
Integrated Decarbonization Roadmap: Pathways, Targets, and Priorities

April 8th, 2026



Discussion Objectives

1. Review program budget projections.
2. Review progress towards electrification goals and SVCE's impact.
3. Discuss prioritization strategy for budget scenarios and program tradeoffs.



SVCE is developing two interdependent strategic frameworks: Financial Levers & Decarb Roadmap.

Dec 2025: Board Workshop
Values and Priorities

- SVCE core values
- Decarb program tradeoffs

March 2026: Financial Levers
Context Setting and Scenarios

- Revenue projections
- Budget prioritization options (levers)
- Example levers strategy

★ **Today: Decarb Roadmap**
Context, Modeling, and Allocation

- Program budget projections
- Progress toward goals
- Example re-prioritization and impacts
- Tradeoffs discussion

June 2026: Financial Levers
Board Direction

- Board provides direction on changes in budget trajectory

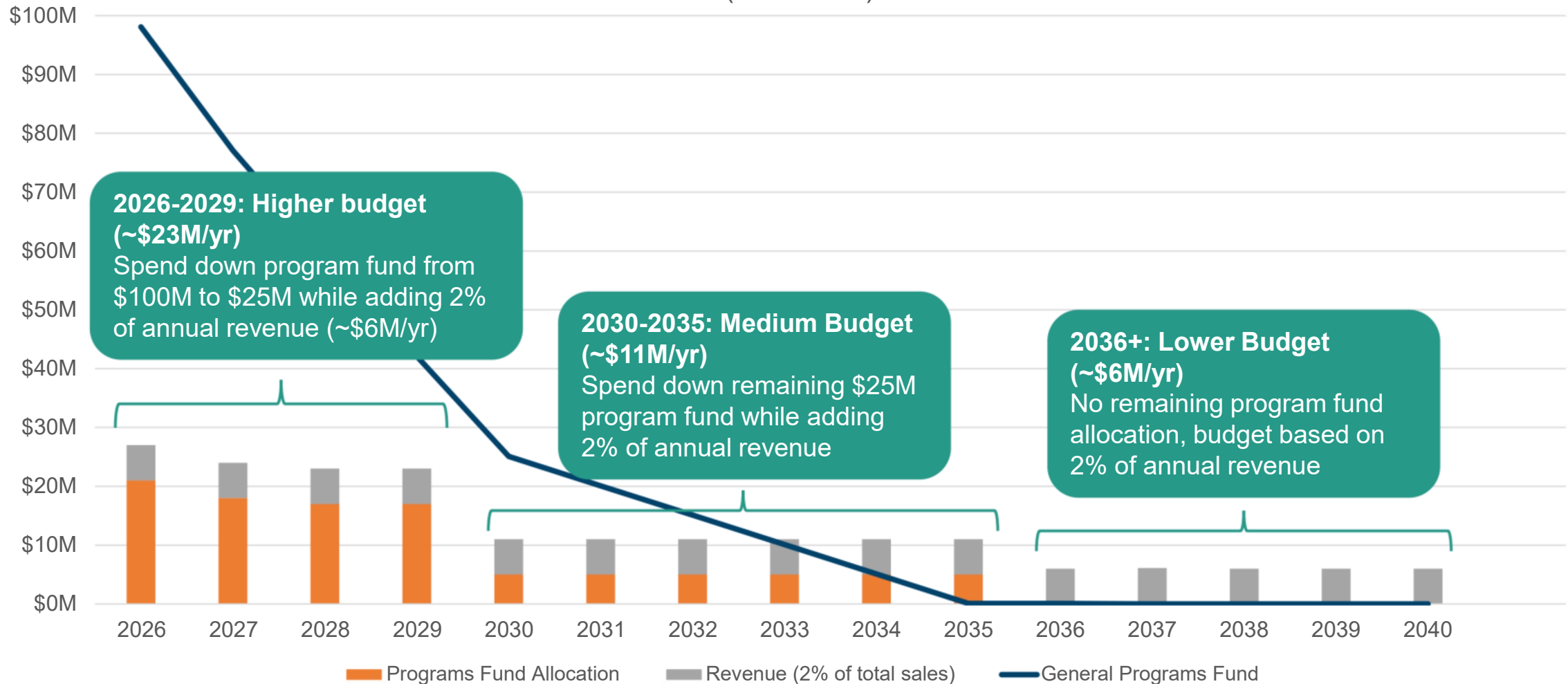
August 2026: Decarb Roadmap
Strategic Recommendations

- Decarb targets
- Budget priorities and guiding principles
- Short-to-long term strategic recommendations



Program budget – current planning forecast.

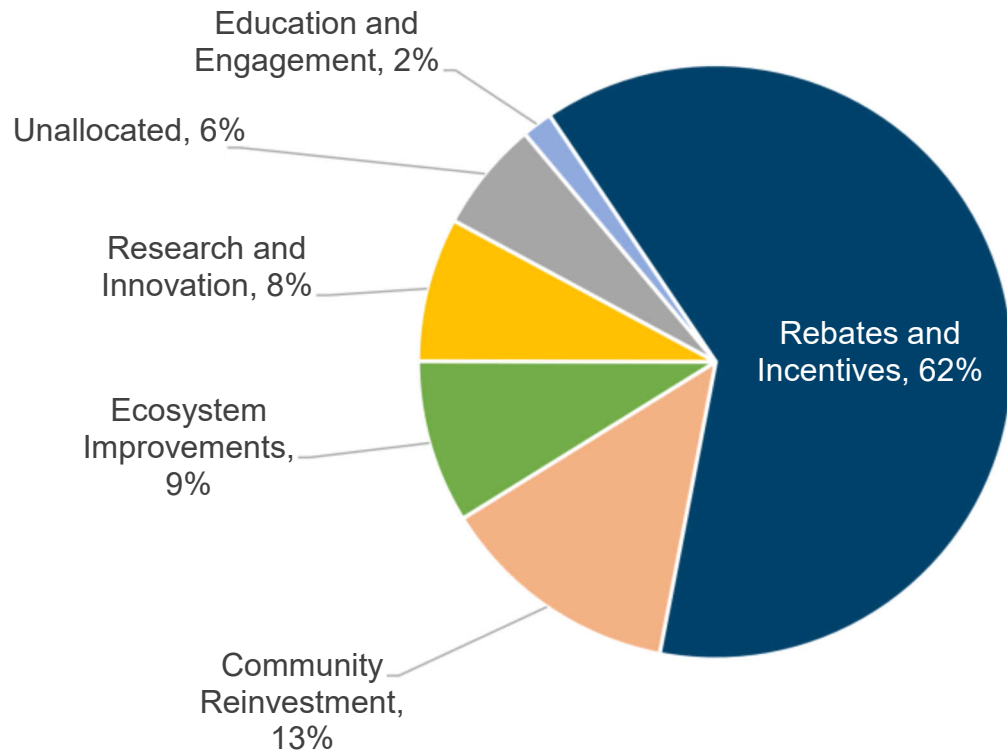
Current Program Budget Plan (2026-2040)
(illustrative)





SVCE's holistic program portfolio delivers a variety of benefits.

Average Annual Program Budget Allocation
(2026-2030)

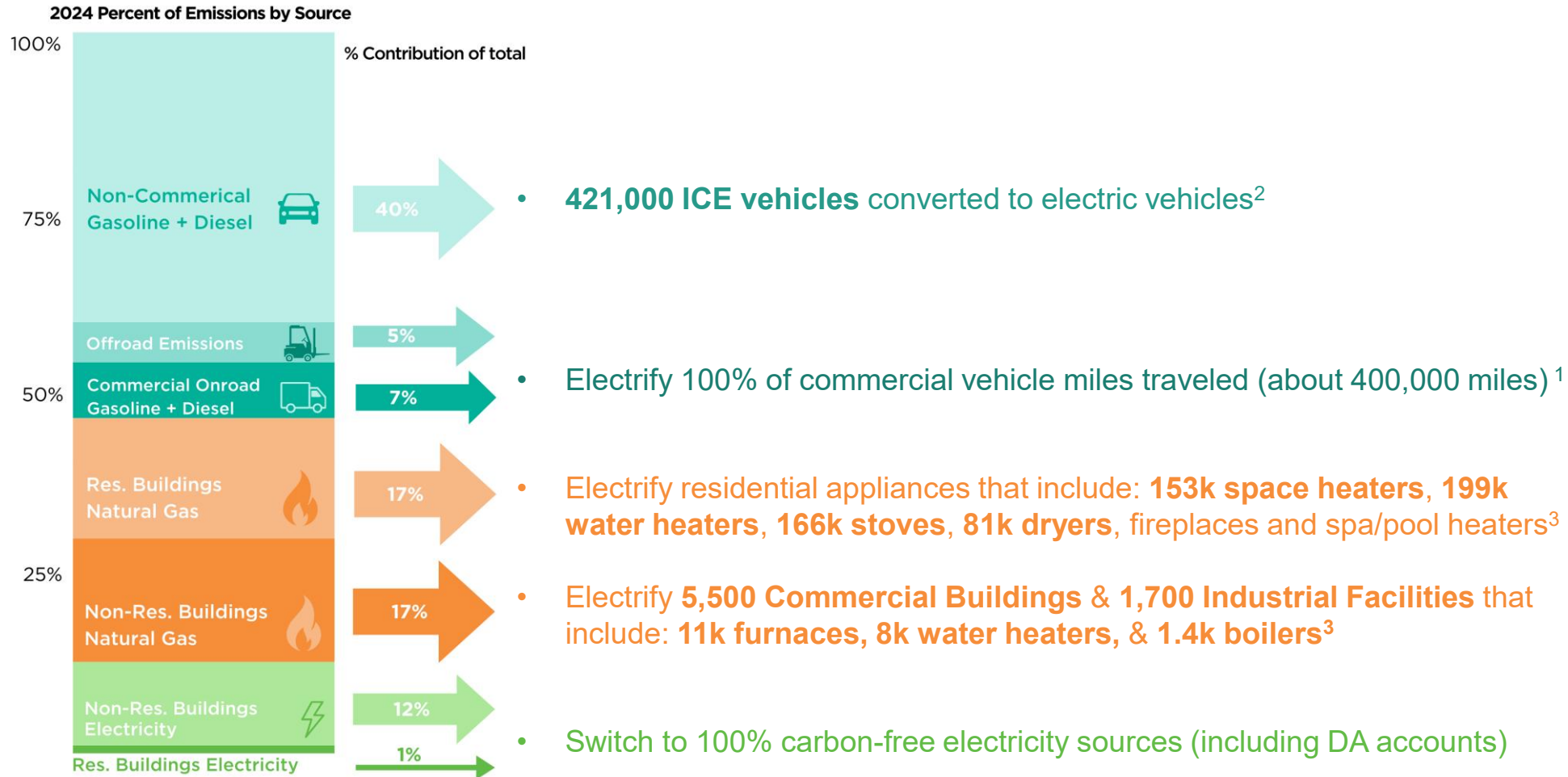


Program Category	Example Programs
Rebates and Incentives	Home Rebates, Full-Service Home Upgrades
Community Reinvestment	Member Agency Grants, Income-Qualified Home Upgrades
Ecosystem Improvement	Reach Codes, Contractor Training, Permit Streamlining
Research and Innovation	Innovation Onramp, Rate Pilot Programs, Demand Flex pilots
Education and Engagement	Dream Home, eHub

Progress towards electrification targets and SVCE's Impact



Climate targets require electrifying >1M machines by 2045.



