



## Silicon Valley Clean Energy Executive Committee Meeting

Friday, August 23, 2024  
10:00 am

Tina Walia, Chair  
City of Saratoga

George Tyson, Vice Chair  
Town of Los Altos Hills

Elliot Scozzola  
City of Campbell

Sheila Mohan  
City of Cupertino

Zach Hilton  
City of Gilroy

Sally Meadows  
City of Los Altos

Rob Rennie  
Town of Los Gatos

Evelyn Chua  
City of Milpitas

Bryan Mekechuk  
City of Monte Sereno

Yvonne Martinez Beltran  
City of Morgan Hill

Pat Showalter  
City of Mountain View

Larry Klein  
City of Sunnyvale

Otto Lee  
County of Santa Clara

Silicon Valley Clean Energy Office  
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Sunnyvale, CA

Morgan Hill City Hall  
17575 Peak Ave.  
Morgan Hill, CA 95037

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M5507 Lujan de Cuyo  
Mendoza, Argentina

Teleconference Meeting Information:  
<https://svcleanenergy-org.zoom.us/j/84237492586>

Telephone (Audio only):  
US: +1 669 219 2599  
Webinar ID: 842 3749 2586

Members of the public may observe this meeting electronically by accessing the meeting via instructions above. Public Comments can be sent in advance of the meeting via email up to three hours before the meeting begins to Board Clerk Andrea Pizano at [Andrea.Pizano@svcleanenergy.org](mailto:Andrea.Pizano@svcleanenergy.org) and will be distributed to the Executive Committee. The public will also have an opportunity to provide comments during the meeting. Members of the public using Zoom may comment during public comment or the applicable agenda item by using the Raise Hand feature and you will be recognized by the Chair. Those using the telephone (audio only) feature should press star 9 on your phones to initiate the "Raise Hand" function in Zoom. You will then be announced, unmuted, and your time to speak will begin.

The public may provide comments on any matter listed on the Agenda. Speakers are customarily limited to 3 minutes each, however, the Committee Chair may increase or decrease the time allotted to each speaker based on the number of speakers, the length of the agenda and the complexity of the subject matter. Speaking time will not be decreased to less than one minute.

If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act ("ADA") please contact Board Clerk Andrea Pizano at [Andrea.Pizano@svcleanenergy.org](mailto:Andrea.Pizano@svcleanenergy.org) prior to the meeting for assistance.

[svcleanenergy.org](https://svcleanenergy.org)

333 W El Camino Real  
Suite 330  
Sunnyvale, CA 94087

### AGENDA

[Call to Order](#)

## Roll Call

Tina Wallia, Chair  
City of Saratoga

George Tyson, Vice Chair  
Town of Los Altos Hills

Elliot Scozzola  
City of Campbell

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Otto Lee  
County of Santa Clara

## Public Comment on Matters Not Listed on the Agenda

*The public may provide comments on any matter not listed on the Agenda provided that it is within the subject matter jurisdiction of SVCE. Speakers are customarily limited to 3 minutes each, however, the Committee Chair may increase or decrease the time allotted to each speaker based on the number of speakers, the length of the agenda and the complexity of the subject matter. Speaking time will not be decreased to less than one minute.*

## Consent Calendar (Action)

- 1) Approve Minutes of the June 28, 2024, Executive Committee Meeting

## Regular Calendar

- 2) CEO Update (Discussion)
- 3) Request the SVCE Executive Committee Recommend the Board of Directors Adopt the FY 24/25 Strategic Focus Areas and Strategic Plan (Action)
- 4) Request the SVCE Executive Committee Recommend the SVCE Board of Directors Approve the Expanded Education Fund in the Amount of \$100,000 (Action)
- 5) Introduction to 2024 Member Agency Grants (Discussion)
- 6) Program Snapshot: Multifamily Retrofits (Information Only)

## Committee/Staff Remarks

## Adjourn

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Suite 330  
Sunnyvale, CA 94087



**Staff Report – Item 2**

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**Item 2: CEO Update**

From: Monica Padilla, CEO

Prepared by: Andrea Pizano, Sr. Executive Assistant and Board Clerk

Date: 8/23/2024

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This item will be addressed in the form of an oral report to the Executive Committee.



