will be provided in four languages
- A separate SVCE email and letter campaign, coordinated with PG&E, will be directed to eligible CARE/FERA customers not yet enrolled in the AMP program
- Customer returns to PG&E will begin no sooner than October 1, 2021, for customers who have received three consecutive LPNs

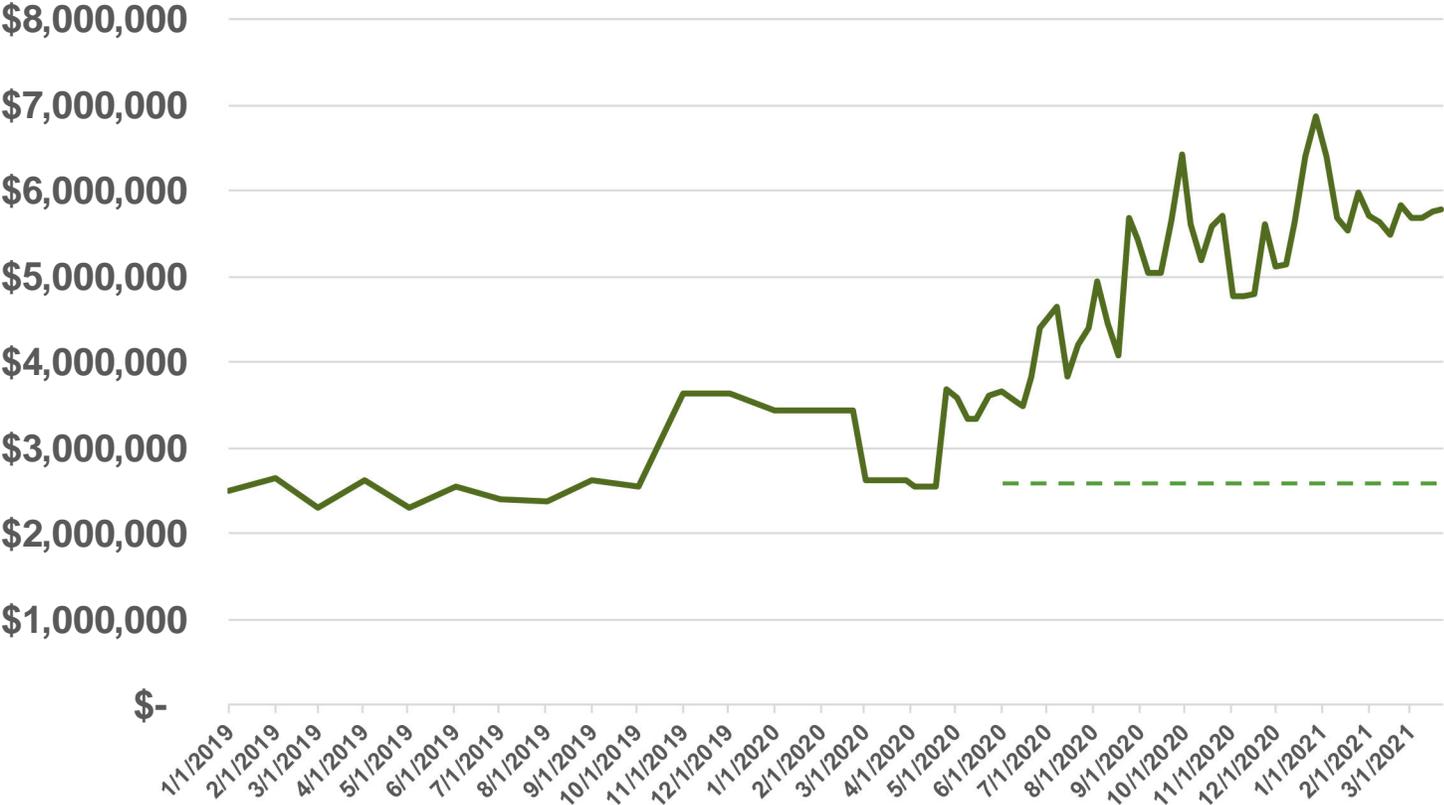


Back-up Slides



Since March 2020, the number of past-due customers has increased by 1.6X, and overall arrearage amounts by 2.3X.

