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# Doubling Down on Decarbonization Programs

Board of Directors  
November 10, 2021

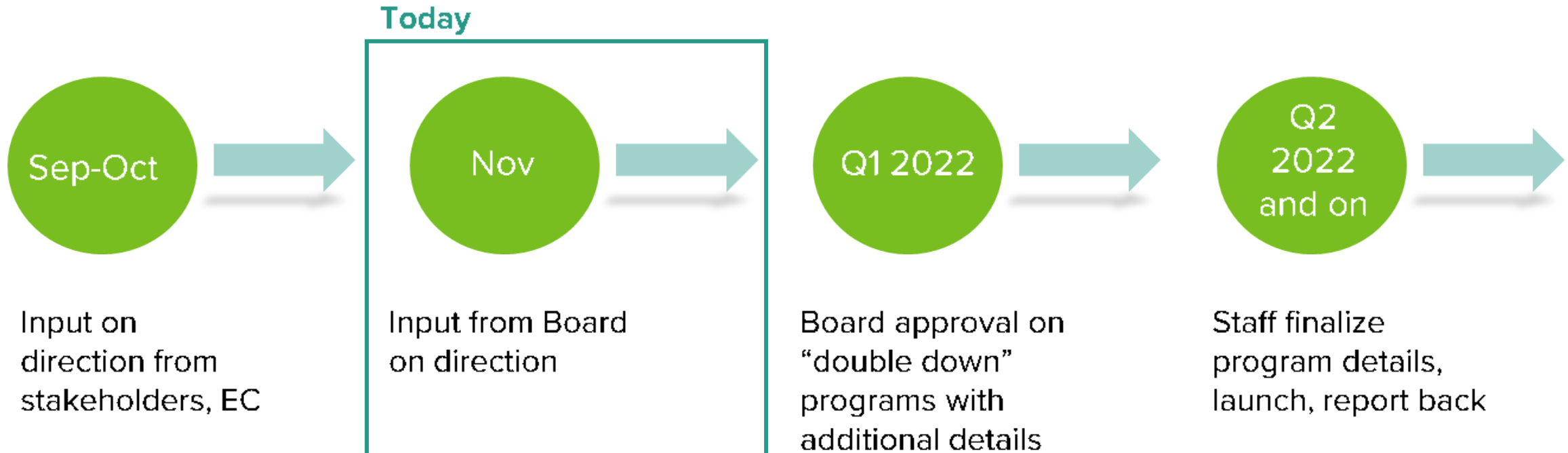
# Objectives – seeking Board input

Feedback on  
**direction** – specifics  
still to be fleshed out

- Discuss SVCE program approach/focus
- Reactions to “double down” program ideas

# Where are we in the process?

## Timeline





# Key takeaways on doubling down

Target barriers that SVCE (and member agencies) are best positioned to tackle

Program areas to prioritize:

- Multifamily tenant EV access
- Natural gas phase-out

Focus on **programs** that further create the foundation to enable new **policy** for big impacts



# Programs are an emphasis in the 2021-22 strategic focus areas

Support local agency work and leverage close ties to staff

1. Additional staffing
2. Bring PPAs into operations mode
3. Procurement and integration
4. Financial stability
5. Operations and cyber risk management
6. **Grow organization to expand efforts on climate change and decarb**

