



# Strategic Action Plan

Customer Offerings & Incentives Programs

2022



# 1. Sonoma Clean Power

## 1.1 Power with purpose

Sonoma Clean Power (SCP) serves residents and businesses in Sonoma and Mendocino counties (except for the cities of Healdsburg and Ukiah who have their own municipal utilities). We provide clean electricity from renewable sources such as solar, wind, and geothermal.

Our mission is to turn the tide on the climate crisis through bold ideas and practical programs. Climate change affects everyone, so we design our services to be practical and inclusive. SCP provides incentives so customers can reduce their utility bills and help clean up California's electric grid.



## 2. About this Strategic Action Plan

SCP developed the Programs Strategic Action Plan for Customer Offerings & Incentives (“Plan”) to support our mission to turn the tide on the climate crisis through bold ideas and practical programs.

This Plan outlines the strategies and goals of our current customer programs. This Plan also is the first step in evolving our strategy. To achieve our mission of turning the tide on the climate crisis, our programs must be impactful, scalable, accessible, and enhance our customers’ lives. To ensure our programs are driven by the needs of the communities they serve, this Plan involves strategies to involve customers and the community.

This Plan follows the guidance from SCP’s Programs Equity Framework, published in 2021, in informing new programs and establishing new goals and metrics. The Equity Framework outlines inclusive and practical steps for developing and implementing programs.

A key step in the Equity Framework is ensuring we involve the community in setting goals and creating new programs (based on the Joint Powers Authority stated purposes) to develop proposals for the Board of Directors. Before we can update our Plan goals, we must engage our customers and our community. Future strategic action plans will reflect this improved strategy and include programs based on community needs as approved by the Board of Directors.

### 2.1 Approach

Strategic action planning for customer offerings and incentives should address the needs of our service territory. Here’s how we will get there:

#### 2.1.1 Immediate actions

The following actions are either underway or are under development for this calendar year (2022).

1. Continue providing our customers with our current offers and incentive programs.
2. Introduce programs currently in the development stage.
3. Build relationships with community organizations.
4. Engage with our community members to better understand their needs and priorities by:
  - attending public events,
  - hosting education classes,
  - inviting people to the Advanced Energy Center, and
  - inviting comments and feedback through our website.



In early 2022, we surveyed all SCP staff across our Agency departments and roles regarding their perceived success of our programs. The survey responses identified what people care about. While this survey had a narrow focus on SCP staff, it will be used as a reference point in engaging with the community.

The results of the survey were that people are more likely to take part if a program:

- provides tangible benefits,
- is easy to take part in and makes their lives easier,
- doesn't have an up-front cost,
- provides a clear benefit to the community and the planet,
- fits into their lifestyle and housing situation (for example, renting),
- supports their self-identification, beliefs, and values,
- supports new and trending ideas and technologies,
- lines up with the timing of decision points (for example, needing a new car, water heater, etc.), and
- helps with the costs of electric vehicles and opportunities to charge them.

### **2.1.2 Near-term actions**

After completing the immediate actions listed above, we will develop near-term actions to be implemented. These actions will be reflected in next year's update to the Strategic Action Plan. To achieve this, we will:

1. Develop new program strategies and goals proposals with community involvement for the Board of Directors.
2. Prototype solutions with community organizations to better meet community needs and priorities.
3. Create metrics for all programs, with a plan for tracking success and program impact.
4. Keep listening to identify further needs that we can address through our role as the local electricity provider as approved by the Board of Directors.

### **2.1.3 Long-term actions**

Using our tracking and metrics plans, SCP will maintain a constant customer feedback loop. This flow of information will be used to improve the reach and impact of current and future programs. SCP will also adjust the offers and incentives, as needed, to target the intended customers and deliver tangible benefits.

## **2.2 Current program strategies**

SCP has developed six program strategies to turn the tide on the climate crisis. SCP integrates equity, inclusion, and funding source development into each of the strategies listed below. The rest of this Plan will focus on the work we are doing on each of these strategies.