### Staff Report – Item 3

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**Item 3: Request the SVCE Executive Committee Recommend the Board of Directors Adopt the FY 24/25 Strategic Focus Areas and Strategic Plan**

From: Monica Padilla, CEO

Prepared by: Andrea Pizano, Sr. Executive Assistant and Board Clerk

Date: 8/23/2024

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#### **RECOMMENDATION**

Staff requests the SVCE Executive Committee ("Committee") recommend the SVCE Board of Directors ("Board") adopt the following five proposed Fiscal Year 2024-2025 (FY 24/25) SVCE Strategic Focus Areas (Attachment 1), and the FY 24/25 Strategic Plan ("Plan"), as outlined in Attachment 2:

1. Expand Affordability Efforts
2. Expand Clean and Reliable Grid Actions
3. Expand Offerings to Commercial Industrial (C/I) Customers
4. Prepare Region for Electrification at Scale
5. Attract and Retain Employees

#### **BACKGROUND**

The Board has adopted annual Strategic Focus Areas since 2021. Adopting Strategic Focus Areas is useful for the Board and SVCE's Chief Executive Officer (CEO) to establish high-level priorities. Although there are many focus areas, a handful are selected to spotlight for the year (and in many cases, remain a focus beyond one year).

The Plan is reviewed and updated annually to guide staff's work in meeting SVCE's mission to reduce dependence on fossil fuels by providing carbon-free, affordable, and reliable electricity and innovative programs for the SVCE community.

Both the FY 24/25 Strategic Focus Areas and Plan were introduced at the May 2024 Committee and June 2024 Board meetings to receive initial feedback from Board members.

#### **ANALYSIS & DISCUSSION**

##### **FY24/25 Focus Areas**

Staff has incorporated prior feedback from the Committee and Board and will be requesting the Board approve and adopt the following five strategic focus areas (SFA) for FY 24/25:

**SFA1: Expand Affordability Efforts:** Expand rate-related education, legislative and regulatory advocacy, and rate-setting principles to support all-electric as the most affordable and competitive option for customers.

**SFA2: Expand Clean and Reliable Grid Actions:** Develop a pathway to 2030, 2035 and 2045 for clean energy delivery at scale; and evaluate SVCE product offerings to ensure the agency provides customers a sustainable balance of clean, reliable and affordable energy.

**SFA3: Expand Offerings to C/I Customers:** Engage commercial and industrial customers in new and/or expanded SVCE offerings, including electrification and demand-side management programs, and customized generation services.

**SFA4: Prepare Region for Electrification at Scale:** Inform and prepare for upcoming requirements such as Bay Area Air Quality Management District (BAAQMD) and California Air Resources Board (CARB) rules to ensure they are implemented sensibly, successfully, and equitably; and continue scaling SVCE efforts.

**SFA5: Attract and Retain Employees:** Be the Employer of Choice and maintain culture of innovation, collaboration, high performance, and passion for our mission.

There have been no changes to these proposed focus areas since they were last presented to the Committee and Board. Attachment 1 expands on the strategic focus areas including initiatives and efforts staff will prioritize in the coming year.

### **FY24/25 Strategic Plan**

Staff have been developing the updated Plan since May 2024, taking input from the discussions with the Committee, Board, and across the organization. Past plans have been focused on the goals of each department, but since SVCE has grown and matured, cross-collaboration with all departments has become more apparent and essential to SVCE's ability to carry out its mission. The work SVCE performs can be summarized in the following functions, with multiple groups working together:

- External Policy, Regulatory and Legislative Advocacy and Support
- SVCE Strategy and Planning
- Power Procurement, Management and Operations
- Financial Planning
- Program Development and Implementation
- Customer Service and Community Relations
- Human Resources, Business Processes, Information Technology, Systems and Data Governance

The proposed Plan has been organized by the functions above.

Through a series of meetings and retreats, the SVCE leadership group (in conjunction with work within their teams) have identified 11 key goals proposed as part of the Plan (Attachment 2). The number of goals included for the upcoming year is a decrease from last year's Plan, which consisted of 25 goals. When staff began the process of developing the Plan, there was an intention to consolidate, eliminate redundancies, and ultimately highlight the goals that made the most sense from an organizational standpoint.

Table 1 is a summary of the proposed Plan including goals and reference to specific strategic focus areas.