Sources:

1. SVCE 2024 GHG Inventory
2. SVCE's Vehicles Dashboard
3. SVCE Market Segmentation Study

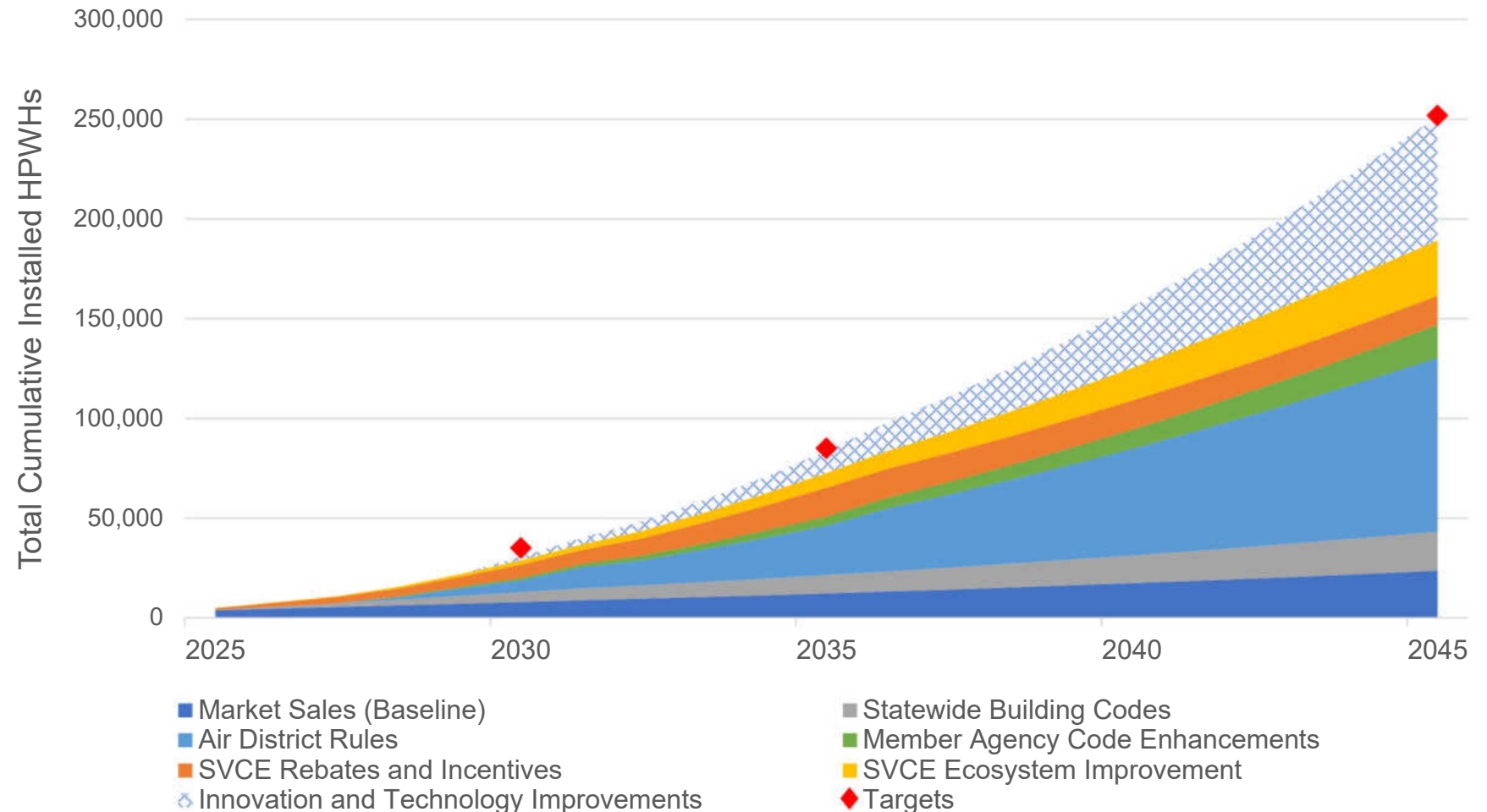


HPWH requires more innovation or funding, growth driven by policy; SVCE plays critical role.

HPWH Pathway:

- Based on best available market studies, forecasts, and program data.
- Conservative Air District compliance (starts at 20%) grows slowly.
- Current SVCE program budget.

Projected SVCE Territory HPWH Installs by 2045





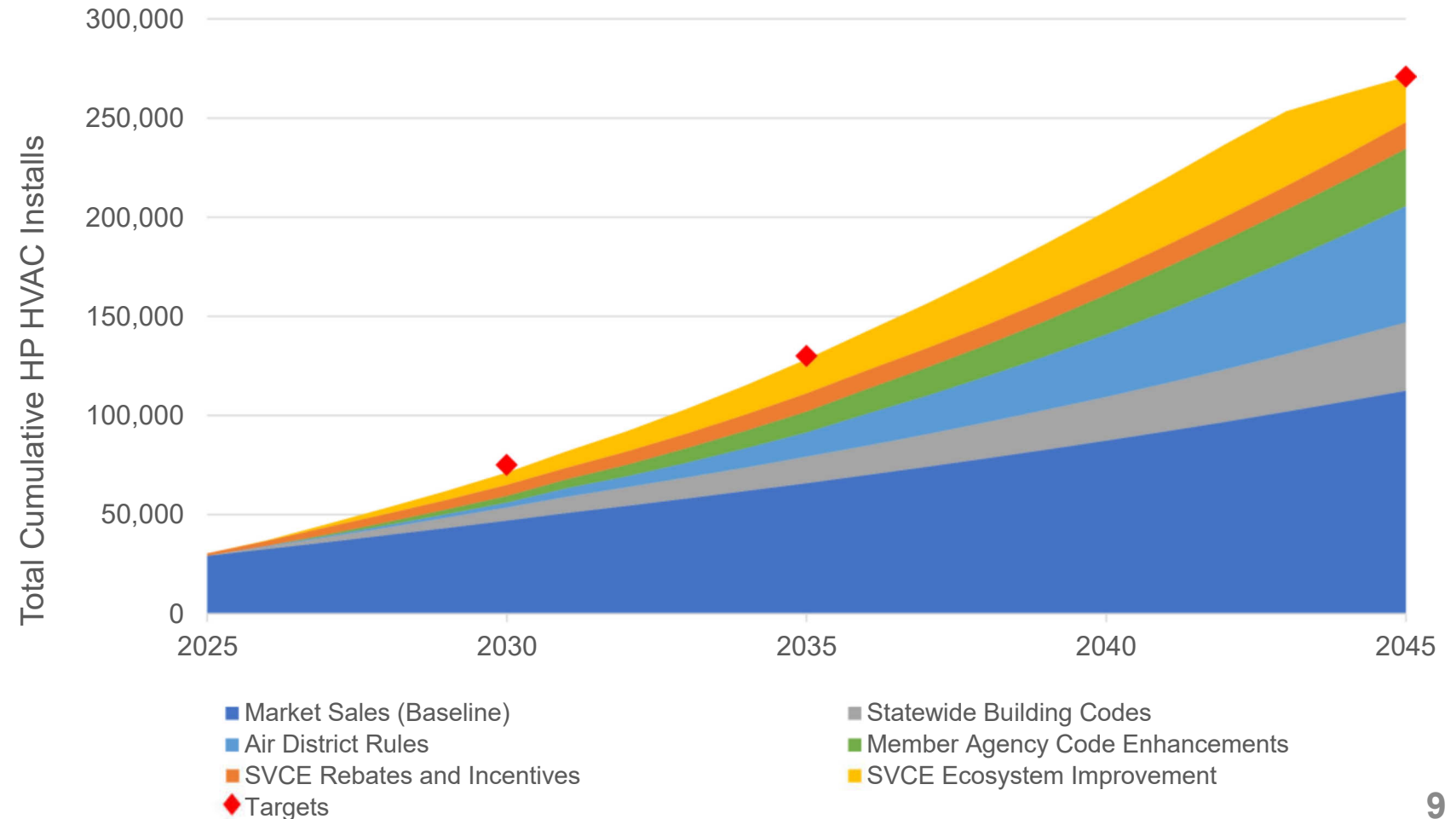
HP HVAC is on track; policy + AC demand key driver; SVCE support can phase out sooner.

Consumer demand is stronger for HVAC compared to HPWH as HP HVAC is more cost competitive and delivers real individual value today.

Statewide, Air District, and local polices key to adoption.

Pathway reflects rebates ending after 2033.

Projected SVCE Territory HP HVAC Installs by 2045





EVs have high uncertainty due to recent policy changes; SVCE's role is important but less influential.