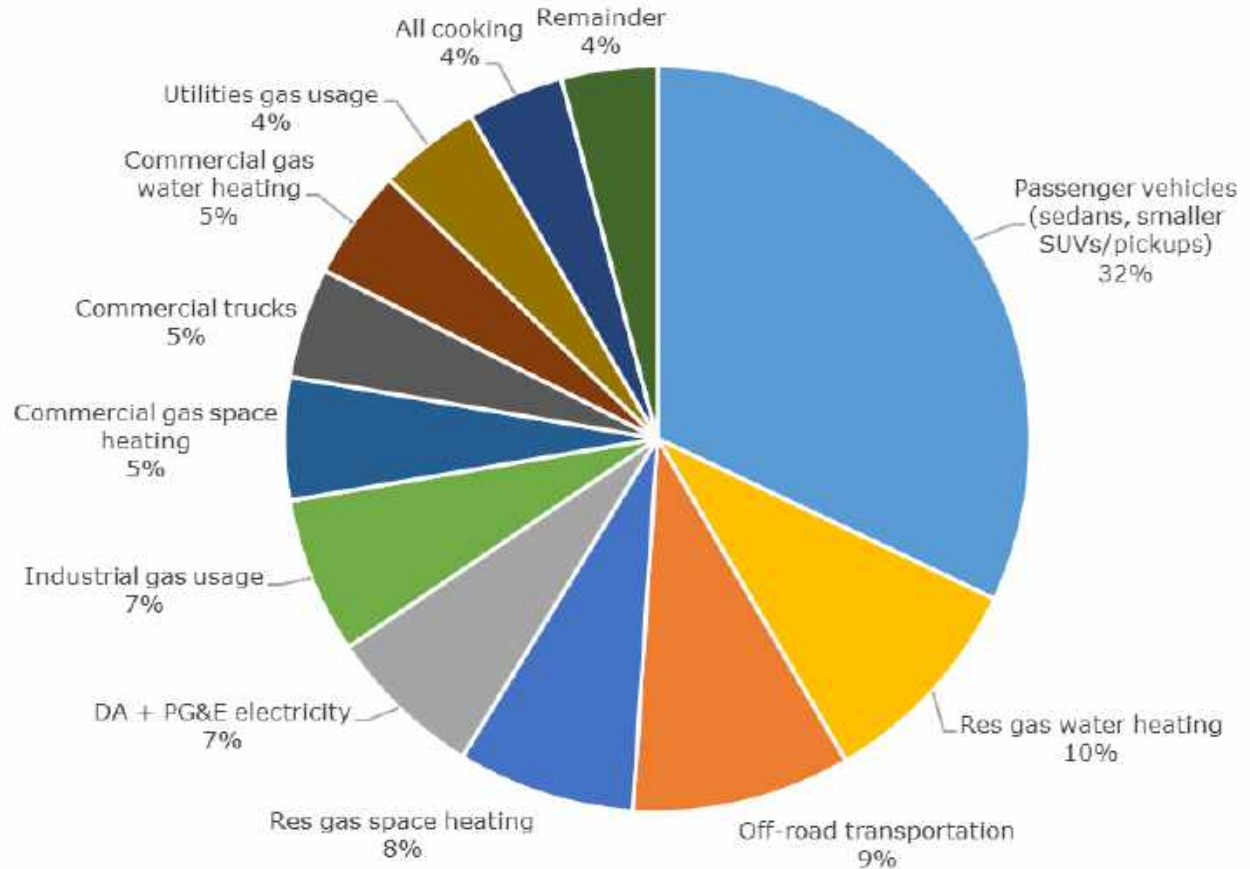


# We will need to bend a lot of different carbon curves

Mix of shared and unique challenges across sources

SVCE's sector-specific Joint Action Plans identify top barriers

2018 Energy- and transportation-related emissions (incl. fugitive emissions)  
(Total = 3.74 MMT CO<sub>2</sub>e)



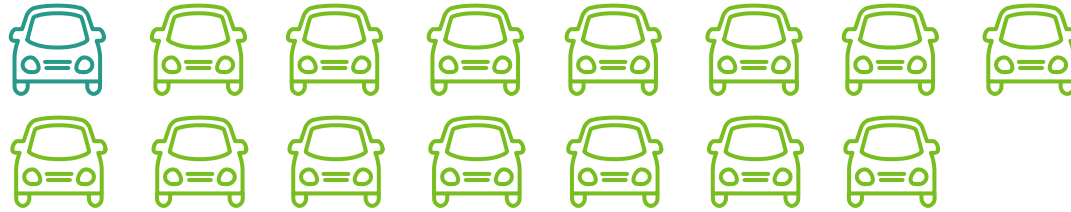
*Fugitive emissions account for ~32% of total natural gas emissions*