**Table 1: SVCE Proposed FY 24/25 Strategic Plan Goals**

<b>Functional Area</b>	<b>Goal</b>	<b>Strategic Focus Area</b>
<b>External Policy, Regulatory and Legislative Advocacy and Sup</b>	1. Advance policies which support SVCE's mission to reduce dependence on fossil fuels.	<b>SFA1, SFA4</b>
<b>SVCE Strategy and Planning</b>	2. Long-term, target for 100% clean energy annually by building a balanced portfolio with consideration for both affordability and reliability while exploring long-term pathways to clean power supply.	<b>SFA1, SFA2</b>
	3. Create a long-term decarbonization plan that integrates supply and demand changes, opportunities, and challenges.	<b>SFA1, SFA2</b>
<b>Power Procurement, Management and Operations</b>	4. Acquire power supply resources in a cost-effective manner to meet legislative and regulatory obligations, Board directives and customer specific products.	<b>SFA2, SFA3</b>
	5. Manage and optimize load and power resources to meet affordability, GHG reduction and reliability objectives.	<b>SFA1, SFA2</b>
<b>Financial Planning</b>	6. Avoid failures in management of market risk, credit risk, liquidity risk, operational risks, and enterprise risks.	
	7. Maintain healthy financial position.	
<b>Program Development and Implementation</b>	8. Support all SVCE communities to decarbonize through local investments that reduce barriers and demonstrate sensible, scalable, and equitable solutions.	<b>SFA1, SFA2, SFA3, SFA4</b>
<b>Customer Service and Community Relations</b>	9. Engage customers and community stakeholders to build trust of SVCE and advance decarbonization.	<b>SFA1, SFA3, SFA4</b>
<b>Human Resources, Business Processes, Information Technology, Systems and Data Governance</b>	10. Implement industry best practices to enable data-driven decision making across the organization; enhance systems, standards and procedures to streamline business processes and improve operational effectiveness and reliability (aka SVCE 3.0).	
	11. Hire, retain and develop high-performing talent via competitive benefits and rewarding work culture.	<b>SFA5</b>

The accompanying measures for the Plan are provided in Attachment 2. These measures are shown to provide the Board a sense of the types of initiatives, programs and/or efforts staff are undertaking in support of the goals. These measures identify how staff plan to track and guide work to meet the goals that have been identified. The measures are not intended to be static as priorities change throughout the year and as such not a part of the Board-approved Plan.

Should the Board approve the Strategic Focus Areas and the Strategic Plan for FY 24/25, staff will proceed with tracking progress on the goals outlined in the Plan, and updates will be provided to the Board quarterly.

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**Agenda Item: 3**

**Agenda Date: 8/23/2024**

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**STRATEGIC PLAN**

The focus areas support the overall SVCE Strategic Plan.

**FISCAL IMPACT**

N/A

**ALTERNATIVE**

Staff is open to suggestions and feedback from the Board on the proposed Focus Areas.

**ATTACHMENT**

1. FY24/25 Proposed Strategic Focus Areas
2. FY 24/25 Draft Strategic Plan

## Proposed FY 24/25 Strategic Focus Areas

### **SFA1: Expand Affordability Efforts**

**Expand rate-related education, legislative and regulatory advocacy, and rate-setting principles to support all-electric as the most affordable and competitive option for customers.**

- **Education:** Develop and execute educational and outreach initiatives to help stakeholders and customers understand key affordability issues, and customer outreach to reduce bills and enroll customers in existing CARE and FERA low-income programs.
- **Advocacy:** Refine an affordability policy platform and advocate for priorities at regulatory bodies and at the legislature which promote affordability, cost transparency and proper cost allocations.
- **Internal Rate Analysis:** Create dedicated rate analysis and cross-functional team to work on a rates strategy including analysis on alternate rate designs. Understand PG&E's rates and cost drivers.

### **SFA2: Expand Clean and Reliable Grid Actions**

**Develop a pathway to 2030, 2035 and 2045 for clean energy delivery at scale; evaluate SVCE product offerings to ensure the agency provides customers a sustainable balance of clean, reliable and affordable energy.**

- Develop pathways to 2030, 2035 and 2045 with clear measure of clean including an assessment of achieving carbon free on a 24x7 basis.
- Ensure retail product offerings are sustainable and balance SVCE clean, reliable and affordable needs.
- Assess potential and ability to cost-effectively reduce GHG emissions within SVCE's service territory.
- Support regionalization and/or expansion of grid and markets to promote the efficient deployment of clean resources.

