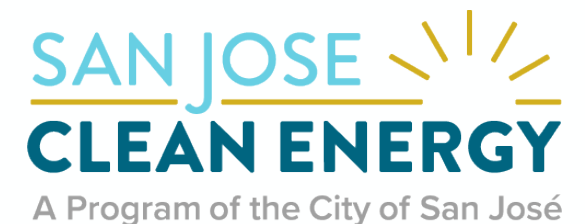


SJCE PROGRAMS ROADMAP

March 2, 2020

Staff Presenting:
Lori Mitchell, Director
Zach Struyk, Deputy Director Account Management and Marketing
Kevin Meehan, FUSE Executive Advisor and Programs Lead

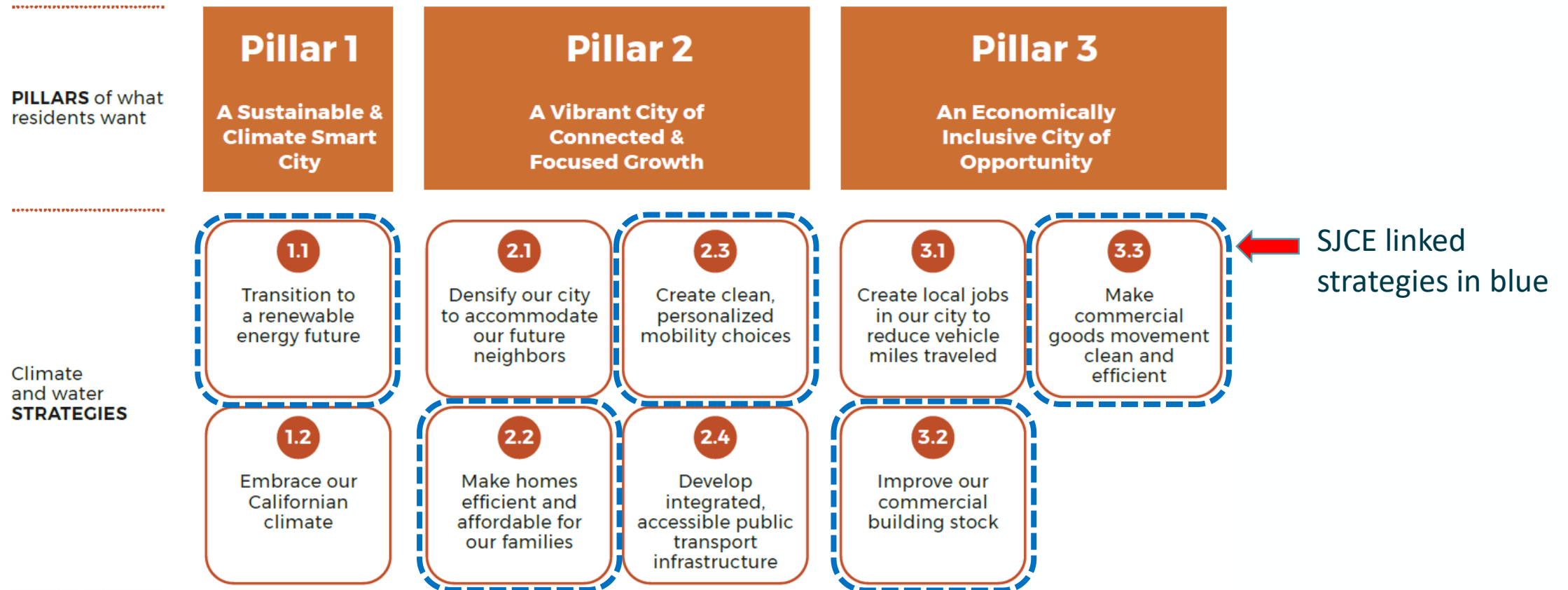


SJCE STATUS AND FINANCIAL POSITION

- Participation in SJCE remains high (>98%)
- Reached milestone of \$20 Million in operating reserve
- Plan to repay \$10 Million commercial paper loan in 2020
- Need to build an operating reserve level of 120-180 days of operating expenses
 - (\$80-\$120Million) within next 5 years (FY 24-25)
- Ability to build reserve depends significantly on regulatory and legislative outcomes
 - Power Charge Indifference Adjustment (PCIA, also known as “exit fees”) increases