- Electrify transportation and gas-powered equipment
- Accelerate building efficiency and electrification
- Reduce peak demand and shift energy use away from 4-9PM
- Promote customer solar plus battery storage projects to produce energy and support resiliency
- Educate and engage customers, residents, youth, and workforce within our community
- Foster innovation through research and development

### 3. Electrify transportation and gas-powered equipment

Transportation produces most of the air pollution and greenhouse gas emissions in Sonoma and Mendocino counties. Most of these emissions are created by the cars and trucks we drive every day. Replacing our gasoline and diesel cars and trucks with electric vehicles (EVs) will reduce greenhouse gas emissions and air pollution, including smog. EVs are cleaner and produce fewer emissions. They need very little maintenance and can be less expensive to operate than gas cars.

Gas-powered yard and other equipment are another source of greenhouse gas emissions and local air (and noise) pollution. These small gasoline engines produce pollutants that are known to cause lung, heart, and brain health issues. New battery-powered equipment, lawnmowers, and leaf blowers, for example, are quieter, don't pollute, and work as well as conventional equipment.

SCP currently offers programs to promote EV adoption and EV charging infrastructure. SCP also promotes electric and clean mobility solutions, such as electric bikes, as an alternative to cars.

Additionally, we are planning to promote electric yard equipment, in place of gas-powered options.

For future program planning, SCP will engage community organizations to learn more about transportation needs and barriers. SCP will use this information to design future programs proposals for the Board of Directors to deliver tangible local benefits for all customers.



### 3.1 Current customer offerings

#### 3.1.1 Free residential electric vehicle chargers

SCP provides customers an up-front discount of 50% on the cost of a Level 2 EV charger. SCP reimburses the remaining cost after the customer installs and activates the charger, ultimately providing an entirely free EV charger (minus installation costs).

- Over 3,500 free chargers issued to date (through December 2021)

### **3.1.2 Non-profit electric vehicle incentives**

SCP offers up to a \$12,500 reimbursement to non-profits to help them transition from gas-powered vehicles to clean EVs. The reimbursement can be used to purchase or lease an EV or a plug-in hybrid (with a battery range of at least 25 miles).

- Reimbursements provided to 12 local non-profits (through December 2021)

### **3.1.3 Sonoma Coast Incentive Program**

SCP partnered with the California Electric Vehicle Infrastructure Program (CALeVIP) in 2020, to provide rebates for EV Level 2 & DC Fast Charger purchase and installation costs. This program promotes public charging infrastructure in the region.

- 21 projects awarded funding (as of January 2022)
- 32% of funds have been reserved for disadvantaged and low-income communities

### **3.1.4 Bike Electric**

In 2021, SCP provided income-qualified customers a \$1,000 incentive toward the purchase of an electric bike (eBike) to promote the use of ebikes instead of cars for short trips.

- 421 ebike purchases

## **3.2 Customer offerings in development**

### **3.2.1 Landscaping Equipment Program**

SCP is examining the barriers of replacing gas-powered yard equipment with electric alternatives. SCP plans to develop a pilot program to test and gain feedback on the replacement of gas-powered yard equipment with electric alternatives in three different sizes of landscaping organizations: sole proprietor, medium-scale and large-scale.

### **3.2.2 Fast Charge for All**

SCP is developing a program to provide a special incentive of up to \$80,000 for EV fast-charging stations serving coastal and low-income residents. Valid CALeVIP applications that were wait-listed due to high demand for the Sonoma Coast Incentive Project will be eligible if they meet the rural and low-income criteria set for the program.



## 4. Accelerate building efficiency and electrification

Using fossil fuels in our homes and buildings for heating and cooling, water heating, and cooking is a large source of greenhouse gas emissions. We can replace water heaters, space heating and cooling appliances, and even gas cooking with efficient electric options. These high-performance electric appliances produce far fewer emissions, especially when powered by clean renewable electricity.

Burning fossil fuels in our buildings also creates unhealthy indoor air, potentially contributing to health issues including asthma. Replacing gas appliances with high-performance electric options will improve indoor air quality and reduce the risk of hazards associated with combustion appliances.

SCP currently offers programs to promote both energy efficiency and electrification in new and existing buildings.

SCP has identified an immediate opportunity to support non-profit kitchens in electrifying cooking-related appliances. The non-profit kitchen upgrade program is expected to launch later in 2022.

Building electrification must be pursued equitably, ensuring that environmental and social justice communities are not left behind. SCP will listen to our community and customers to understand barriers to electrifying their homes. SCP will also respond to specific needs, desires, and concerns around electrification and energy efficiency.





