

Investing in a Decarbonized Future

With environmental stewardship as a foundational principle, NCPA and its 16 member agencies are working diligently to invest in low- and zero-carbon technologies. These efforts align with locally-driven policy objectives and state and federal interests in reducing emissions and advancing a clean energy future. As California reduces its reliance on fossil fuels across all sectors, electricity demand will increase, underscoring the importance of well-orchestrated utility planning and procurement processes.

Integrating Emerging Technologies to Reduce Carbon Emissions

NCPA is investing in its Lodi Energy Center natural gas plant to prepare the facility to combust a hydrogen-blended gas. With

upgrades to the facility made in the last year, the LEC will be capable of integrating up to a 45% hydrogen blend—significantly reducing the power plant's emissions

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while continuing to provide flexible generation that is needed for integrating renewable resources. NCPA is working with technical consultants to assess the feasibility of a colocated renewable hydrogen production facility that could provide a renewable hydrogen supply for the LEC as well as for the transportation sector, given the location of the facility along major transportation corridors.

Increasing Renewable and Carbon-Free Resources and Energy Storage

Based on data reported for 2018, on average, NCPA members served their customers with approximately 54% renewable and carbon-free resources.

In Spring 2020, NCPA opened an ongoing Request for Proposals (RFP) to solicit projects for renewable energy resources, carbon-free energy resources, and energy storage solutions. The RFP allows NCPA to continuously evaluate

submitted proposals and identify projects that can assist our members in meeting their climate objectives.

NCPA is also working with several members to

implement community solar projects. The first project in the City of Healdsburg is near completion and features a three-megawatt floating solar array at the city's wastewater treatment plant. The project is expected to generate enough power to serve approximately 8% of the city's load.

Prioritizing Efficient Energy Use

NCPA members support their customers' efforts to use energy more efficiently. Since 2006, NCPA members collectively have spent more than \$180 million on energy efficiency programs, reducing demand for electricity by more than 550-gigawatt hours. Member program offerings serve the residential, commercial, and industrial sectors and include programs such as appliance,

lighting, and HVAC rebates; free energy audits; support for low-income customers; and customer education efforts.

Advancing Transportation Decarbonization

Through local programs and initiatives, NCPA members are supporting the decarbonization of the transportation sector. NCPA member communities have historically accounted for approximately 2.4% of California's electric vehicles, presuming a total upward of 13,000 electric vehicles in these communities. Through participation in the Low Carbon Fuel Standard program, NCPA members can generate more

than one million dollars in revenues that are reinvested in furtherance of increased transportation electrification in NCPA member service areas.

NCPA supports policies that allow flexibility for developing localized solutions to address policy direction in the most cost-effective and feasible manner.

Last year, Governor

Newsom established aggressive decarbonization policies for the transportation sector, including a goal of having 100% of new light-duty vehicle sales come from zero-emission vehicles by 2035. Additional infrastructure will be necessary to support this transition.

NCPA and its members are investing in electric vehicle charging stations. As an example, NCPA, in partnership with the NCPA member City of Roseville, will be installing infrastructure to support eight Level 2 electric vehicle charging ports at the Agency's headquarters building in Roseville this Spring. By making charging stations available, NCPA employees and visiting

members will be able to reduce their transportation emissions.

Supporting Policy Solutions That Acknowledge Local Responsibility and Reduce Barriers to Adoption

Undoubtedly, deep investments in clean technologies will be needed to advance decarbonization efforts in both the electricity and transportation sectors. NCPA supports policies that facilitate California's continued climate leadership while acknowledging the diversity of electric utilities across the State. NCPA supports policies that allow flexibility for developing localized solutions to address policy

direction most costeffectively and feasibly.

One-size-fits-all policies and resource procurement mandates do not take into account the unique circumstances of a given

community. Our publicly owned utility members operate under the oversight of their local governing boards. Resource procurement decisions are made based on analyses that take into account the utility's resource mix, peak demand, climate zone, and geographical location relative to available resources, transmission infrastructure, and economies of scale, among other factors. NCPA supports initiatives that remove policy barriers or create financial incentives to advance emerging lowand zero-carbon technologies. Through these types of policies, local utilities can initiate planning and programs that meet the mutual goals of local and state governments.