### **SFA3: Expand Offerings to Commercial Industrial C/I Customers**

**Engage commercial and industrial customers in new/expanded SVCE offerings, including electrification and demand-side management programs, and customized generation services.**

- Launch C&I decarbonization and electrification services.
- Pilot C&I dynamic rates to promote demand-side flexibility.
- Pursue additional long-term generation service agreements with current and prospective qualifying customers.
- Expand outreach and education efforts with large C&I customers.
- Develop and test key account strategy and engagement.



## Proposed FY 24/25 Strategic Focus Areas

### **SFA4: Prepare Region for Electrification at Scale**

**Inform and prepare for upcoming requirements such as BAAQMD and CARB rules to ensure they are implemented sensibly, successfully, and equitably; continue scaling SVCE efforts.**

- Continue to develop, deploy, and scale approaches to address key barriers and help the region implement at-scale electrification that works for all customers.
- Help SVCE customers, workforce, and other stakeholders prepare for the roll-out of widespread electrification through programs, policies, and initiatives that reduce friction and increase equitable participation in the decarbonization transition.
- Leverage SVCE program and policy experience to inform regional plans for electrification requirements.

### **SFA5: Attract and Retain Employees**

**Be the Employer of Choice and maintain culture of innovation, collaboration, high performance, and passion for our mission.**

- Attract and hire top talent, retain and develop current staff and future leaders.
- Build and maintain a high-performance agency; encourage employee innovation, engagement, and collaboration.
- Preserve culture and determine optimal organization size and alignment.



## Draft FY 24/25 Strategic Plan

### **External Policy, Regulatory and Legislative Advocacy and Support**

**Goal 1: Advance policies which support SVCE’s mission to reduce dependence on fossil fuels.**

**Measures:**

**M1:** Develop and advocate for an affordability policy platform.

**M2:** Enact a strategy that eases the transition away from gas appliances.

**M3:** Advocate for policies that enable SVCE to meet our customer’s needs with clean energy and distributed energy resources.

### **SVCE Strategy and Planning**

**Goal 2: Long-term, target for 100% clean energy annually by building a balanced portfolio with consideration for both affordability and reliability while exploring long-term pathways to clean power supply.**

**Measures:**

**M1:** Develop sustainable and cost-effective customer specific products and rates

**M2:** Develop internal scenario analyses to assess risks and opportunities related to long-term procurement, with consideration for both supply and demand side opportunities.

**Goal 3: Create a long-term decarbonization plan that integrates supply and demand changes, opportunities, and challenges.**

**Measures:**

**M1:** Expand knowledge and insight into load modifiers to improve internal load forecasting.

**M2:** Advance understanding of load flexibility and distributed energy resources (DERs) portfolio and customer value.

**M3:** Determine cost-effective DER and virtual power plant (VPP) potential for SVCE’s portfolio as well as market structures to enhance potential.

**M4:** Share plan with Board and adjust ongoing work accordingly.

### **Power Procurement, Management and Operations**

**Goal 4: Acquire power supply resources in a cost-effective manner to meet legislative and regulatory obligations, Board directives and customer specific products.**

**Measures:**

**M1:** Annually and/or per compliance period, meet or exceed agency goals for clean and reliable electricity.

**M2:** Deploy local renewables and VPP resources to enhance resiliency and manage power supply costs.

**Goal 5: Manage and optimize load and power resources to meet affordability, GHG reduction and reliability objectives.**



## Draft FY 24/25 Strategic Plan

### **Measures:**

**M1:** Schedule load and power resources consistent with risk management and CAISO tariff requirements.

**M2:** Look for ways to measure and further optimize assets to minimize cost and/or maximize wholesale revenues.

**M3:** Manage power supply contracts including timely settlements, monitoring and reporting on contract and project performance.

### **Financial Planning**

**Goal 6: Avoid failures in management of market risk, credit risk, liquidity risk, operational risks, and enterprise risks.**

### **Measures:**

**M1:** Implement a comprehensive enterprise risk management program to manage risks and capture opportunities optimally.

**M2:** Maintain, enhance, and administer energy risk management policy.

**M3:** Develop optimal hedge targets to manage market risks.

**Goal 7: Maintain healthy financial position.**

### **Measures:**

**M1:** Maintain adequate reserves/financial liquidity to withstand risks and adequately fund SVCE's mission.

**M2:** Maintain investment grade credit ratings.

**M3:** Enable the organization to manage extreme but plausible risk events through the design of effective stress tests.