SVCE 31+ Day Arrearage Totals



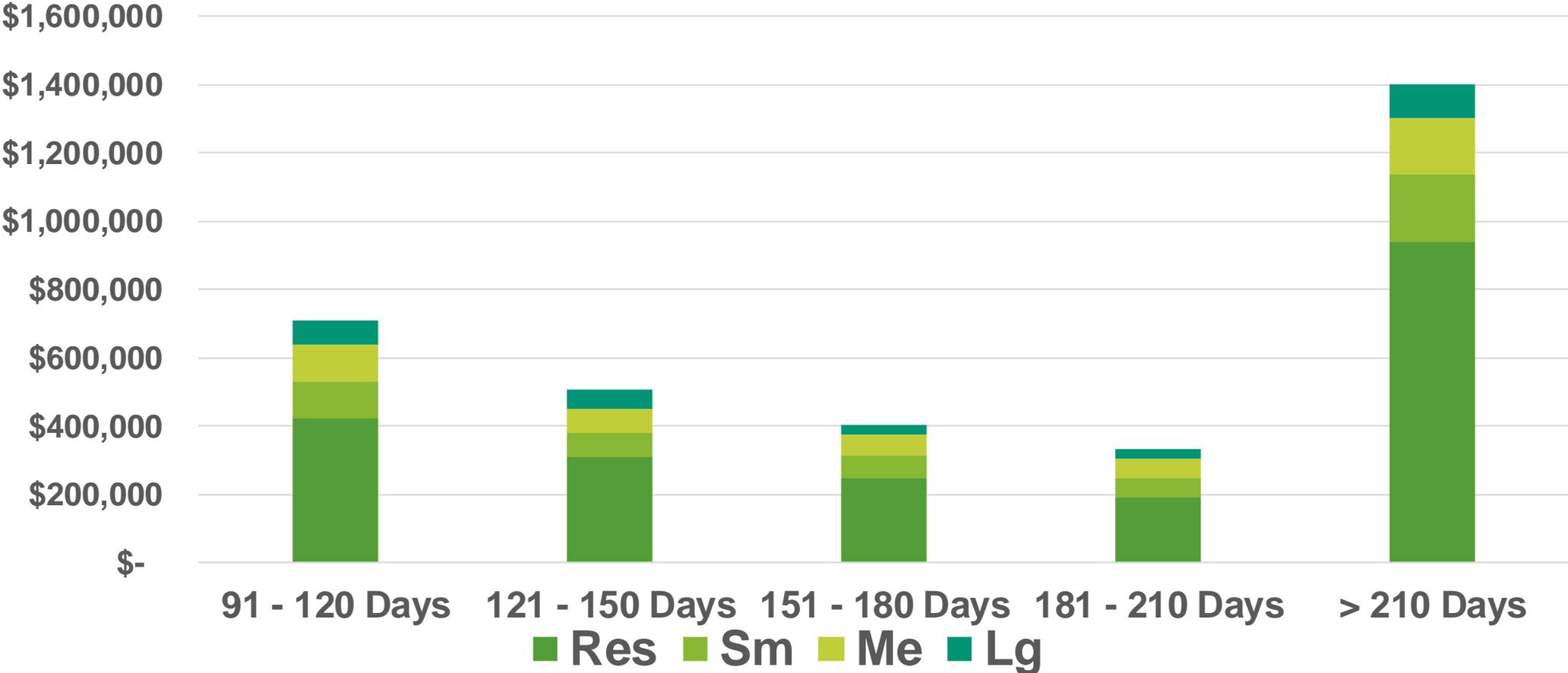
- **21,000** customers in arrears
- **\$5.8M** outstanding
- associated write-offs tbd

- **13,000** customers in arrears
- average **\$2.5M** outstanding
- write-offs **~\$500k/year**

—31+ Days

64% of problem arrearage is residential; 180+ day balances across all segments total ~\$1.7M.