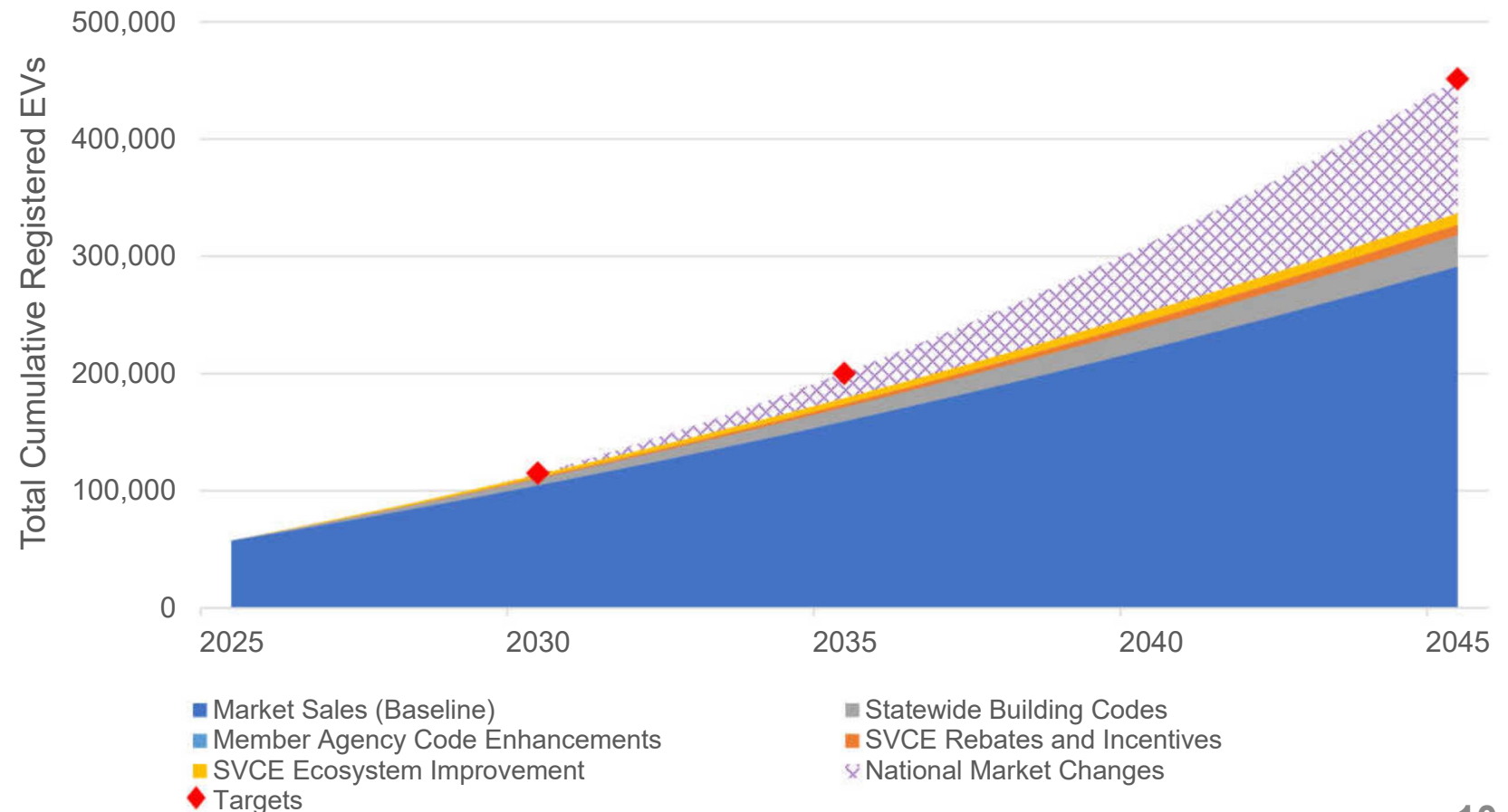
Consumer demand supported by policies are the main driver in EV adoption.

Statewide building code and SVCE programs help grow adoption by increasing access to charging.

Recommitments to EVs at a federal level are likely necessary to meet 2045 targets.

Pathway based on current budget.

Projected SVCE Territory Light-duty Electric Vehicles by 2045



Looking ahead:

How could SVCE prioritize investments under different conditions?



SVCE: Local, leading-edge, pragmatic, and decarbonization focused.

At the December 2025 Special Board of Directors Workshop:

Directors leaned into the story of SVCE as local agency responsible for **catalyzing decarbonization** throughout the region. The agency should embody an **innovative spirit** to provide creative solutions, while remaining **pragmatic and focused** on efforts that lead to cost-effective results.

When deciding between programs that lead to rapid electrification and those that might be slower, the attendees leaned more towards **focusing on rapid results**. (This is a trade-off we will grapple with in more detail through the roadmap.)

Attendees recognized that not everyone in SVCE's territory has the same decision-making agency when it comes to decarbonization, and suggested SVCE **focus on groups in a position to act**, such as property owners compared to renters and tenants.

This is initial input that staff are building early recommendations on. We will continue to grapple and discuss tradeoffs in more detail as we develop the roadmap.



Three workshops help inform scenarios: community leaders, member agency staff, and SVCE staff.



Key Takeaways from program prioritization discussions:

- All groups put majority of funds into incentives and rebates.
- Strong support for maintaining local policy support and ecosystem improvements.
- Less clarity on innovation and % of incentives focused on low-income vs. market-rate customers.



Our workshops highlighted several key tensions and strategic tradeoffs.

“Incentives should go to those most ready to electrify to drive adoption fast.”



“The role of a public agency is to focus resources on customers who need the most help to electrify.”

“SVCE should prioritize deep strategic investments where decarbonization is least likely.”



“Funds should go where electrification is cost-effective now; when costs come down we can electrify what is now hard.”

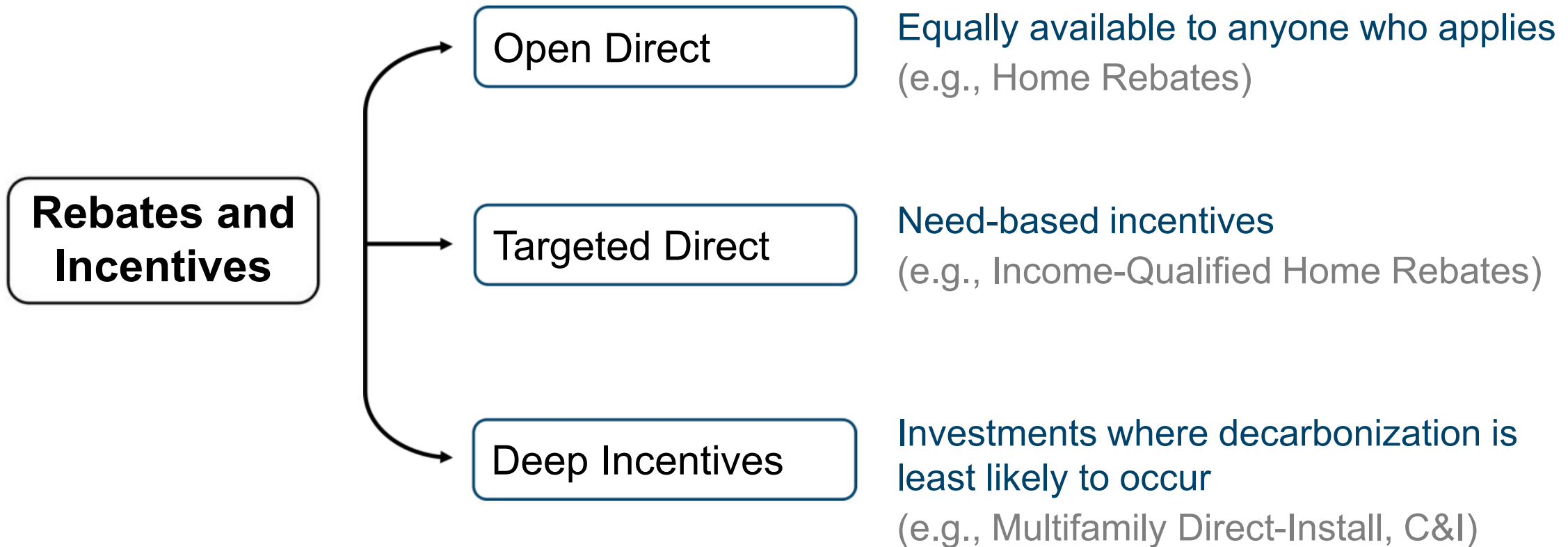
“Innovation is risky and already incentivized by the free market.”



“Electrification will only happen at scale when better options exist; SVCE should use its mission to support new and better solutions.”



All groups agreed that Rebates and Incentives should be the focus but diverged on approaches.





Disclosure Notice: SVCE can't do it all – BUT our investments can play a critical role.

Limitations:

1. Financial resources (budget)
Example: Rebate cost for residential water heaters = \$30M per year
2. Influence (SVCE doesn't directly control many of the most powerful levers)
Example: Types of EVs manufactured



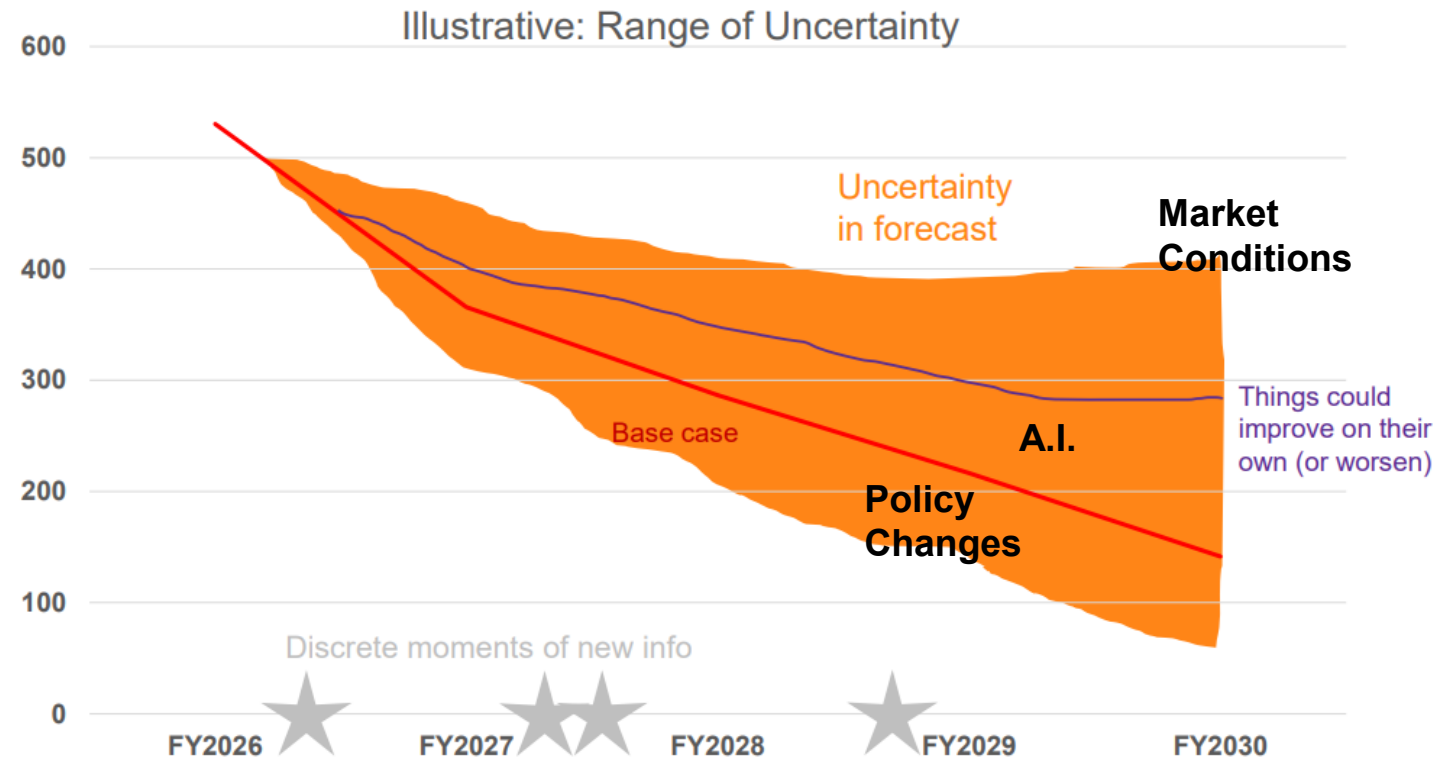
Investment potential:

1. Catalyze adoption by reducing friction.
2. Serve as a force multiplier to maximize beneficial impacts of electrification.
3. Deliver tangible community benefits.



Given high uncertainty, SVCE needs to ensure an adaptable structure that delivers impact under all conditions.

- Maximize electrification under any conditions.
- Some programs have growth limits (e.g. local policy investments).
- A balanced portfolio allows SVCE to pivot, adapt, expand, and contract.





Fluctuating budget is status quo for SVCE – scenario planning is a key rationale for the decarb roadmap.

As part of the financial levers, the Board could decide to make changes to programs budget between 2026 and 2030. The following slides explore impact of three possible changes to inform later decision-making.

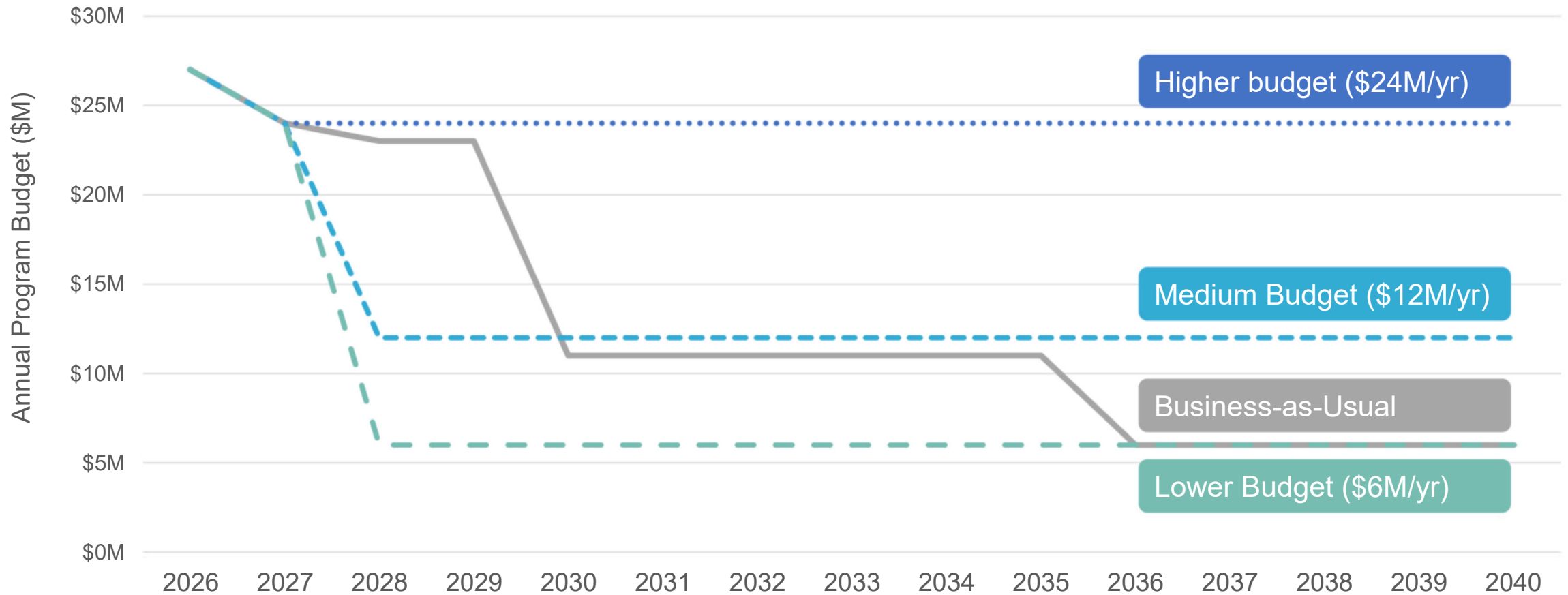
- **Business-as-Usual (BAU)** – Starts with high budget and slowly decreases to low budget over ~10 years (as currently planned)
- **High Budget** – Maintain today's spending levels (e.g. result of unexpected revenue influx)
- **Medium Budget** – Decrease today's budget by half starting in 2027 (e.g. slower rate of program reserves spending and no new funding added from revenues)
- **Low Budget** – Decrease today's budget by 3/4 starting in 2027 (e.g. much slower rate of program reserves spending and no new funding added from revenues)

Today's discussion is about impacts of budget changes and program priorities, NOT about mechanisms to change budget or impact to SVCE reserves. The June financial levers conversation will focus on organizational impact of changing program funds.



Program budget – current planning forecast.

Comparison of Program Budget Scenarios (2026-2040)





Example Scenario: Consistent focus on direct support and ecosystem improvement – mainly open incentives.

Program Categories	High Budget	Medium Budget	Low Budget
Rebates and Incentives	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	\$ \$ \$ \$ \$ \$ \$ \$	\$ \$ \$ \$
Community Investments	\$ \$ \$	\$	-
Ecosystem Improvement	\$ \$ \$	\$ \$	\$
Research and Innovation	\$ \$	\$	\$
Education and Engagement	\$	\$	\$

Note: Each \$ equates to \$0.5M–\$1M per year.

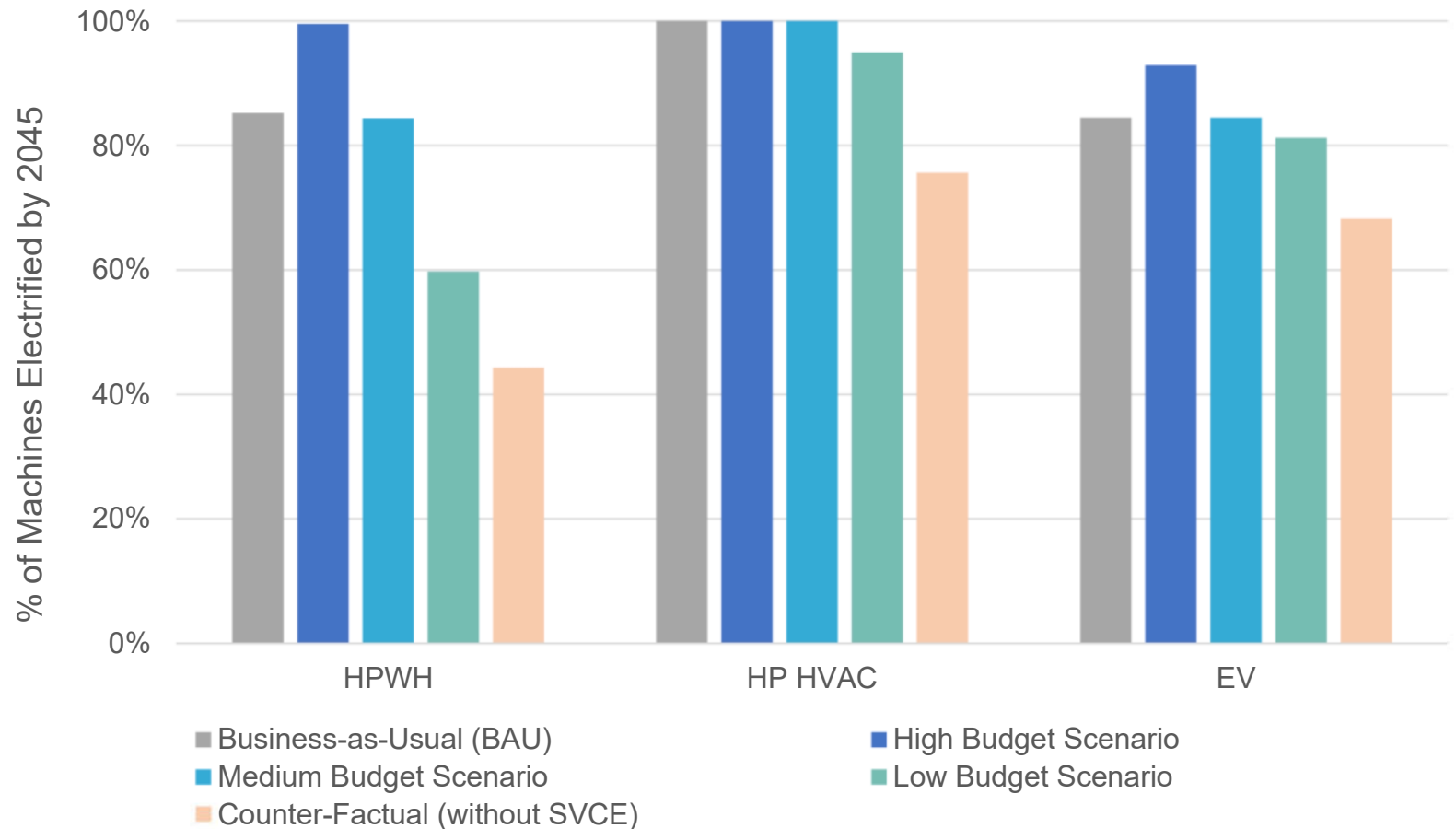


HP HVAC hits targets under all but low investment scenario, HPWH only in the high scenario, EV never.