## 4.1 Current customer offerings

### 4.1.1 Advanced Energy Center

SCP opened the Advanced Energy Center to provide customers with an immersive demonstration area showcasing technologies that they can install to save money and reduce their carbon footprint. The Advanced Energy Center is available in-person and online to provide information on and connect customers with contractors for heating and air conditioning systems, induction cooktops, heat pump water heaters, battery storage, and more. Many different classes are held through the Advanced Energy Center, both in-person and online.

Since June 2020,

- **Over 1,380 visitors have experienced the Center**

### 4.1.2 Electrification incentives

To make clean energy solutions more accessible, SCP provides discounts and incentives through the Advanced Energy Center on a variety of technologies, including heat pump space conditioning, heat pump water heaters, heat recovery ventilators, induction cooktops, etc. SCP also provides a set of free cookware for customers who purchase and install an induction cooking appliance.

SCP has provided discounts or incentives for:

- **33 heat pump water heaters**
- **22 heat pumps for space heating and cooling**
- **8 induction cooktops and 8 sets of free cookware**

### 4.1.3 On-bill financing

To reduce barriers of up-front costs associated with electrification, SCP offers customers 0% on-bill financing up to \$10,000 for the purchase and installation of select energy efficiency technologies payable through the utility bill.

- **57 applications**
- **\$135,537 worth of projects**

### 4.1.4 Induction cooktop lending program

To promote induction cooking as an alternative to gas cooking, SCP offers customers a free portable induction cooktop to borrow for up to 2 weeks, along with essential cookware.

- **290 customers have borrowed an induction cooktop as of February 2022**

#### **4.1.5 Commercial energy optimization**

To reduce energy use and energy costs, as well as to encourage site electrification, SCP is offering no-cost energy audits and electrification studies to qualifying commercial SCP customers. This program launched March 2022.

#### **4.1.6 Advanced Energy Rebuild**

To support high-performance and resilient construction, SCP offers developers and homeowners rebuilding from the 2017 Tubbs and Nuns fires technical guidance and up to \$17,500 in incentives per home.

- **Over 300 homes completed**
- **\$3.1M in total incentives reserved**

#### **4.1.7 Advanced Energy Build**

SCP offers developers technical guidance and up to \$4,500 per unit to build high-performing and resilient homes in Sonoma and Mendocino County. The program offers increased incentives for low-income homes and multifamily buildings.

- **574 units of housing enrolled, with over 95% being low-income residences**
- **Over \$1.5M in incentives reserved as of February 2022**

#### **4.1.8 Multifamily housing electric panel upgrades**

To support electrification retrofits of multifamily housing, SCP has partnered with BayREN's Multifamily Program to provide incentives of \$500 per in-unit panel upgrade (\$750 for income-qualified customers) and \$5,000 per central building panel upgrades. This program launched in January 2022.

#### **4.1.9 SCP Electrify**

To help customers in the transition to electrification, SCP offers an online tool to help customers discover clean energy opportunities in their home and get valuable, actionable insights on which clean technology is right for them.

## **4.2 Customer offerings in development**

#### **4.2.1 FLEXmarket**

SCP has applied for California Public Utility Commission (CPUC) energy efficiency funding to implement an incentive program for energy efficiency projects in existing buildings. If approved, SCP would pay incentives based on time of day avoided energy costs for energy efficiency projects that reduce total energy peak load. This funding and program are aimed at permanent energy reduction and permanently shifting energy use away from peak hours.

#### **4.2.2 Nonprofit kitchen upgrade**

To help nonprofits in the transition to electrification, SCP is developing and offering to provide qualifying non-profits with incentives to replace gas cooking ranges with electric induction and replace inefficient dishwashing machines. This offering is planned to be available by the end of 2022.

## 5. Reduce peak demand and shift energy use away from 4-9PM

In the last decade, more and more solar photovoltaic has been added to the grid. Solar is a clean, renewable energy source, but only generates electricity during the day. Yet, energy demand is the highest in the evening (4-9PM), when people return home and turn on appliances.

The increased need for electricity happens around the time the sun sets and solar production falls. Dirty fossil fuel power plants are used to provide this energy in the evening to address peak demand. Fossil fuel power plants increase air pollution and greenhouse gas emissions, contributing to climate change.