# Major leaps in adoption are needed – residential EV example

On the order of  
\$10B to buy EVs;  
\$1B to install EVI  
*(total cost)*

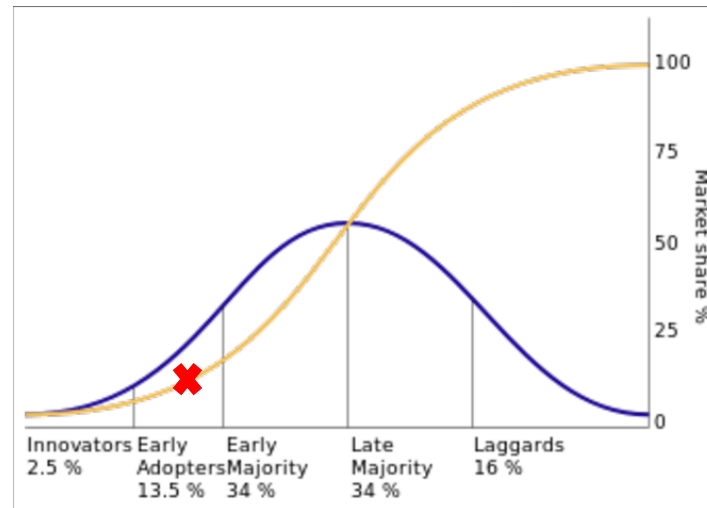
Some customers  
face bigger  
barriers



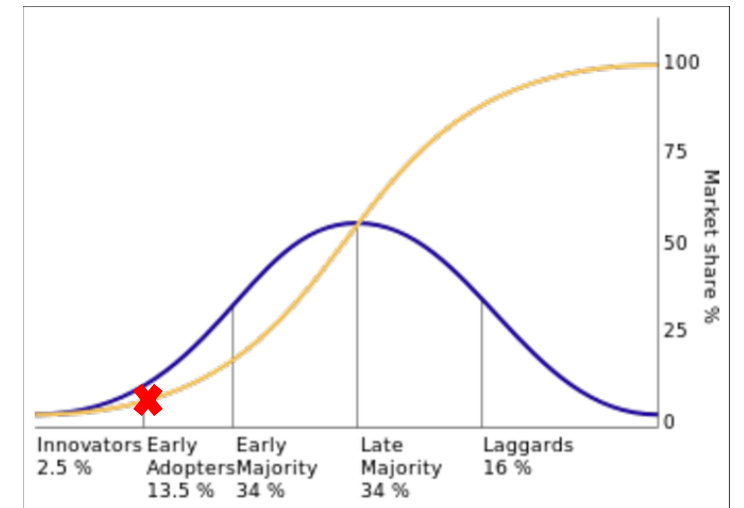
32,000 EVs today...

...and 440,000 conversions to go

**Single-Family EVs: 8%**



**Multi-Family EVs: 3%**





# Major leaps in adoption are needed – residential heat pump water heater example

SVCE program very successful, compared to historical deployment

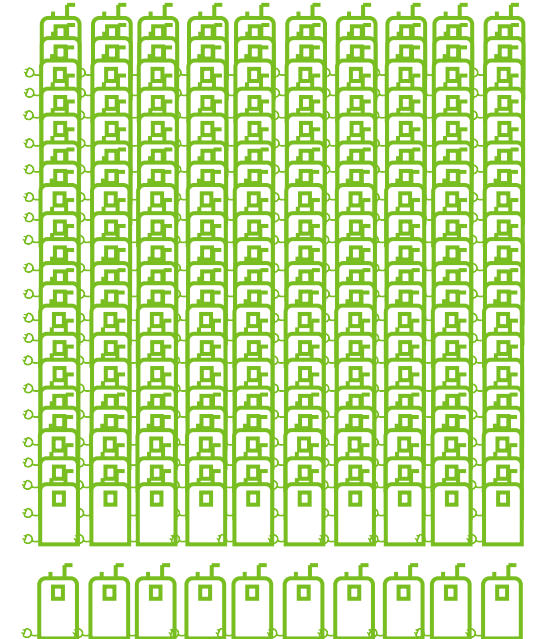
Similar scaling needed for other building technologies

SVCE HPWH program install rate: **100 per year**

To replace all gas water heaters by 2030: **21,000 per year**



	Adoption rate, target 2030
<b>Water Heating</b>	21,000 per year
<b>Space Conditioning</b>	17,000 per year
<b>Stovetops</b>	11,000 per year
<b>Dryers</b>	5,000 per year
<b>Panel Upgrades</b>	13,000 per year







# SVCE Program Approach

To succeed, policy/mandates need a support structure



Incentives, rebates and financing lower customer bills and upfront costs



Communication and marketing increase awareness



Available and competitive products enable uptake



Efficient permitting processes reduce time and costs



Trained & available workforce with inclusive, high-quality jobs



Pilot demonstrations prove viability and benefits





# SVCE will “double down” on key programs with more resources and staff focus

Lay the **foundation** for rapid, smart adoption of policy

- Based on learnings from programs so far
- Additional programs budget may be available
- Key barriers and approaches already identified
- Focus on SVCE and city roles



