

# Partners for Sustainability: Davis and VCEA

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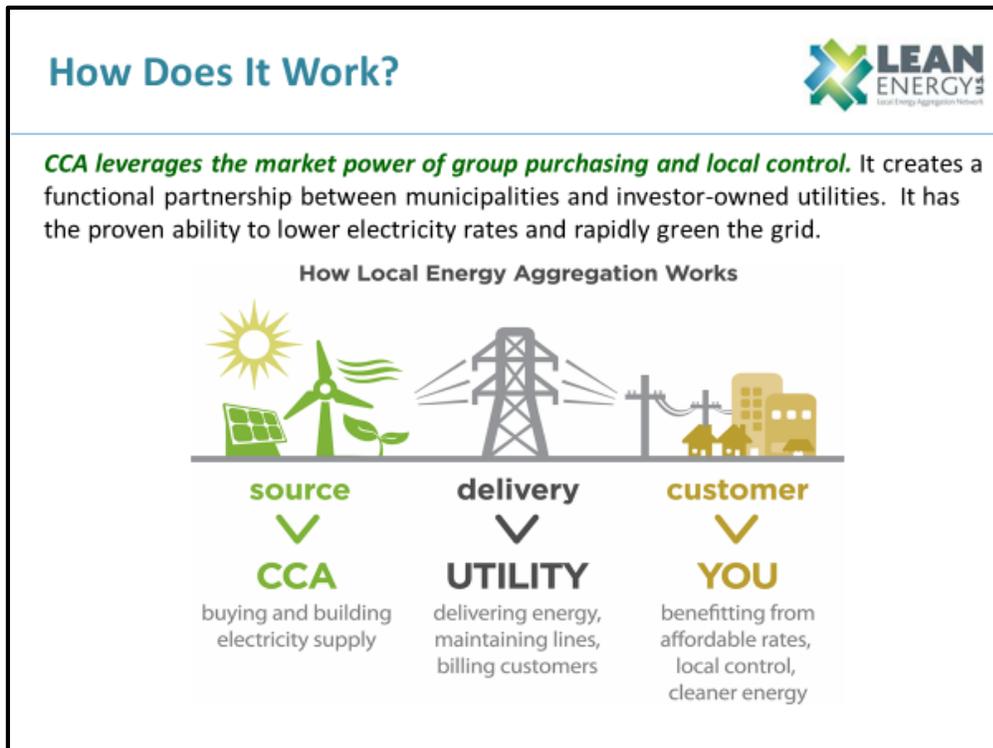
Cool Davis Coalition Meeting

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# Community Choice Starting Point: VCEA and PG&E Will Provide Complementary, Non-duplicative Services at Roughly the Same Total Cost as Previously “Bundled” PG&E Service.

VCEA’s electricity supply costs will initially be in the <\$0.06/kWh range. Current total electricity service costs recovered by PG&E in rates are nearly \$0.23/kWh on average.

Therefore, initially, PG&E will continue to collect the lion’s share of electricity service revenues in Davis, while VCEA expects to have sufficient revenues to support meaningful engagement with its member communities.



Rate Schedule	Rate Design	"Average" Total Rate <sup>1</sup> (per kWh)
<b>Residential Schedules: E-1, EM, ES, ESR, ET</b>	Tiered Energy Charges	\$0.22894
<b>Residential CARE Schedules: EL-1, EML, ESL, ESRL, ETL</b>	CARE Tiered Energy Charges	\$0.13073

