



CITY OF GLENDALE, CALIFORNIA REPORT TO THE CITY COUNCIL

AGENDA ITEM

Report: 2024 Integrated Resource Plan Updates.

- 1) A Motion to note and file report.

COUNCIL ACTION

Item Type: Consent Calendar

Approved for October 24, 2023 **Calendar**

EXECUTIVE SUMMARY

The Integrated Resource Plan (IRP) is a critical component of Glendale Water and Power's strategy to meet future energy needs while ensuring system reliability, cost effectiveness, and environmental sustainability. This report provides a comprehensive update on the progress made in the development of the City's 2024 IRP, specifically on community outreach events, Stakeholder Technical Advisory Group (STAG) selection and engagements, and community scenario development.

COUNCIL PRIORITIES

Not Applicable

RECOMMENDATION

Note and file the report regarding the 2024 Integrated Resource Plan development updates.

BACKGROUND

Senate Bill (SB) 350 requires the governing body of a Publicly Owned Utility (POU) with an annual electrical average load exceeding 700 GWh, such as GWP, to adopt an IRP and provide updates at least once every five years to assist the utility in achieving specified planning goals. SB 350 requirements are further defined in the California Energy Commission's (CEC) POU IRP Submission and Review Guidelines and prescribe the format and content of the IRP for entities within CEC's jurisdiction.

In February 2023, GWP issued an RFP to engage a consultant with the knowledge, experience, and analytic tools required to assist in the development of Glendale's 2024 IRP. Along with technical services, the consultant is required to lead and facilitate public stakeholder engagements, including community townhall and technical advisory working group meetings. This is to ensure the community's priorities and concerns regarding energy resources are considered as candidate supply portfolios are developed, in a transparent and data-driven manner.

On May 2, 2023, the City Council approved staff's recommendation to award the contract to Ascend Analytics for the development of the IRP, with Strategen Consulting as the subcontractor to guide a detailed stakeholder engagement effort, for a total amount of \$281,750 (including 15% contingency).

ANALYSIS

The IRP is a dynamic long-term planning document that guides GWP with energy related decisions while ensuring alignment with regulatory requirements and policy goals, economic considerations, and the evolving energy landscape. This report highlights key developments and achievements in the IRP preparation and development process.

Community Townhalls

In its original proposal, GWP planned to host two in-person townhalls on the Integrated Resource Plan. After feedback from City Council, the community and discussion with the Ascend Analytics and Strategen Consulting teams, the number of community townhalls was increased to four.

To date, three community townhalls have been held, at the following times and locations and covering the following topics:

- *Thursday, June 29th at Pacific Community Center:* Introduction to integrated resource plans, the basics of GWP's system, and the IRP modeling process. Community resource preference activity to gather input on preferred and non-preferred energy resources.
- *Monday, July 24th at Sparr Heights Community Center:* Additional details on GWP's system (local vs. remote resources, customer-sited resources). Update on GWP's planned modeling scenarios and the STAG process. Community preference activity to gather input on preferred clean energy timeline, community cost sensitivity, and preferred local vs. remote energy resources.
- *Saturday, August 12th at Brand Studios:* Presentation of modeling inputs and assumptions. Update on STAG process and all proposed modeling scenarios. Discussion of scenarios and other topics.

There were approximately 35 attendees at the first two meetings, while 27 attended the third. The third meeting was hosted on a weekend to provide flexibility for individuals unavailable to join during the week, although it seemed that this option reduced participation slightly.

Recordings and presentations from these townhalls have been posted to the City's IRP website at <https://www.glendaleca.gov/government/departments/glendale-water-and-power/reports-plans/integrated-resource-plan>. The IRP team anticipates hosting the final townhall on October 16th. At this meeting, the results of all modeling scenarios will be presented for community questions and feedback.