CLIMATE SMART SAN JOSE IS SJCE'S GUIDING PROGRAM STRATEGY

A Framework for Action: Nine Strategies in Three Pillars



PROGRAM AREAS

Vehicle
Electrification

Building
Electrification

Distributed
Energy
Resources

Energy
Efficiency

Program-
specific Rates

Resiliency

PROGRAM GUIDING PRINCIPLES

1. Maximize greenhouse gas reduction opportunities
2. Align with Climate Smart San José
3. Promote equity, affordability and support disadvantaged communities
4. Produce community benefits
5. Maintain or improve the financial stability of SJCE

SJCE PROGRAM SELECTION PROCESS FLOW



```
graph TD; A[Program Guiding Principles Check] --> B[Program Scoring]; B --> C[Equity Review and Analysis]; C --> D[Provide Recommendations];
```

Program Guiding Principles Check

- Does the program address a majority of the guiding principles?

Program Scoring

- Can the program be scored? What does the score tell us?

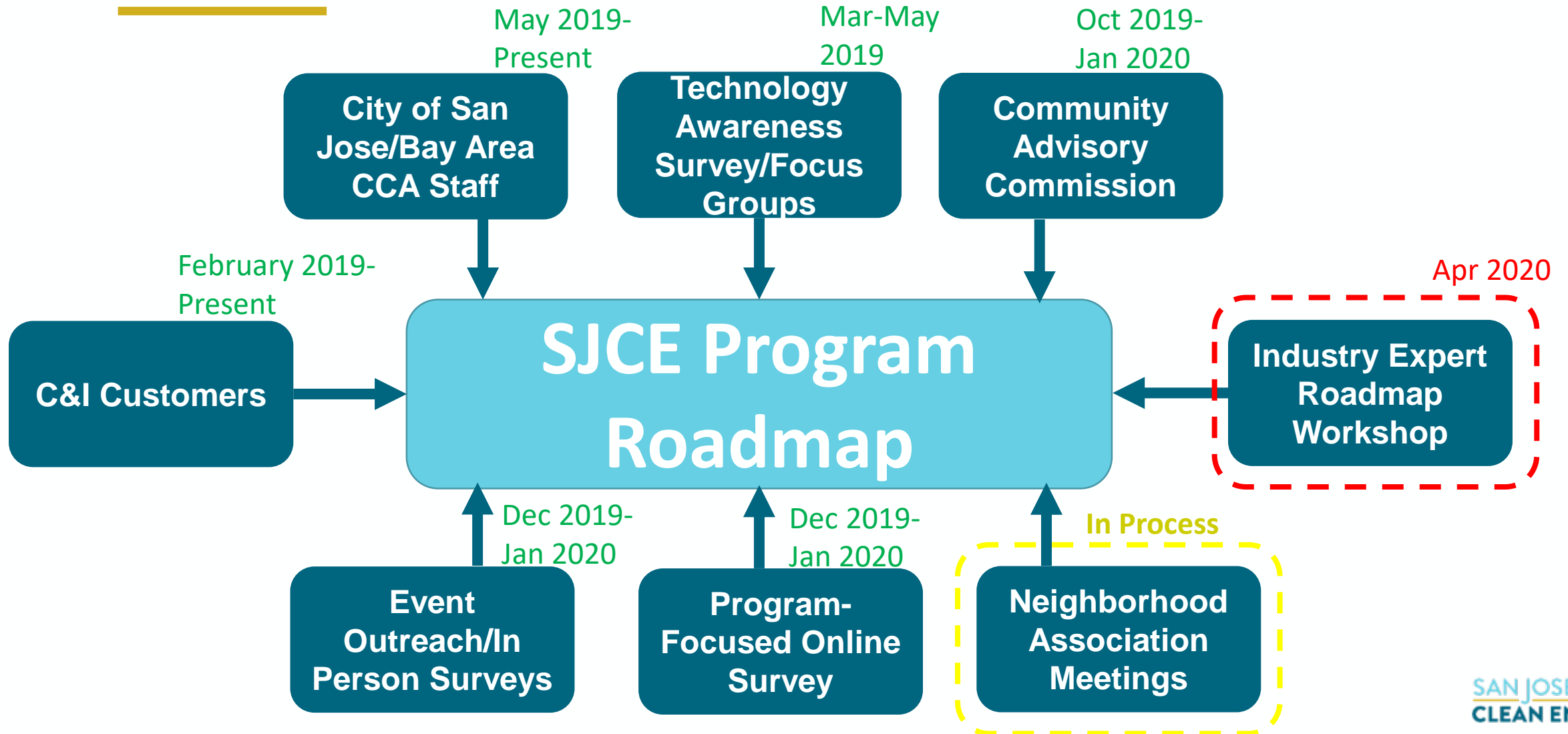
Equity Review and Analysis

- What do results from process steps say?