Therefore, it's important to look at when customers use energy, not just how much energy they use. SCP currently offers programs to:

- **Reduce energy usage between 4 and 9PM**
- **Shift energy usage to mid-day and hours where solar and other clean energy is significant**

For future planning, SCP will center equity in reducing and shifting energy use between 4PM and 9PM. SCP will listen to our community and customers and identify ways that reducing and shifting energy use can benefit and improve their lives.

### 5.1 Current customer offerings

#### 5.1.1 GridSavvy Rewards

To help automate reducing and shifting energy use from peak times, SCP offers discounts and incentives to purchase and connect smart devices, such as EV chargers and smart thermostats. These smart devices can receive a remote signal from SCP, automatically adjusting usage while making energy saving easy.

SCP will also be offering a behavioral GridSavvy Rewards offering by the summer of 2022 where customers can receive financial rewards for reducing energy at peak times through any means that works for them. There will be no need for any specific technology or equipment.

- **3,700 free EV chargers provided to customers**
- **1,200 EV chargers currently enrolled in demand response**
- **90 discounted smart thermostats provided to customers**
- **240 smart thermostats are enrolled in demand response**



## 5.2 Customer offerings in development

### 5.2.1 FLEXmarket

See Section 4.2.1

## 6. Promote customer solar plus battery storage project to produce energy and support resiliency

Sonoma and Mendocino counties have felt the effects of climate change contributing to extreme weather and destructive wildfires. To prevent further wildfires caused from power lines, PG&E can turn off power during severe weather. This is called a Public Safety Power Shutoff (PSPS).

Many customers in SCP's service territory have been affected by PSPS events since 2018. To mitigate these disruptions, SCP supports solar plus battery storage projects installed on the customer's side of the electric meter.

Customer solar plus battery storage also plays an integral part of California's clean energy goals and shifting energy use away from 4-9pm (see Section 5). SCP's current programs:

- Promote solar installed on the customer's side of the electric meter
- Promote battery storage installed on the customer's side of the electric meter

For future planning, we will engage community organizations to learn more about customer energy production and resiliency needs and barriers. SCP will collaborate with local government agencies.



## 6.1 Current customer offerings

### 6.1.1 Self-Generation Incentive Program Assistance

SCP helps customers applying for battery system incentives through the Statewide Self-Generation Incentive Program, also known as SGIP. SCP provides incentive payments in advance and helps participating contractors with the application process.

As of February 2022,

- 150 battery storage installations
- \$1.8M of up-front incentives provided

### 6.1.2 NetGreen+

To incentivize customers to install solar and solar plus battery storage, SCP pays customers who generate more electricity than they use during a billing cycle the retail rate plus a 1¢ bonus per kilowatt-hour (kWh). SCP also pays out double the PG&E incentive if a customer generates more electricity than they use on an annual basis.

- Over 20,000 customers are enrolled in NetGreen+ as of February 2022

### 6.1.3 Site leasing interest program

To promote local clean power and resilience, SCP is working with several customers who have expressed interest in leasing access to their rooftops and land for solar plus battery storage installations that SCP would purchase energy from. This program is in early stages of implementation.

## 6.2 Customer offerings in development

None.



## 7. Educate and engage customers, residents, youth, and workforce within our community

Energy is an important issue, and one that allows everyone to make a difference. By learning how to use less energy, customers can save money. By learning how to live an all-electric lifestyle, customers can reduce their carbon footprint.

California has ambitious goals for building a clean economy. There are industry demands for a workforce with a blend of technical skills and business management abilities. Skills are needed in construction, electrical work, and renewable energy technologies, such as photovoltaic, geothermal, and wind.

SCP's current programs promote public education involving energy efficiency, electrification, and electric vehicles.

For future planning, SCP will listen to our community members and customers. Partnerships are essential to the work that we do. They help us better understand our customers' needs, connect with our community, and respond to issues within our service territory. SCP can be part of the solution by supporting the incredible efforts and services already being led and offered by local organizations, agencies, and community groups.





## **7.1 Current customer offerings**

### **7.1.1 Advanced Energy Center**

See Section 4.1.1.