Key Takeaways:

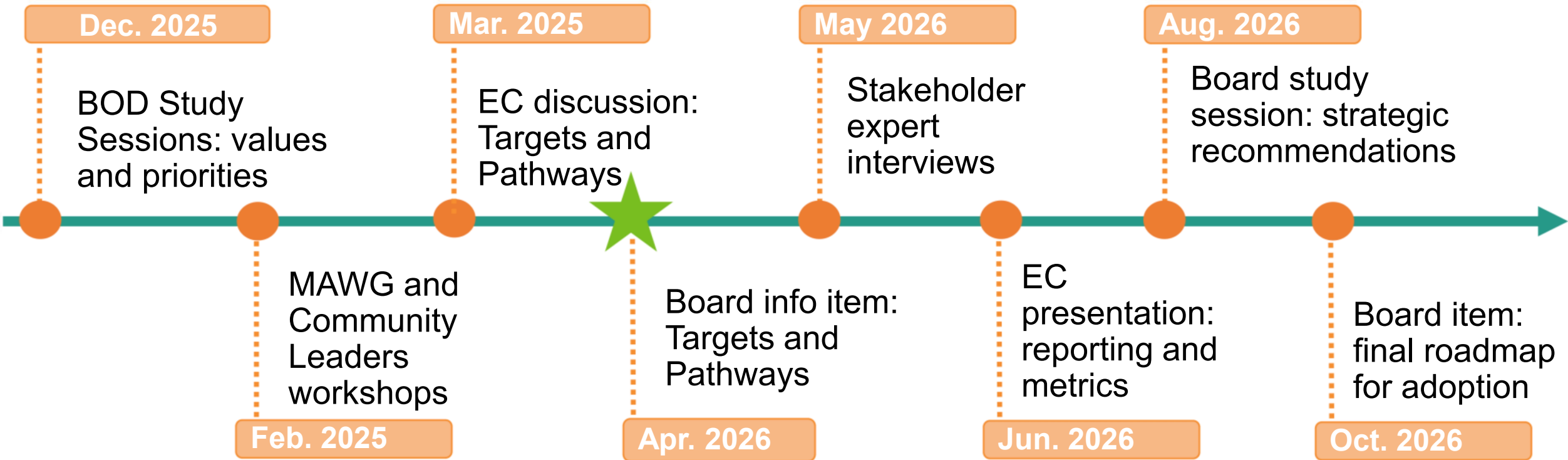
- SVCE can have significant impact by maintaining focus on direct incentives and ecosystem improvements in all scenarios.
- Higher budget means more electrification over time.

Technology Pathway Comparison: Proximity to Hitting 2045 Target





The content we're developing now will be presented to the Board in April.



*Timeline subject to change



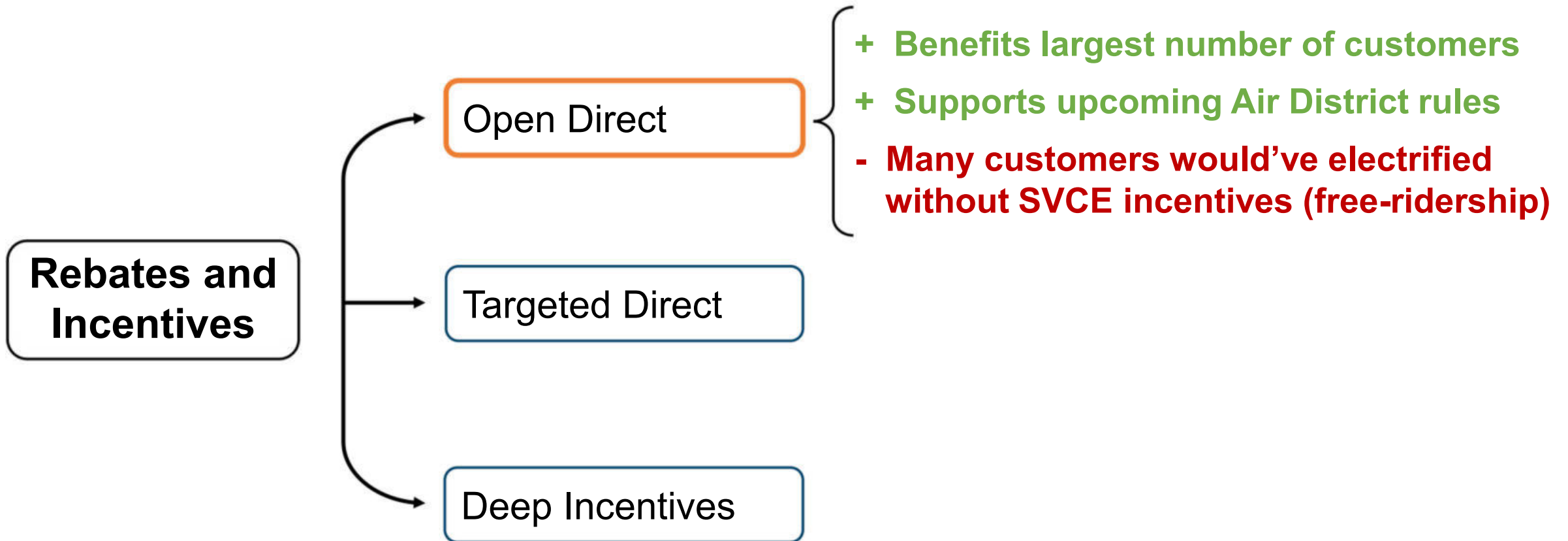
Discussion Questions

- Questions about key numbers?
- How should SVCE prioritize rebate and incentive investments between open rebates equally available to all customers vs. targeted incentives for customers with greatest need?
- Are there priority areas that are missing that you would like evaluated for the roadmap?
- As a public agency, what is SVCE's role in research and innovation? (i.e., how do we balance risk vs potential reward?)

APPENDIX

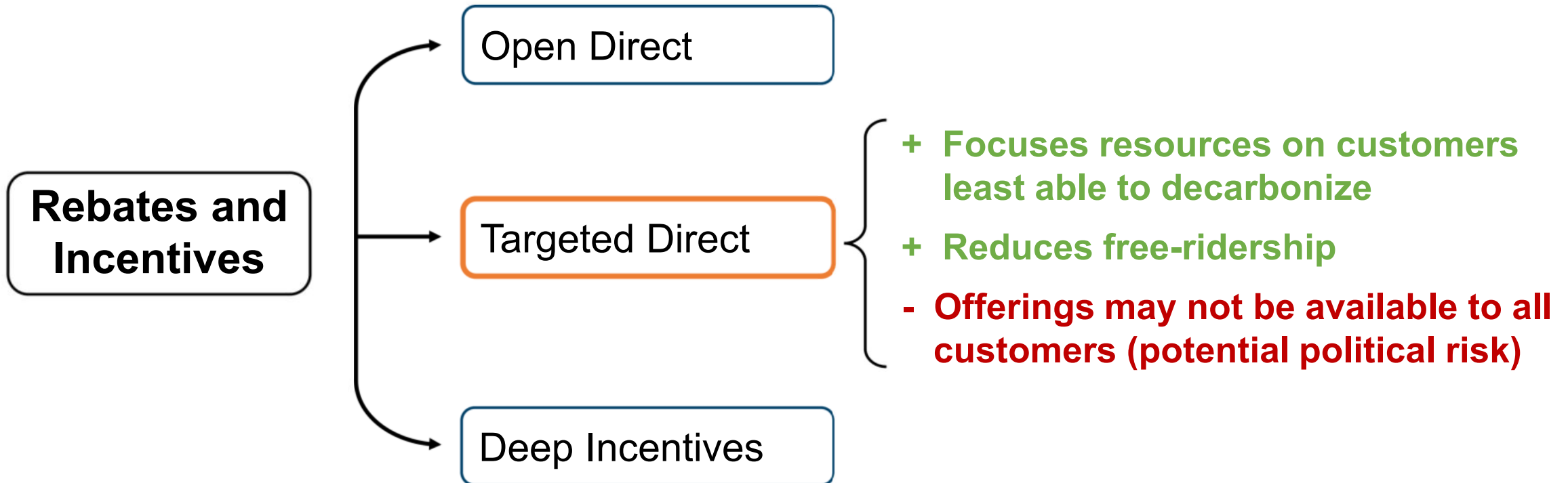


All groups agreed that Rebates and Incentives should be the focus but diverged on approaches.



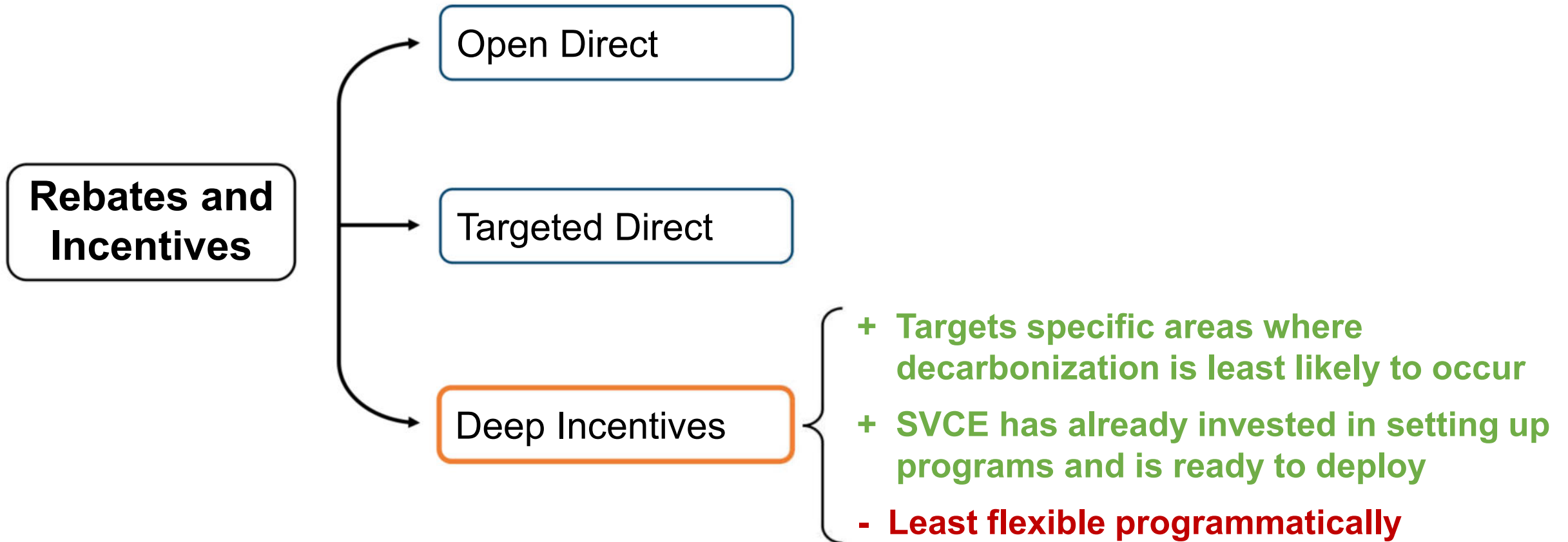


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SVCE's holistic program portfolio delivers a variety of benefits.