# Proposed programs to expand

Focus efforts on two key areas, across a suite of programs

## SVCE Programs

- Multifamily EV Charging Assistance and Grants/Incentives
- Whole-Building Electrification Grants/Incentives
- Reach Codes 2.0 and pilot policy
- Permitting Simplification
- Accessible Financing

## Multifamily EV Access



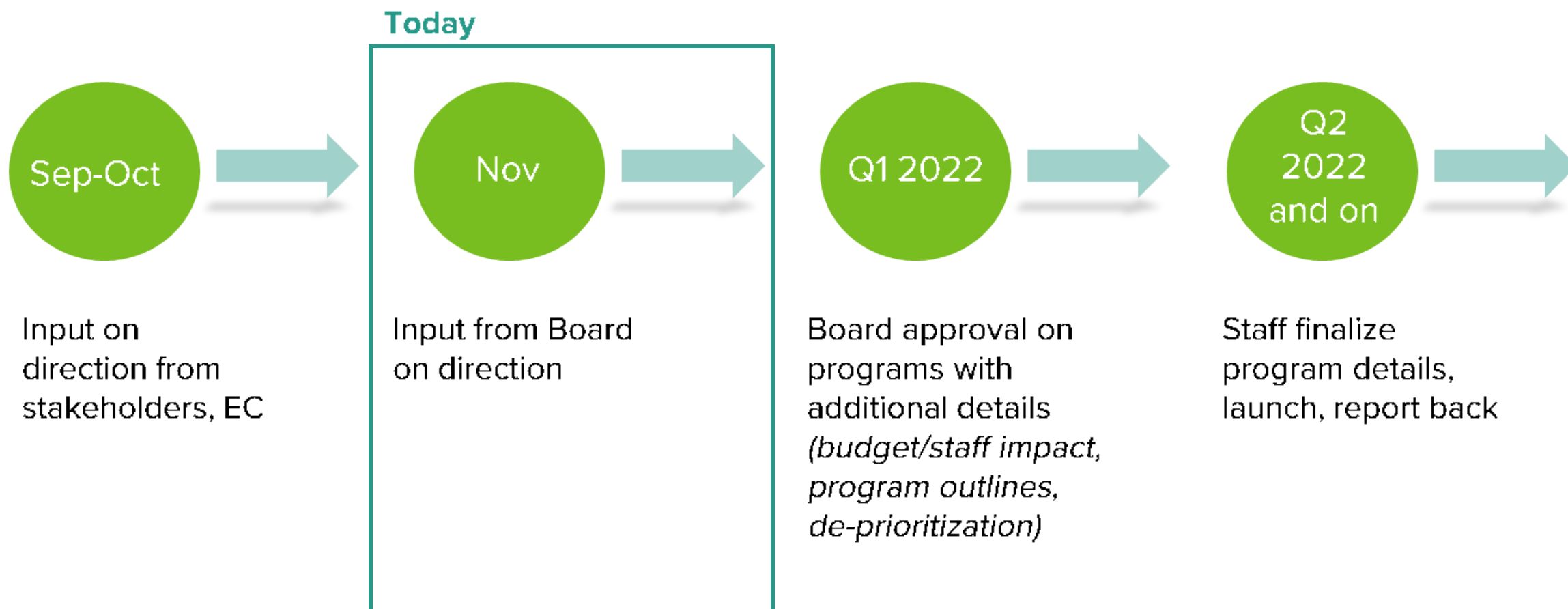
## Natural Gas Phase-Out





# Next steps

## Timeline



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# Discussion

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# Appendix





# Putting “double down” in context

## What about programs not listed as priorities?

### Double effort on:

- Multifamily EV charging assistance and grants/incentives
- Whole-building electrification grants/incentives
- Reach codes 2.0 and pilot policy
- Permitting simplification
- Accessible financing

### De-prioritize:

- Limit # of small innovation pilots
- Fleet electrification grants
- HPWH-only incentive program

### Continue the rest of programs at planned levels:

- Municipal resilience grants
- Online contractor training
- CALeVIP EV charger incentives
- eHub
- Virtual power plant programs
- and others...