Provide Recommendations

- Evaluate, compare and decide

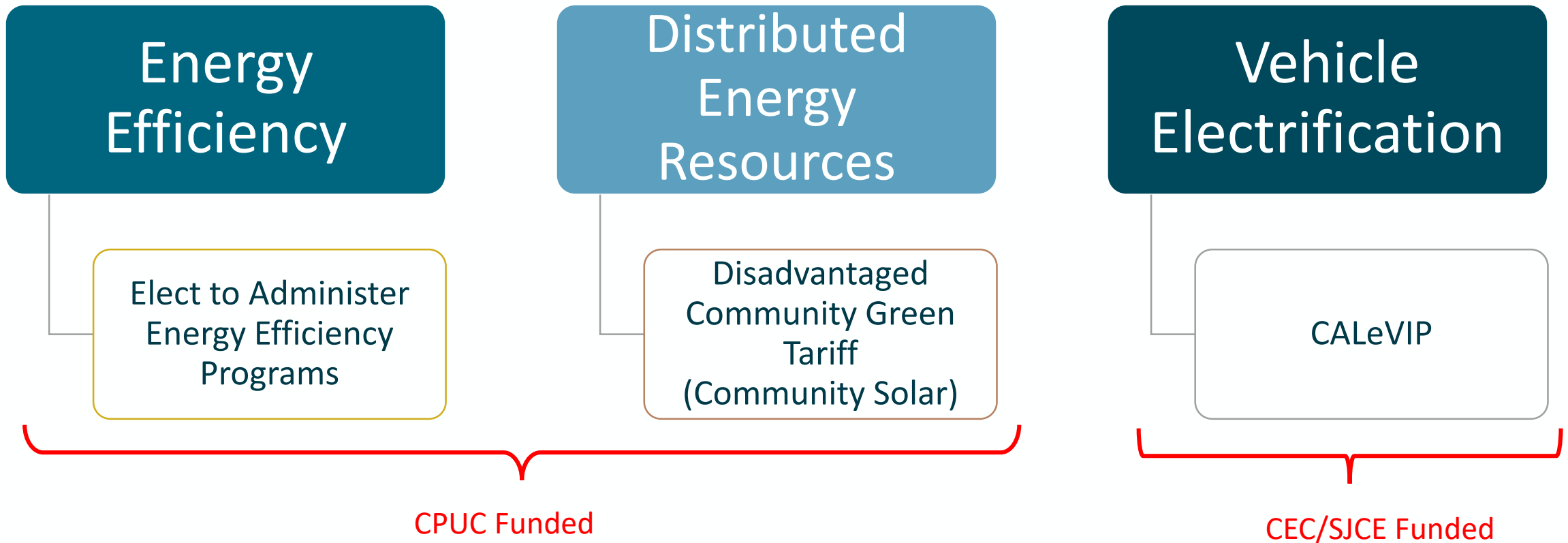
COMMUNITY OUTREACH



FY19-20 PILOTS AND OUTREACH

- Development of Program Websites
 - Electric Vehicles: www.sanjosecleanenergy.org/ev
 - Going Solar: www.sanjosecleanenergy.org/going-solar
 - Energy Efficiency: www.sanjosecleanenergy.org/save-energy
- Promotion Partnership with Grid Alternatives for Low Income Rooftop Solar Programs
- Hosting an EV Ride and Drive event (May 2020).
- CALeVIP: Launches May/June 2020