SVCE Program Category	Example Programs	Benefits
Rebates and Incentives	Home Rebates, Full-Service Home Upgrades	Direct reduction in upfront cost of electrification
Community Investments	Member Agency Grants, Affordable Housing DI	Delivers investments into community priority areas, creates tangible
Ecosystem Improvement	Reach Codes, Contractor Training, Permit Streamlining	Reduces friction, improves cost effectiveness, transforms the market
Research and Innovation	Innovation Onramp, Rate Pilot Programs, Demand Flex pilots	Identifies and test solutions to key barriers to catalyze adoption; sometimes big win, sometimes no win
Unallocated	-	-
Education and Engagement	Dream Home, eHub	Spreads the word about electrification, clarifies misconception, builds energy



Key Assumptions and Methodology Overview

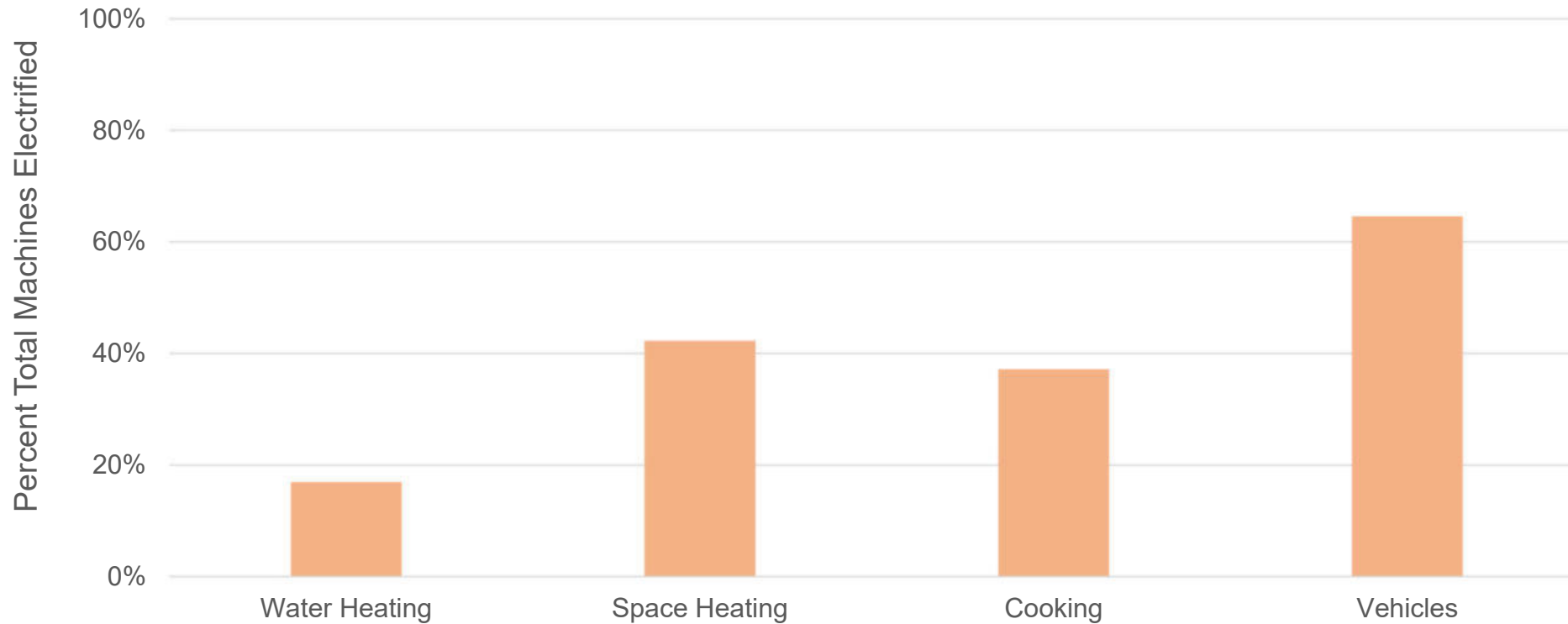
Methodology was built on data and published studies whenever possible, and conservative but realistic estimates where needed.

Category	Source
Market Sales (Baseline)	California Heat Pump Partnership Blueprint (2025) CalMTA Induction Cooking Market Characterization Report (2024) BloombergNEF Vehicle Sales Outlook (2025) CalMTA Commercial Rooftop Units Market Characterization Report (2025)
SVCE Programs	SVCE 2025 Programs impact data
Statewide Building Code	Housing and Community Development (HCD) RHNA Data with SME assumptions for new construction compliance
Air District	Bay Area Air District Rules 9-4 and 9-6 with SME assumptions for starting compliance and annual compliance growth
Member Agency Codes	City of Mountain View reach code forecast Electric Readiness and 2-Way AC ordinances with SME assumptions for starting compliance and annual compliance growth
Policy Compliance Support	SVCE SME assumptions



Consumer demand alone won't achieve targets.

Percentage of Total Machines Electrified by 2045 through Natural Market Adoption



Sources:

1. California Heat Pump Partnership Blueprint (2025)
2. CalMTA Induction Cooking Market Characterization Report (2024)
3. BloombergNEF Vehicle Sales Outlook (2025)

Programs Impact Summary 2025

April 8, 2026



Overview

1. Programs: Why and What?
2. What we've accomplished & learned
3. Customer stories
4. Where we're going next

Typical SVCE Customer

- Not aware of electrification or minimal interest
- Worried about finances
- Overwhelmed by options
- Doesn't know where to start
- **Needs a quick, affordable, and convenient solution**



All customers just want to enjoy their heating, cooling, or hot water!

Why run programs?

To help customers electrify quickly, easily, and cost effectively, while meeting their daily priorities.





**At SVCE, there's a
program for
everyone...**



Our Programs are designed to address key barriers to decarbonization

Program Category	Example Programs
Rebates and Incentives	Home Rebates, Full-Service Home Upgrades, Zero Interest Financing
Community Investments	Member Agency Grants, Income-Qualified Home Upgrades
Ecosystem Improvement	Reach Codes, Contractor Training, Permit Streamlining
Research and Innovation	Innovation Onramp, Rate Pilot Programs, Demand Flex pilots
Education and Engagement	Dream Home, eHub

At-a-Glance





Sample Program Budgets vs. Spending

Program spending varies by program type (e.g., rebates, direct install), number and type of customers served, and infrastructure type.

Program	Budget*	% Spent*
Go Electric Advisor	\$892,000	79%
Home Rebates	\$14,000,000	86%
Contractor Training	\$1,700,000	55%
EV Rebates	\$1,500,000	59%
Business Rebates/ C&I Decarbonization	\$5,000,000	11%
Zero Interest Financing	\$5,200,000	10%
Full-Service Home Upgrades	\$14,000,000	13%
EV Charging Rebates	\$3,900,000	56%
Member Agency Grants	\$6,500,000	0%

* represents an estimated budget and spent amount as of Dec 2025


2025 Rearview


*What We've
Accomplished &
Learned*



Top 6 Milestones


 **2,900**
customers assisted in
electrifying their homes
+2,261
AHEAD OF TARGET

 **2,900**
homes partially/fully
electrified
+1,550
AHEAD OF TARGET

 **330**
EV Rebates provided to
low-income customers
+330
ON TARGET

 **345K**
web visits to eHub
+261K
AHEAD OF TARGET

 **370**
contractors trained
+77
AHEAD OF TARGET

 **620**
Level 1 or 2 chargers installed
+111
STILL SCALING

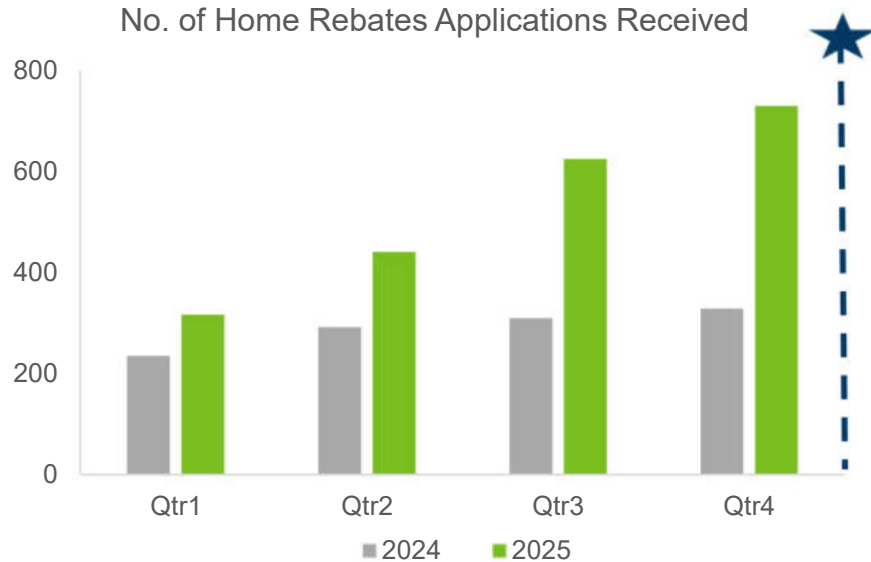


1. Limited-term rebates strongly drive electrification

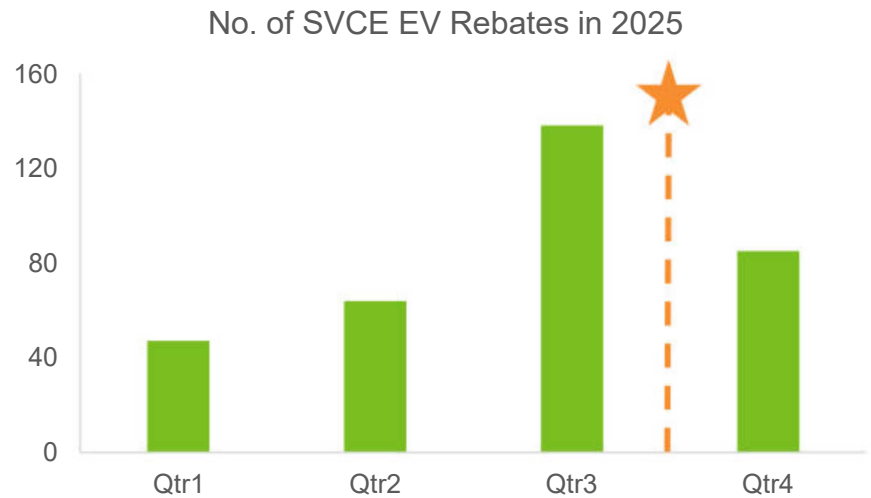
- Federal tax credits sunsetting encouraged more rebate traffic in second half of 2025