Source: <https://www.pge.com/tariffs/electric.shtml>

# VCEA Vision Statement\*

## Near-Term Vision

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

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

## Long -Term Vision

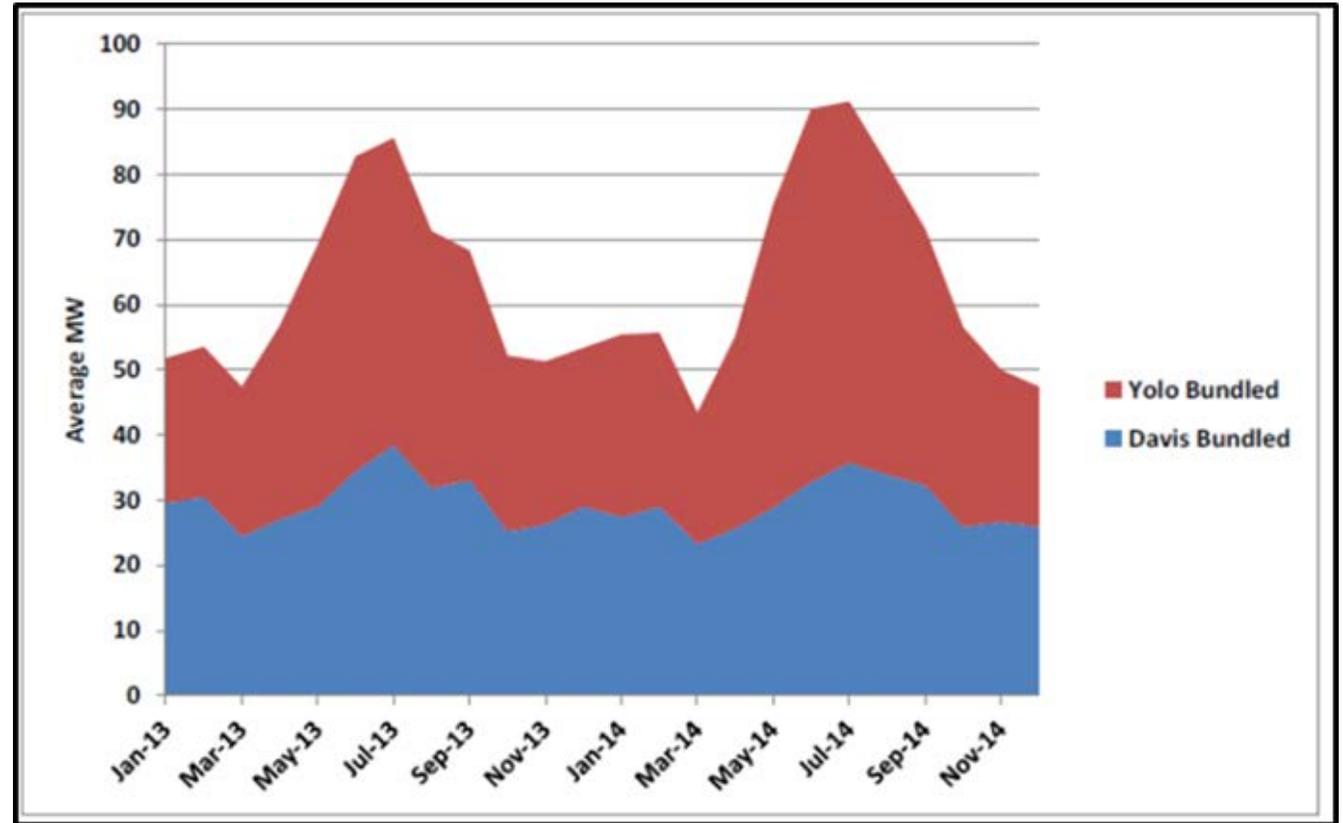
The future vision for VCEA is to continuously improve the electricity choices available to VCEA customers, while expanding local energy-related economic opportunities, by:

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

\*Effective October, 2017: Recommended by VCEA's Community Advisory Committee and Approved by VCEA's Board of Directors

# Local Control Can Have Local Benefits

VCEA serves member jurisdictions having different aggregated electricity usage profiles. Unlike state regulated utilities like PG&E, VCEA will have the flexibility to tailor its programs and rate options to the unique energy profile of its service territory and even to the specific energy profiles of its member jurisdictions.



# Local Benefits Include Positive Economic Impacts

Studies for the San Jose region concluded that there is “a direct correlation between the amount invested in local renewable energy and the amount of regional economic benefit.”

Jobs and output categories:

1. Direct
2. Indirect
3. Induced

Community Choice Energy:  
What Is the Local Economic Impact?  
San José, California, Case Study



September 2016

Presented by Center for Climate Protection



Economic Analysis Prepared by  fosterra™  
Clean Energy Consulting

# Davis and VCEA Can Help One Another

Citizens and businesses of Davis, California have, on their premises, more than 35MW of solar PV, representing a \$175 million investment in local energy assets. Cool Davis' goal is to increase on-site solar deployment in Davis significantly by 2020, to a local market penetration of 50%, or nearly 5000 homes. Davis has new housing projects in the pipeline that will be net zero electric (on-site solar production will match annual usage), by design, consistent with recently announced state standards. By 2020 Davis also expects to have 2500 electric vehicles deployed locally, representing a roughly \$75 million investment in electricity storage batteries, which are typically connected to residential electricity circuits when the vehicles are not on the road.

Davis clearly has its shoulder to the wheel in support of VCEA's vision. At the same time, technically and economically accommodating and exploiting the grid impacts and grid management opportunities of Davis' pace-setting PV and EV deployment will require skill sets and expertise VCEA can bring forward and exercise on VCEA's behalf.

# VCEA and Davis: Stronger Together?

- Partnering for:
  - Moving Forward on Community Solar!
  - Climate Action Metrics and Tracking
  - Local Integrated Energy Analysis
  - Energy Resilience:
    - On-site Solar/Storage and EV Technical and Economic Integration
    - Neighborhood/Other Micro-grids
  - Efficient and Cost-Effective Electrification
- Potential Davis/PG&E Collaboration\*:
  - Sizing, design and installation of local energy assets to maximize overall benefits vs. cost
  - Economic gains from smarter asset utilization.
  - Investments in compatible grid and building infrastructure, e.g. building energy automation, mini-grid controllers and smart substations.



\*See: <https://www.iresn.org/news/2018/4/10/cityutility-collaboration-to-what-end>

# Thank You!

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