90+ Day Arrearage by Customer Segment



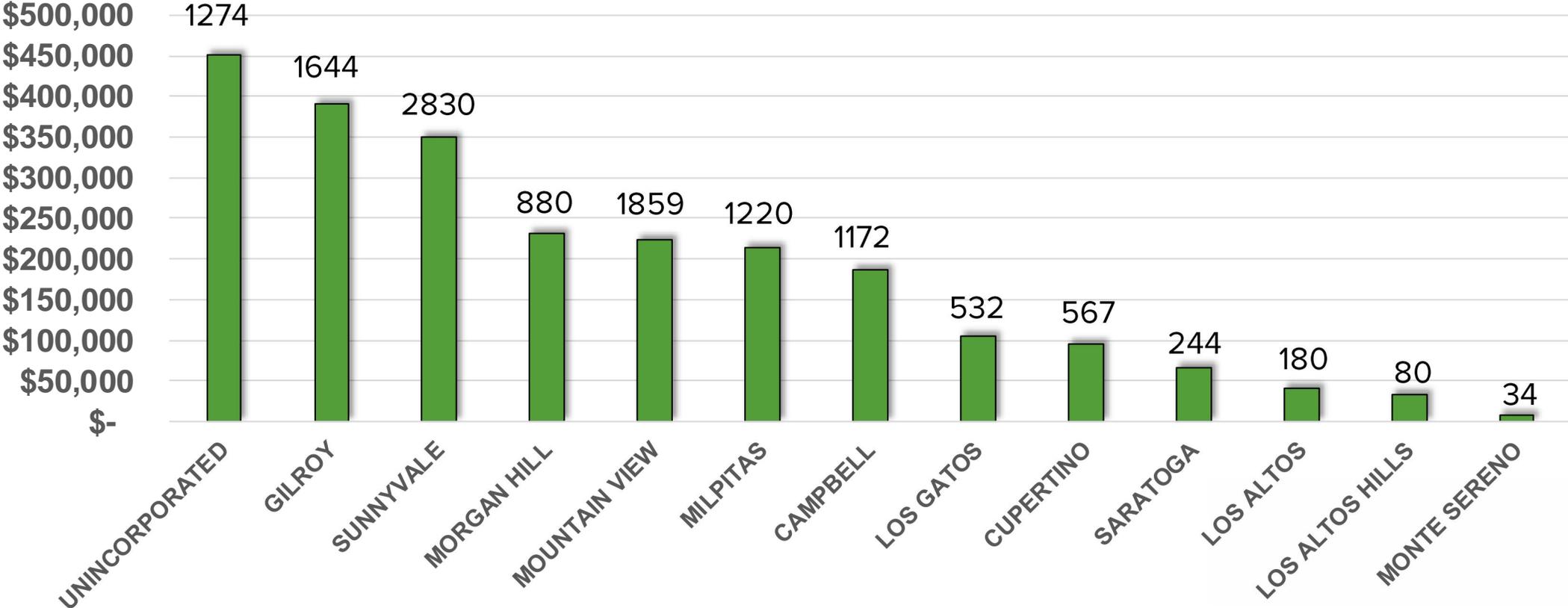
Immediate resumption of SVCE’s delinquency policy would imply 6,000+ customer send-backs, with 1,800+ being CARE/FERA.

90+ Day Total Arrearage

	<u>CARE/FERA Customers</u>	<u>Non CARE/FERA Customers</u>	<u>Unassigned Customers</u>	<u>Total Customers</u>	<u>Total \$ Balance Outstanding</u>
90-120 days	3,097	6,487	1,465	11,049	\$ 714,050
121-150 days	2,266	4,148	1,349	7,763	\$ 507,629
151-180 days	1,833	3,579	1,194	6,606	\$ 405,810
181-210 days	1,394	2,847	841	5,082	\$ 333,757
>210 days	N/A	N/A	N/A	N/A	\$ 1,407,444

While all are affected to some degree, communities with larger low-income populations are seeing higher arrearage numbers.

Residential 90+ Day Arrearage & Customers by Community



In addressing customer arrearage goals, SVCE faces a number of trade-offs and constraints.

SVCE Goals

- Enable customers to reduce arrearage and avoid service disconnection
- Leverage available external funding
- Minimize bad debt write-offs
- Minimize 'send backs' to PG&E
- Minimize exposure to new arrearage

Tradeoffs/Constraints

- SVCE balance only a portion (e.g. ~20%) of overall PG&E bill
 - does not include T&D, PCIA, gas
- Residential payment 'waterfall' - expected to resume post-COVID
- SVCE has limited visibility to customer's PG&E debt, financial need
- SVCE funding limited; PG&E write-offs and forgiveness programs can be recovered via charges to all ratepayers

The Exec and F&A committees considered three basic options for resumption of the Delinquent Payment Policy in Summer 2021.

SVCE Delinquency Policy 'Re-Start' Options

**1) Immediate
Resumption**

**2) Gradual
Resumption**

**3) Gradual
Resumption +
Cash Support**

The SVCE BOD and Committees generally favored Option 2, gradual resumption of the delinquency policy.

2) Gradual Resumption

- any customers >\$100 and 90+ days will receive notices re impending send-back within 3 months if conditions aren't met
- available debt relief and payment plans to be actively communicated to eligible customers



Re-start via BOD resolution in June 2021

- Devotes SVCE effort to customer education/outreach re available debt relief programs and payment plans, payment 'messaging'
- Rolling start provides all impacted SVCE customers with 2-3 months notice before send back
- Include latest info re LIHEAP, REACH, and federally-sponsored Emergency Rental Assistance Program and Homeowner Assistance Fund; possibly Coronavirus State and Local Fiscal Recovery Funds . . .
- Directing \$\$ to customers for direct debt relief viewed as difficult to apply/allocate, and only addressing portion of the customer's debt issue

SVCE Strategic Plan FY 22 Update

Girish Balachandran
May 28, 2021
SVCE, Executive Committee



Strategic Plan Year-Round

CEO Evaluation, SVCE Work Plan, Budget and Strategic Plan are linked



Mission & Measure

MISSION: Reduce dependence on fossil fuels by providing carbon free, affordable, and reliable electricity and innovative programs for the SVCE community