Key Improvement:
Launching limited-time bonus rebates in 2026.

- ★ Heat pump tax credits ended 12/31/25
- ★ EV tax credits ended 9/30/25



- **+81%** applications received vs. 2024



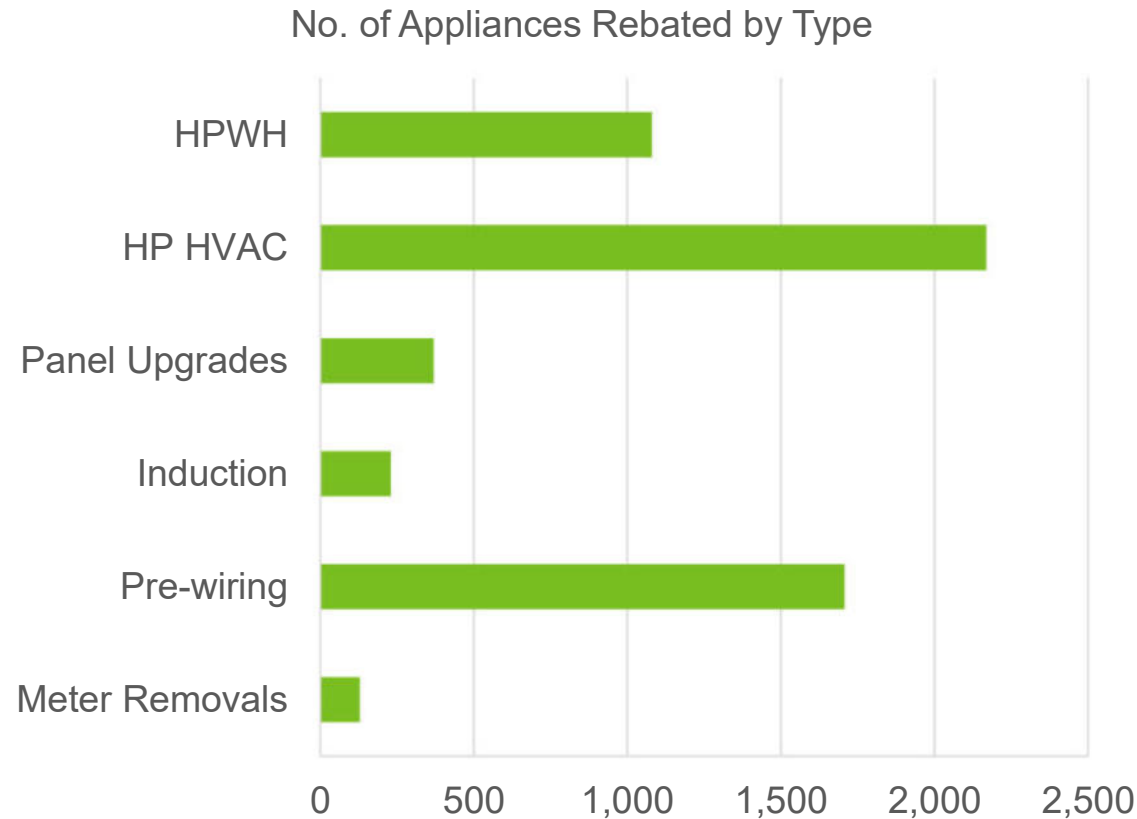
- **50% more EV rebates** claimed in Q3-Q4



2. HP HVAC is already popular but HPWHs still need support

- HP HVAC uptake is strong due to AC demand & cost similarity
- HPWHs need continued support

Key Improvement:
Increasing rebate value for HPWHs in 2026.



- **+18% more HP HVACs** in 2025 vs. 2024
- **-20% fewer HPWHs** in 2025 vs. 2024

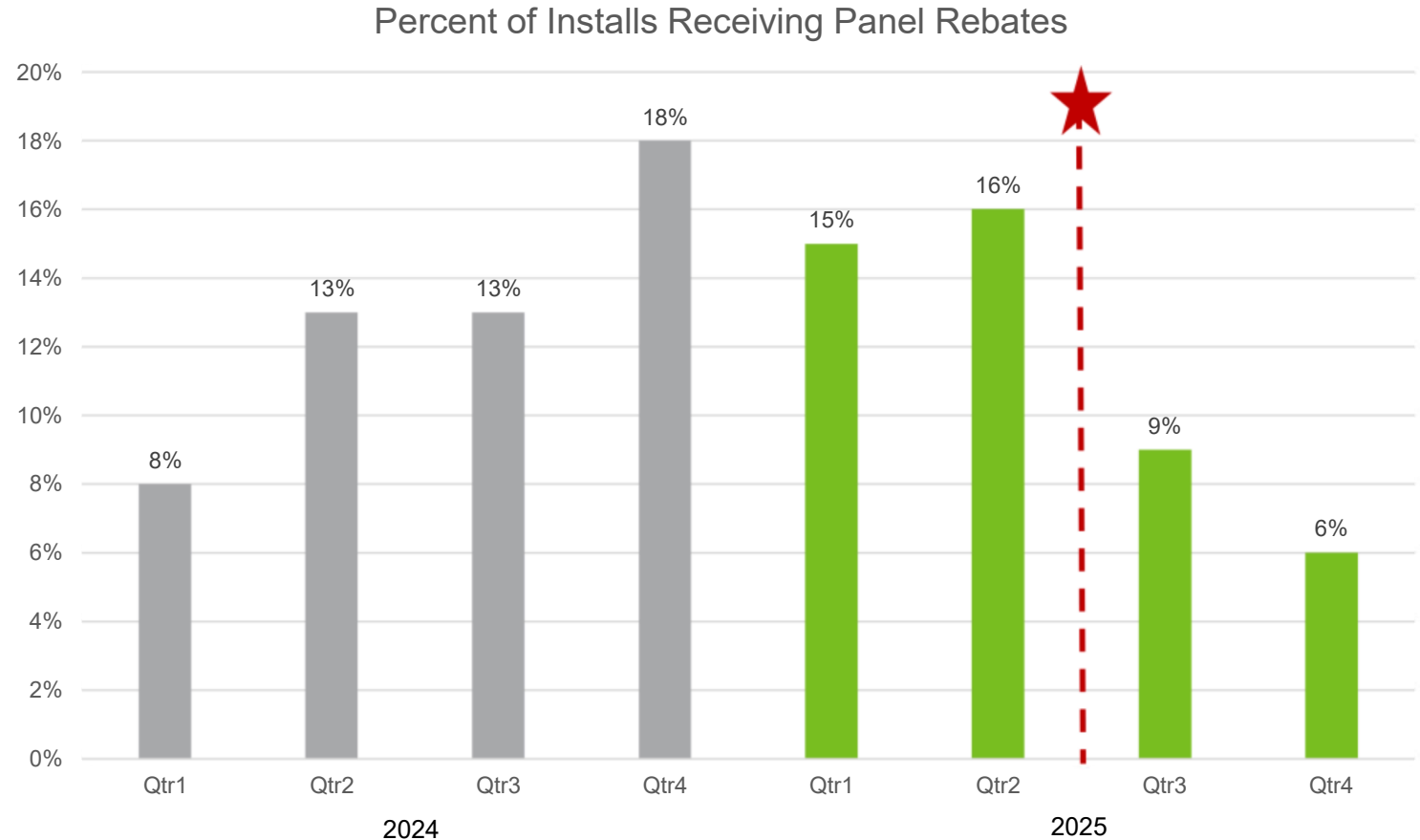


3. Panel optimization is possible, especially when encouraged

- In 2025 Q3, limited panel rebate to replacements or upgrades within 100A.

Key Improvement:
Continued education
needed to avoid
upsizing.