### **Program Development and Implementation**

**Goal 8: Support all SVCE communities to decarbonize through local investments that reduce barriers and demonstrate sensible, scalable, and equitable solutions.**

### **Measures:**

**M1:** Provide incentives and resources that make it easier for residential customers to upgrade to all-electric living.

**M2:** Offer programs and services that help local non-residential customers meet their environmental and financial objectives.

**M3:** Support member agencies in deploying electrification and preparing their communities for the electric future including resiliency needs.

### **Customer Service and Community Relations**

**Goal 9: Engage customers and community stakeholders to build trust of SVCE and advance decarbonization.**



## Draft FY 24/25 Strategic Plan

### Measures:

**M1:** Empower customers with the awareness, knowledge and resources to make effective clean energy choices.

**M2:** Build coalitions with local leaders and policy makers to enable widespread electrification through showcasing SVCE's investments in the community

**M3:** Manage delivery, billing, and support of SVCE's services to customers with a high degree of professionalism, accuracy and responsiveness.

### **Human Resources, Business Processes, Information Technology, Systems and Data**

#### **Governance**

**Goal 10: Implement industry best practices to enable data-driven decision making across the organization; enhance systems, standards and procedures to streamline business processes and improve operational effectiveness and reliability (aka SVCE 3.0).**

### Measures:

**M1:** Enhance, maintain, and administer Business Process Optimization systems including: Energy Trade Risk Management and Settlement; Meter Data Management; Data Analytics In SVCE Territory (DAISY) platform; Net Revenue and Portfolio Valuation software; asset and battery optimization tools; load forecasting; task management software; and human resources software to enable effective and efficient business operations.

**M2:** Develop an Information Technology Governance model with defined scope, roles and proper management of data.

**M3:** Streamline board-approved policies and create standardized business processes and practices.

**M4:** Ensure Information Technology is secure, reliable, and disaster resilient through continued strengthen cybersecurity protections and maintaining or exceeding industry-established cybersecurity scorecard targets.

**M5:** Remediate all critical vulnerabilities identified in the annual IT audit/security assessments.

**Goal 11: Hire, retain and develop high-performing talent via competitive benefits and rewarding work culture.**

### Measures:

**M1:** Annually achieve less than 5% voluntary turnover.

**M2:** Maintain competitive benefits and pay by evaluating benefits against the market annually

**M3:** Continue developing existing workforce to meet future organizational needs through talent reviews and individual development plans.

**M4:** Preserve SVCE culture of excellence, collaboration, innovation and fun.

**M5:** Support productive and effective hybrid work approach balanced with culture through flexible work, well planned in-person retreats and meetings, dedicated connection time and accountability and focus on deep work.



**Staff Report – Item 4**

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**Item 4: Request the SVCE Executive Committee Recommend the SVCE Board of Directors Approve the Expanded Education Fund in the Amount of \$100,000**

From: Monica Padilla, CEO

Prepared by: Pamela Leonard, Deputy Director of Marketing & Communications  
Juli Miller, Community Outreach Fellow

Date: 8/23/2024

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This item will be addressed in the form of a presentation to the Executive Committee regarding the Expanded Education Fund. Staff seeks feedback from the Executive Committee on enhancements to the agency’s education initiatives, as well as a recommendation for SVCE Board approval at the October board meeting.

**ATTACHMENTS**

The presentation for this item is posted to the SVCE website.



**Staff Report – Item 5**

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**Item 5: Introduction to 2024 Member Agency Grants**

From: Monica Padilla, CEO

Prepared by: Jessica Cornejo, Senior Programs Specialist

Date: 8/23/2024

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This item will be addressed in the form of a presentation to the Executive Committee providing an introduction to the new noncompetitive and competitive grants available for member agencies.

**ATTACHMENT**

The presentation for this item is posted to the SVCE website.



**Staff Report – Item 6**

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**Item 6: Program Snapshot: Multifamily Retrofits**

From: Monica Padilla, CEO

Prepared by: Leanna Huynh, Senior Programs Specialist

Date: 8/23/2024

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This item will be addressed in the form of a presentation to the Executive Committee providing a snapshot overview of the Multifamily Retrofits program.

**ATTACHMENT**

The presentation for this item is posted to the SVCE website.