NEAR TERM PROGRAMS LEVERAGING EXTERNAL FUNDING



NEAR TERM EDUCATION AND OUTREACH PROGRAMS

DERs Residential Rooftop Solar

Low-Income
Program
Promotion

Education –
Website,
Events

Rooftop Solar
Online Portal

Passenger Vehicle Electrification

EV Workshops

Local
Influencer
Promotion

EV Website
Enhancement

Resiliency

SGIP
Promotion

Medically at-
risk Outreach

Residential Home Electrification

Heat Pump
Water Heater
Workshops

BayREN/CPUC
Program
Promotion

Extend
Induction
Cooktop
Program

FUTURE PROGRAMS – OPERATING RESERVE TARGET ACHIEVED

Distributed Energy Resources

Energy Storage for Demand Response, Resource Adequacy

Vehicle Electrification

EV Ride and Drives

Used EV Incentive

Dealer EV Incentives

Building Electrification

Heat Pump Water Heater Program

Low Income Home Upgrades

Resiliency

Medically at-risk Customer Solar + Storage

Program-specific Rates

CARE Customer Discount

RECOMMENDATION

1. Accept this report on SJCE program selection framework
 - including activities on 3 near term programs:
 - CPUC-funded Energy Efficiency programs
 - Disadvantaged Communities (DAC) Green Tariff
 - California Electric Vehicle Infrastructure Project (CALeVIP)
2. Recommend SJCE Programs Roadmap for full Council consideration
 - Likely at the end of 2020, after further refinement

QUESTIONS?

- SJCE staff
 - Lori Mitchell, Director
 - Kevin Meehan, FUSE Executive Advisor and Programs Lead
 - Zach Struyk, Deputy Director Account Management and Marketing



APPENDIX





FUTURE COMMUNITY FEEDBACK CHANNELS

1. Biennial Roadmap Update
 - To reflect program experiences, elicit community group feedback through website
2. Quarterly/Semi-Annual Program CECAC Review
 - Post schedule on website to invite public feedback
3. Community-Based Organization Focus Groups
 - Leverage CBO's to convene periodic focus groups
4. Annual Technology/Program Surveys & In Person Interviews
 - Run similar online survey to assess change in answers/priorities
5. Annual Neighborhood Association Updates
 - Presentation on program ideas and plans
6. Website channel for comments/suggestions
 - Collect feedback and elicit new program ideas on SJCE webpage

PROGRAM SCORING METHODOLOGY

Metric	Description	○ Definition	🕒 Definition	🕒 Definition	🕒 Definition	● Definition
Emissions Impact	Lifetime MT of CO2e reduced	No CO2e reduced	1 - 1,000 MT	1,001 - 4,000 MT	4,001 - 8,000 MT	>8,000 MT
Cost Effectiveness	\$ Spent per MT of CO2e reduced	>\$401	\$301-\$400	\$201-\$300	\$101-\$200	<\$100
Cost Effectiveness	Program Profit or (Loss)	<(\$1,000,001)	(\$700,001)-(\$1,000,000)	(\$400,001)-(\$700,000)	(\$100,001)-(\$400,000)	>(\$100,000)
Equity	Potential Quantity of Low Income Qualified Residents Impacted by program	0	1-100	101-1,000	1,001-5,000	>5,001
Community Benefits	Benefits Include: 1) Reduces Air Pollutants 2) Saves customer money (at least 5% over lifetime) 3) Leads to Local Job Growth 4) Educates and Creates Awareness of Climate Solutions	0 out of 4	1 out of 4	2 out of 4	3 out of 4	4 out of 4

PROGRAM SCORING **EXAMPLE**

Program	Quantitative Impact		Community		Comments
	Emissions Impact	Cost Effectiveness	Equity	Community Benefits	
DAC-Green Tariff					Strong cost effectiveness due to external funding with significant emissions impact. Local solar site to produce local jobs.
	6,698 MT	\$12/(\$83,000)	523 residents	3 out of 4	

EQUITY REVIEW AND ANALYSIS

- Outcome: What is the desired outcome or result of the proposal? Is the goal to address a problem that might disproportionately impact different groups?
 1. Data and Analysis: What group(s) and places are performing differently with respect to the goal? How does disaggregated data and analysis show the difference?
 2. Community Engagement: What does the community say, including communities who are performing differently?
 3. Solutions: How does our proposal intend to address the problem?
 4. Implementation: How will you implement it? Who benefits? Who is burdened?
 5. Accountability: How will you track, evaluate and communicate results?