★ Panel rebate limited to 100A max



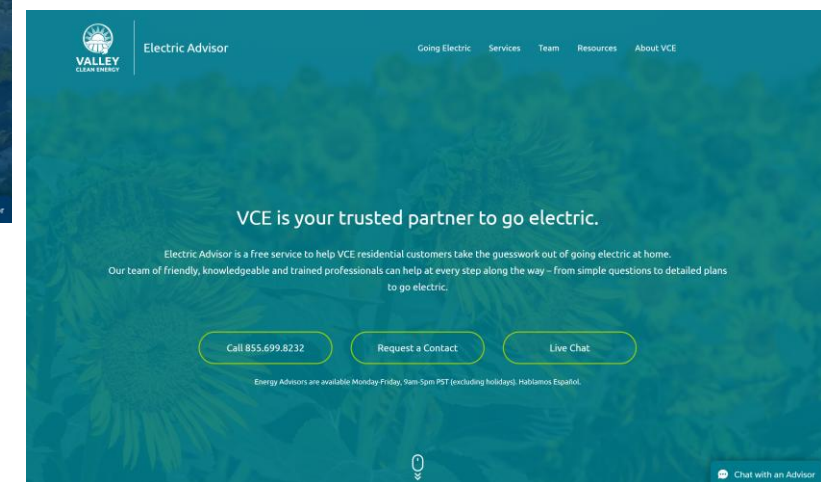
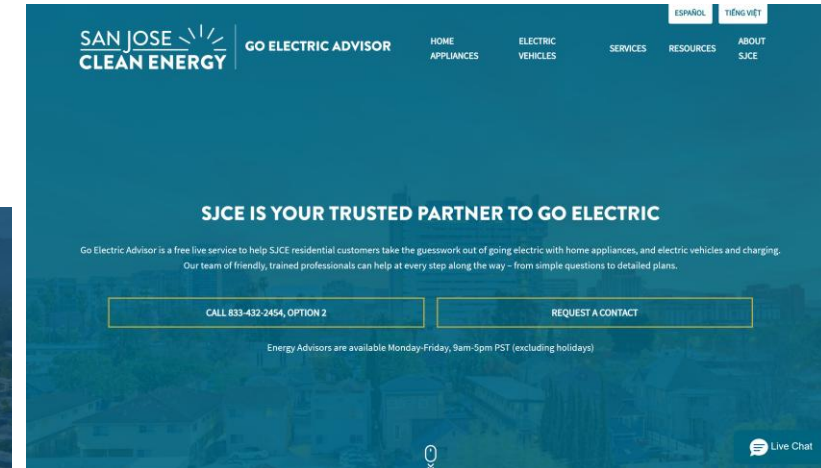
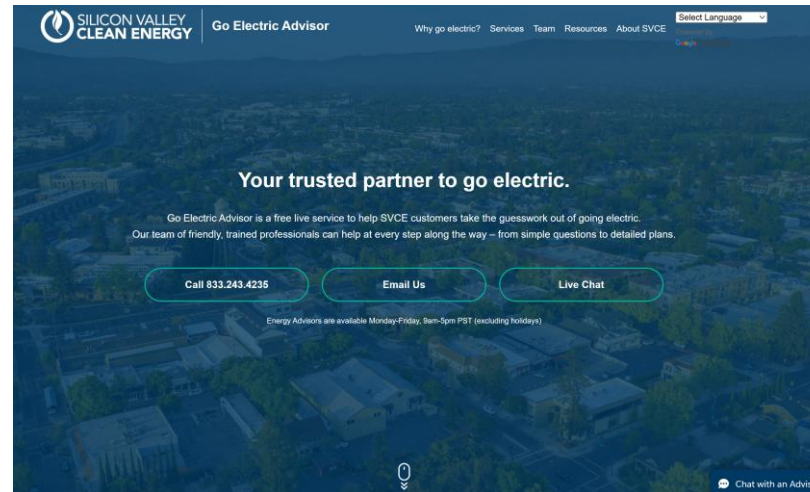
- % panel upgrades dropped in 2025 Q3-Q4



4. SVCE is leading the way with innovative programs

- Go Electric Advisor provides ad hoc customer support via web chat, phone, and email
- Replicated by 3 other CCAs

Key Improvement:
Continue to invest in innovative programs that provide practical solutions.



**5. Direct Install
Programs
are forging a
new path**



Direct Install Programs don't *only* electrify

Examples of efficiency upgrades covered by SVCE's direct install programs:

- ENERGY STAR® Appliances
- Attic insulation
- Duct sealing
- Deeply buried ducts

SVCE also leverages third-party energy efficiency programs on behalf of direct install customers – these help lower ongoing operational costs

- [Low-Income Weatherization Program](#) (multifamily): Offsets SVCE's out of pocket costs.
- [BayREN EASE](#) (single-family): For IQ, 3rd party reduce SVCE's out of pocket; market-rate customers max. co-pay of \$1,000.
- [Valley Water Water-saving Devices](#) (single-family): Free water-saving fixtures for customers to install themselves.

A. White Glove Experience

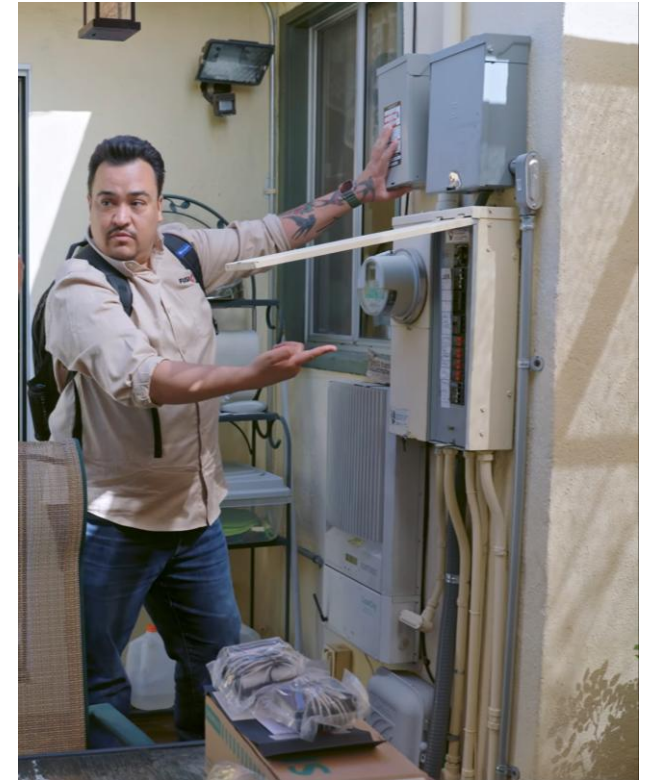
Goal: Make electrification an “easy” button

Benefits

- SVCE handles project start-to-finish
- Energy Advisors troubleshoot issues
- Facilitates whole home upgrades

Wei is a retiree on a fixed income who was only interested in a water heater replacement. With financial and technical support from SVCE, Wei was able to go all-electric and remove his gas meter.*

Lisa is a Cal-Fresh recipient and had a broken furnace. While waiting for her electrification upgrades, SVCE fixed her furnace so she could have heat through the winter.*



*Customer names have been changed to protect customer identities.

B. Attractive Pricing

Goal: Save time and headache of negotiating pricing

Benefits

- Standardized pricing is published online
- All rebates are provided upfront to lower customers' out-of-pocket costs

"I wanted to take advantage of somebody else doing all the hard work for me and enjoying the savings that SVCE provides."

– Bruce



"The [SVCE quote] was by far the best quote we received... having the SVCE quote in my pocket enabled me to negotiate a significant discount, so the whole experience was extremely valuable."

*– Ravi**

C. Electrification Without Upsizing

Goal: Electrify smarter, faster, and cost-effectively

Benefits

- Contractors and Energy Advisors educate customers
- Avoiding service upgrades saves time and money

Petra was told by contractors that it was “too hard” to electrify with her 100-Amp panel in a neighborhood with underground service.*

SVCE’s load management strategies allowed her to install a heat pump water heater without upsizing her panel.

Now, she is sharing her positive experience with her neighbors!



*Customer names have been changed to protect customer identities.



Look Ahead

*Where We're
Going Next*

Coming soon to a program near you in 2026!

Home Rebates

- Offering limited-time rebate bonuses of \$500 in fall and spring
- 4 cities offering layered rebates through SVCE

Direct Install Programs

- Iterating and improving customer experience, program efficiency, and offering financing

Go Electric Advisor

- Preparing to educate customers about Air District rules banning gas water heaters

E-mobility

- New e-bike rebates launching by fall 2026
- Expanding EV charging rebates to workplaces and public locations



Looking ahead to 2027 and beyond

- **Continue to scale programs** to reach more customers
- **Refine program operations** for seamless delivery and optimize costs
- **Prepare programs to support and comply** with new policies
- **Develop long-term targets, priorities, and metrics** in the Integrated Decarb Roadmap

Learn more about programs

- Quarterly Programs Report included in BOD agenda packet
- Visit eHub: <https://ehub.svcleanenergy.org>

Thank you!





APPENDIX



Impacts by the Numbers: Homes



2,978

customers served through Go Electric Advisor service (+2,261)



\$8.7M

incentives paid out for home electrification (+\$3.8M)



1,076

heat pump water heaters installed (+397)



12

emergency water heater replacements (new in 2025)



345K

unique web visits to eHub online (+261K)



20

homes receiving electric appliances installed by SVCE (new in 2025)



2,169

heat pump space heating and cooling systems installed (+1001)



230

induction cooktops or ranges installed (+137)

Impacts by the Numbers: Businesses



\$131,200

incentives paid out
for building
decarbonization
(+\$81,700)

16

large businesses enrolled
in decarbonization
planning
(+10)




371


contractors
trained
(+77)


10

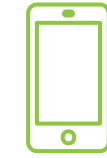
small or medium
businesses partially
or fully electrified
(+4)


Impacts by the Numbers: Transportation


 **\$5.2M**
incentives paid for
EV charger
installations
(+1.7M)

 **622**
Level 1 or 2
chargers installed
(+111)


 **34**
DC Fast Charger
ports installed
(+14)

 **1,616**
users
managing EV
loads with
GridShift app
(+15)

 **330**
EV Rebates
Paid (new in
2025)

 **40**
multifamily
properties that
installed EV
charging (+8)

 **112**
properties received
EV charging
technical plans

 **15**
public fleets
receiving
electrification
planning support
(+5)



Other Rebates and Programs

• Other Residential Electrification Rebates

- [California Energy Smart Homes](#): \$4,250 for whole home electrification; \$250 for heat pump dryer; \$1,000 for electrical panel
- Federal tax credits ended in 2025.
- Statewide rebate programs, including IRA-funded programs (HOMES and HEEHRA), ended or were fully subscribed in 2025. Some may resume in 2026 (TBD).

• Other Transportation Electrification Rebates

- [Clean Cars for All](#): up to \$12,000 for new or used EVs (income-qualified)
- [PG&E Pre-Owned EV Rebates](#): Up to \$4,000 for used EVs (income-qualified)
- Federal tax credits for EVs ended in 2025.
- [Bay Area Air District Charge! Program](#): \$3,500-\$60,000 for L1, L2, or DCFC at multifamily or public locations (annual program; closed for 2025, TBD for 2026)
- [Communities in Charge](#): \$2,000-\$12,000 for L1 or L2 at multifamily or other public locations (closed for 2025)
- [CALeVIP 2.0](#): \$55,000-\$100,000 for DCFC in DACs/low-income communities (closed for 2026)