



# Local Development Business Plan Workshop

DATE: APRIL 1, 2019

# EBCE Goals and Priorities

- **EBCE's relationship with its customers is the highest priority**
- **Maintaining stable and competitive rates is essential**
- **Prioritizing the development and utilization of local clean energy resources in ways that maximize local benefits is highly important to the EBCE community**
- **Actively supporting the development and maintenance of a highly skilled local workforces is key to EBCE's stability & success**
- **The Local Development Business Plan is an important tool that will support EBCE's ongoing efforts to deliver on each of these core goals and priorities**

# Overarching Principles of the LDBP

- **Develop a high-level roadmap and framework for accelerating local DER deployment and maximizing community benefits**
- **Offering innovative program designs can overcome market failures & incentivize meaningful community & organizational benefits**
- **Development of local, clean, dispatchable, and distributed energy resources supports EBCE's core values and goals**
- **EBCE can support a vibrant local economy and workforce, and protect its most vulnerable customers through targeted local energy programming and investments**
- **A diversified portfolio of local programs coupled with retail rate savings can deliver greater benefit than rate savings alone**

# Brief Overview of the Plan

- The LDBP is designed to be both progressive and pragmatic, providing a flexible framework and innovative tools for accelerating beneficial local clean energy development
- The plan recommends a phased-in approach, in 3 stages spanning the first 5 years of EBCE operations, and is intended to be an iterative and inclusive process that engages the community:
  1. Stage 1 Launch (2018-2020): Implement a broad suite of early actions, designed to jump start local development through a combination of cost-effective programs and innovative pilots
  2. Stage 2 Expansion (2021-2022): Conduct mid-term assessment of outcomes to provide basis for scaling up local programs and determining investment allocations, expand pilots into programs
  3. Stage 3 LDBP Update (2023): Comprehensive assessment and public reporting, and 1<sup>st</sup> major update to the LDBP to reset for next 5-yr cycle

## Stage 1: LDBP Launch

- Organizational Development :
  - *Integrated Data Platform*
  - *Internal Capacity Building*
  - *Develop a High-road Workforce Policy*
- Enhanced Net Energy Metering (NEM)
- Collaborative Procurement Program
  - *Implement Round 1 of "MuniFIT"*
  - *Implement Community Shared Solar Pilot*
  - *Implement Community NEM Pilot*
  - *Direct RE Contracting Pilot (for large accounts)*
  - *Wholesale RPS Procurement Integration*
    - *Oakland Clean Energy Initiative (OCEI)*
- Implement Demand Response Pilot
- Develop Fuel Switching Program
- Implement Transportation Electrification Pilot
- Promote & Enhance Existing Energy Efficiency
- Community Investment Fund
  - *Energy Innovation Grants*
  - *Government Innovation Grants*
  - *Community Innovation Grants*

## Stage 2: LDBP Expansion

- Continue Implementation of Stage 1 Programs
  - *Extend Pilots to Full-fledged Programs*
  - *Increase EBCE Investment in LDBP Programs*
  - *Ongoing Capacity Building (staffing, data, etc.)*
- Mid-term Assessment of LDBP Program Performance & Outcomes
  - *Use LDBP Tools/Frameworks (i.e., IMPLAN)*
  - *Clear and Transparent Public Reporting*
- Ongoing Facilitated Stakeholder Engagement
  - *Led by EBCE Staff & CAC Working Group*
    - *EBCE Board/Executive Committee Oversight*
  - *Use LDBP Scenario Analysis Tools*
  - *Inform Stage 2 LDBP Investment Allocations*
- **Evaluate Beneficial Rate Design Options**
- **Develop & Adopt Strategic Plan for EBCE DER Aggregation (VPP) Implementation**

## Stage 3: LDBP Update

- Comprehensive Assessment of LDBP Programs & Outcomes:
  - *Ratepayer Impacts*
  - *Cost of Service Impacts*
  - *Jobs & Economic Impacts*
  - *Environmental Impacts*
  - *Transparent Public Reporting*
- Expand & Refine LDBP Metrics
- 1<sup>st</sup> Major Update to the Local Development Business Plan
  - *Adjust Program Parameters*
  - *Integrate New Program Ideas*
  - *Adopt LDBP Implementation Framework & Timeline*

# CENTRAL LDBP CONCEPTS & STRATEGIES

1. Open, inclusive, iterative public process and phased in approach
2. Robust, integrated data platform and advanced data management & analytics
3. Community Benefit Adders
4. Market Responsive Pricing and Pay-for-performance strategies
5. Development of local renewable or dispatchable distributed energy resources (DERs)
6. Customers and community as partners

# LDBP EARLY ACTION CATEGORIES

1. Demand Response
2. Energy Efficiency
3. Building Electrification
4. Transportation Electrification
5. Collaborative Procurement
  - a. Municipal Feed-in Tariff
  - b. Community Shared Solar
  - c. Community NEM
  - d. Direct RE Contracting for large customers
  - e. Utility scale renewable energy and storage
6. Enhanced Net Energy Metering
7. Community Investment Fund