MEASURE: SVCE, working with SVCE member agencies, aspires to achieve energy and transportation GHG reductions of 30% from the 2015 baseline by 2021, 40% by 2025, and 50% by 2030



A Look Back

19 Goals

5 Focus Areas

61 Measures

<https://www.svcleanenergy.org/wp-content/uploads/2020/02/Strategic-Plan-2020.pdf>

**SILICON VALLEY
CLEAN ENERGY
STRATEGIC PLAN**

OCTOBER 2020

FY 21 Focus Areas

Additional Resources & Efficiencies

Enterprise-wide systems, metrics
& tools

Focus on Equity

Digital Pivot - Customer &
Community engagement

Community outreach and leverage



2021 Focus Areas – Highlights (1/3)

Additional Resources & Efficiencies

- Conducted Successful recruitments for CFO, Director of Policy, Programs Analyst, Manager of Energy Services and Senior Government Affairs Manager positions
- Two summer interns for the Power Resources team starting in early June
- Recruitments in progress for Principal Policy Analyst, Senior Financial Analyst, and a part-time Decarb & Grid Innovation Programs intern
- Coming soon: Recruitments for a Data Scientist, Power Contracts and Settlements Manager, and two members of the Energy Services team

Enterprise-wide systems, metrics & tools

- Started a comprehensive assessment of SVCE's business process as we mature from a startup phase -- Business Process Optimization (BPO). This BPO project will leverage technology to create optimal business processes for SVCE
- Hired contractor in May to develop detailed business requirements



2021 Focus Areas – Highlights (2/3)

Focus on Equity

- First Supplier Diversity Report submitted to the CPUC in February
- In Q1 2021, SVCE staff began to develop its equity framework to guide how to further integrate equity considerations into SVCE's programs portfolio activities
- Developing a comprehensive Diversity Equity and Inclusion (DEI) plan for increasing equity program offerings, increasing spending on diverse suppliers and facilitating a diverse workforce

Digital Pivot - Customer & Community engagement

- Delivered 1,178,795 emails to customers with an average open rate of 31% through 11 email campaigns
- SVCE eHub and associated resources have received more than 38,000 unique engagements
- From Jan – Apr. 2021, SVCE website visits have increased by 112% during the same period in 2020



Community outreach and leverage

- With the hiring of Bena Chang as Senior Government Affairs Manager, effectively able to engage our local elected officials, member agencies and community organizations
- The programs team regularly engages a group of local community advocates to share informational updates and solicit input on a variety of timely programs topics

Recent External Shifts

USA

- Democratic Party President
- Vaccines getting us back to normal
- Once-in-a-lifetime stimulus; low interest rates; inflation ticking up
- Equity across society
- 2035 National clean grid, billions of \$s for clean energy
- EVs are main-streaming globally – countries & manufacturers

California

- Newsom recall; COVID recovery; state budget surplus
- Drought is on us
- Internal Combustion 2035 ban; acceleration of EVs
- SB612 on cusp to move to Assembly

CPUC, CEC, CAISO

- 2020 CA Blackout response compounded by Texas Snowid21
- 11,500 MW new clean mandated procurement through 2026
- Centralization of local RA procurement
- PCIA Proposed Decision negative
- Direct Access constrained
- Building Decarbonization, EVs on rise

CCAs

- CC Power members - 3,000,000 accounts, 6,000 MW and 36 TWh
- WCE bankruptcy

New Operations Mode

- \$1.6 billion in 13 PPA investments over last 3 years
- First PPA online December 2021
- Operations, optimization, settlement

Clean Energy Mix & Integration

- RPS% Policy
- Mandated Procurement, long-duration storage, emerging technologies
- Grid Integration

Financial Stability

- Power Prepay
- Energy Risk Management
- Trade-off's (RPS, Clean Energy)

Staffing & Internal Operations

- New positions; Post-COVID hybrid work
- Business Process Optimization
- Enterprise Cyber-risk

FY22 Strategic Focus Areas



Existing Decarbonization Vectors

Maintain
flight
path

Clean Electricity

Transportation

Buildings

Tweak Mission?

MISSION: Reduce dependence on fossil fuels by providing carbon free, affordable, and reliable electricity and innovative programs for the SVCE community

MEASURE: SVCE, working with SVCE member agencies, aspires to achieve energy and transportation GHG reductions of 30% from the 2015 baseline by 2021, 40% by 2025, and 50% by 2030

We're spending \$5 million on Resiliency



Other Major Changes?

- Executive Committee Input

Discussion & Next Steps

Board
Input & Decision
June 9, Aug 11, Sep 8

Staff
Detailed work plan aligned
with Board priorities



REFERENCE SLIDES