### **7.1.2 Do-it-yourself home energy toolkit**

To help customers identify quick home upgrades to save energy, water, and money, SCP partnered with local agencies to create the do-it-yourself (DIY) Energy and Water Savings Toolkit. This toolkit can be checked out at a local library branch and comes with a guidebook and tools. Our partners include Sonoma Water, Sonoma Marin Saving Water Partnership, County of Sonoma Energy and Sustainability Division, Sonoma County Library, County of Mendocino, and the Mendocino County Library.

- **1,110 check outs through Sonoma County Libraries**
- **110 check outs through Mendocino County Libraries**

### **7.1.3 Energy education in schools**

To inspire future energy leaders in Sonoma and Mendocino counties, SCP partners with Sonoma Water to teach K-12 students about electricity, power sources, and climate change. During the 2020/2021 school year,

- **2,100 students participated in over 100 lessons**
- **34 schools and 7,600 students participated in virtual musical assemblies**
- **13,700 rulers, 19,000 pencils, 4,400 pencil sharpeners, 600 toothbrushes, and 90 Sonoma Clean Power posters were given to students**

### **7.1.4 Switch Lab**

To teach students (middle school, high school, and college) the fundamentals of EV design, assembly, manufacturing, and maintenance, SCP partners with the Career Technical Education (CTE) Foundation and the Sonoma County Office of Education. SCP funds kits at select local schools, allowing students an opportunity to assemble a street-legal EV. Kits last up to 5 years and are assembled and disassembled each class.

- **9 Switch Lab EV kits have been distributed to schools throughout Sonoma and Mendocino counties**
- **Over 1,600 students have participated in the courses**

### **7.1.5 Workforce development**

To increase green building industry knowledge, SCP partners with the LIME Foundation's NextGen Trades Academy. The Academy is a program providing diverse vocational construction training and work/life skills to youth. It offers training and helps students find gainful employment in the trades fields, while providing a workforce for local contractors.

- **Over 50 students have received green building education between July 2021 and January 2022**

### **7.1.6 10,000 Degrees scholarship**

In partnership with 10,000 Degrees, SCP offers scholarships for qualified students pursuing a 4-year college degree in Energy Management and Design, or another related environmental field included within the Geography, Environment, & Planning Department at Sonoma State University.

- **Scholarships of \$5,000 have been provided**

### **7.1.7 Spirit of Entrepreneurship grant**

To foster a strong commitment to environmental stewardship and social equity in the next generation of local business owners, SCP partners with the Santa Rosa Junior College to help students earn start-up funds for their sustainable business ventures. Students enrolled in a certification program compete in a "Pitch Contest" at the end of the semester.

- **6 scholarships for a total of \$30,000 have been provided**

## **7.2 Customer offerings in development**

None.



## 8. Foster innovation through research and development

Innovation is needed to make the switch to 100% clean electricity and all-electric living. Embracing new technology, new processes, new behaviors, and new ways of thinking will help meet our goals. SCP will investigate new and potential technologies to reduce greenhouse gas emissions. SCP may develop proposals for the Board of Directors and pilot new programs and ideas to explore these ideas.

### 8.1 Current research and development

#### 8.1.1 *Investigate vehicle-to-building technology*

SCP is investigating potential technologies that allow electric vehicles to provide backup power to buildings. SCP will also monitor Statewide policy on this topic.

### 8.2 Future planned research and development

To be determined.



## 9. Next Steps

The current and proposed customer offerings and incentive programs presented in this Plan represent our existing portfolio. As discussed in Section 2, we plan to address the unique needs of our service territory in strategic planning moving forward. Our next steps include the following:

### 9.1 Immediate actions

We will continue supporting our customers through our current offers and incentive programs. We will engage our community and build relationships with community organizations. Our communities' and customers' needs will better inform our goals.

### 9.2 Near-term actions

After building trust, we will develop new proposed program strategies and goals with the community for the Board of Directors. We will ensure that decisions are based on community needs and priorities by partnering with community organizations.

Metrics and surveying program participants are important for assessing how effective our efforts are and how we can improve. SCP will create metrics for all programs and a plan for tracking program success through the established metrics.

### 9.3 Long-term actions

Using the tracking and metrics plans, SCP will use a constant feedback loop. This will improve the reach and impact of current and future programs. SCP will adjust the offers and incentives as needed to target the people intended and deliver benefits.