# 2019 PLANNED VS. APPROVED BUDGET

LDBP Early Actions	Approved '18-'19 Budget	18-'19 LDBP Planned Activities	Proposed '18-'19 Budget
Demand Response	-\$100,000	Demand Response Program	-\$100,000
Energy Efficiency	-\$100,000	Efficiency Partnership	-\$75,000
Building Electrification	-\$50,000	Reach Codes*	-\$150,000
Transportation Electrification	-\$500,000		
MuniFIT	-\$223,368		
Community Shared Solar	-\$150,000	PUC DAC-CS and GT	\$0
Community NEM	-\$225,000	Solar+Storage Critical Facilities	-\$150,000
C&I RE Pilot	-\$100,000	City Renewable Purchase	-\$50,000
CA/Alameda County RFP	\$0	In Process	\$0
Oakland Clean Energy Initiative	\$0	In Process	\$0
Enhanced NEM	-\$104,593	Enhanced NEM	TBD
Community Investment	-\$450,000	Community Development	-\$150,000
		Grant Pursuit	-\$100,000
Sub-Total	-\$2,002,961		-\$775,000
Revenue		BAAQMD Grant (2019 portion)	\$150,000
Total	-\$2,002,961		-\$625,000

\* Total Reach code Program is \$300k, with \$150k to be spent in 2020

# FY '19 PLANNED PROGRAMS & BUDGET

- Energy Efficiency - \$75k
  - Share data with StopWASTE and other Efficiency organizations to increase uptake
  - Participate in Healthy Refrigerator CDFA Grant
- Building / Transportation Electrification - Reach Codes - \$150k
  - Partner with cities to pass building electrification and EV reach codes for January 2020 code
- Community Innovation Grants - \$150k
  - Provide grant opportunities to local organizations for energy and community development
- Solar + Storage Resiliency - BAAQMD Grant Funded
  - Identify distributed solar and storage opportunities on critical and government facilities
- Renewable Energy for City Meters – \$50k
  - Provide renewable product for city meters
- Grant Opportunities- \$100k
  - Pursue external funding to support LDBP and EBCE objectives

# FY '19 ADDITIONAL PROGRAMS

- Community Solar for Disadvantaged Communities
  - Participating in PUC proceeding for to maximize EBCE allocation
- Demand Response Pilot V2
  - Expand Commercial to A10, +E-19/E/20 outreach
  - Add EV, battery and residential DR
- Enhanced NEM
  - Currently offer +1c/KWh for Muni and Low Income customers
  - Budget is Procurement cost and will be based on uptake
- CARE Disconnection Pilot
  - Reduce high disconnection areas in DACs with targeted CARE/FERA outreach
- OCEI – Oakland Clean Energy Initiative
  - Local procurement plan to close Dynegy jet fuel plant in West Oakland

# FY 2020 PROGRAM OVERVIEW

- July 2018 Approved LDBP was \$2M with \$4M/year in ongoing obligations
- Planning approach will start with \$2M budget
- Additional funding opportunities
  - ~\$1M in Low Carbon Fuel Standards
  - ~\$750k in grant funding
  - Additional EBCE funding

**The following *Future Program Options* are included for reference and review prior to discussion at future CAC meetings.**

# FUTURE PROGRAM OPTIONS

Program Area Descriptions	Budget (\$000)		Benefiting Customer Segment			
	Planned 2019	Approved 2019	Res	Comm	Muni	DAC
<b>1. Demand Response (\$100)</b>		<b>\$100</b>				
–Commercial demand response	\$100	\$100		█	█	
–Residential demand response			█			█
–EV demand response			█	█	█	█
<b>2. Energy Efficiency (\$100k)</b>	\$75	<b>\$100</b>				
–Data sharing with Program Administrators			█	█		█
–Community Library EE Toolkits			█			█
–Healthy Refrigerators			█	█		█
<b>3. Building Electrification (\$50k)</b>		<b>\$50</b>				
–Reach Codes	\$300		█	█	█	
–Heat Pump Hot Water Incentives			█	█	█	█
–All-Electric baseline rates			█			█
–Workforce training for electric building/vehicles						█
Not specifically in LDBP						

# FUTURE PROGRAM OPTIONS

Program Area Descriptions	Budget (\$000)		Benefiting Customer Segment			
	Planned 2019	Approved 2019	Res	Comm	Muni	DAC
<b>4. Vehicle Electrification (\$500k)</b>		<b>\$500</b>				
–Sponsor Electric Vehicle Ride & Drives						
–EV Charger incentives						
–Electric Vehicle rates						
–Used EV incentives for low income customers						
–DAC workplace charging						
–Multi-Family EV charging						
–Mid & Heavy Duty EV						
<b>5. Collaborative Procurement (\$699k)</b>		<b>\$699</b>				
–Municipal Feed-in-Tariff		\$224				
–Community Solar		\$150				
–Community Net Metering		\$225				
–OCEI						
–Standard offer for local storage						
–Solar + Storage critical facilities (Grant Funded)	\$300					
–Direct RE Contracting Pilot	\$50	\$100				
–Utility Scale Renewables and Energy Storage						
Not specifically in LDBP						

# FUTURE PROGRAM OPTIONS

Program Area Descriptions	Budget (\$000)		Benefiting Customer Segment			
	Planned 2019	Approved 2019	Res	Comm	Muni	DAC
<b>6. Enhanced NEM (\$105k)</b>		<b>\$105</b>				
<b>7. Community Investment (\$450k)</b>		<b>\$450</b>				
–Community Innovation Grants	\$150	\$150				
–Government Innovation Grants		\$150				
–Energy Innovation Grants		\$150				
–Community Outreach Grants						
Not specifically in LDBP						