Stakeholder Technical Advisory Group (STAG)

The Stakeholder Technical Advisory Group (STAG) is comprised of 14 individuals who live and/or work in Glendale who can provide consistent and detailed community input to the IRP process. The STAG was formed using a two-pronged approach:

- GWP sent invitations to 12 organizations who represent important segments of the Glendale community (including renters, homeowners, environmental advocates, the Latino and Armenian communities, and others). From these invitations, eight organizations ultimately confirmed their interest in serving on STAG.
- Simultaneously, GWP issued an open call for STAG members with an application available on the GWP website and at the first IRP community townhall. GWP received 22 applications from this process. Strategen Consulting was responsible for reviewing the applications based on a set of pre-established and publicly transparent criteria listed on the GWP website. After applying these criteria, Strategen narrowed down to seven top applicants who were extended invitations to join.

The STAG's size was reduced from 15 original members to 14 due to one accepted applicant's absence to the first STAG meeting and unresponsive to communication requests. Strategen opted not to replace this member with another applicant, given any replacement member would already have missed the STAG orientation.

A posted list of all STAG members and their organizations (if any) is available at the website link above. GWP and Strategen sought to make the STAG as representative as possible of the larger Glendale community, although there were challenges in doing so. The diversity of the STAG was limited by the number and demographic of the applicants, as well as the invited organizations' representative. Despite these demographic constraints, diverse opinions existed in the STAG that made for robust discussions and considerations of a wide range of issues in IRP decision-making.

Similar to the townhalls, the number of STAG meetings was also increased from GWP's initial proposal, from four meetings to six. STAG has met five times so far (all in-person at the GWP office), with meetings at the following times and covering the following topics:

- *Wednesday, July 12th*: Introduction to members and their priorities. Presentation on integrated resource plans, the basics of GWP's system, and the IRP modeling process. Group discussion.
- *Wednesday, July 19th*: Additional information on GWP's system, based on member questions. Debrief on community preferences expressed at first townhall. Brief brainstorming activity on STAG's preferred clean energy timeline, resource preferences, and resource concerns. Discussion of the planning constraints and resource options STAG should consider in its scenarios.

- *Wednesday, August 2nd*: Debrief on outcomes of last meeting's brief brainstorming activity and second townhall. Presentation of GWP's planned modeling scenarios and potential options for STAG's scenarios. Discussion of STAG's scenario preferences, with a first scenario concept agreed upon by the end of the meeting.
- *Wednesday, August 9th*: Presentation of example modeling results (illustrative only). Presentation of inputs and assumptions on Glendale's load forecast, market and resource prices, and local resource potential. Discussion on these items. Presentation of survey results of STAG scenario preference conducted prior to this meeting. Brainstorming and discussion on STAG scenario 2, with a concept agreed upon by the end of the meeting.
- *Wednesday, September 6th*: Presentation of initial modeling results from two of GWP's scenarios. Group discussion. Brainstorming and decision-making on STAG scenario 3, with a concept agreed upon by the end of the meeting.

The final STAG meeting was pushed from September 27th to October 11th in order to complete the modeling process and share the results.

In addition to meetings, Strategen pursued other avenues to gather STAG input, share information, and answer questions. These include conducting surveys between meetings and hosting optional, virtual STAG "office hours" for members to ask questions of the IRP team.

From commencement, STAG has shown strong interest in learning about GWP's system, its unique planning constraints, and resource options for the utility. Topics that have been continually raised across the meetings include transmission; customer solar and GWP's progress toward city goals; virtual power plants; the feasibility and impacts of hydrogen usage; GWP's transition to 100% clean energy; and system reliability. To allow the public to follow the content of STAG meetings, presentations and anonymized minutes have been posted to the GWP IRP website.

Community Scenario Development

Initially, GWP planned for five modeling scenarios: three from GWP and two guided by the Glendale community and further defined by STAG. Across the townhalls and STAG meetings, it became obvious that an additional community scenario that provided supplementary dimension and data to the other two community scenarios was necessary. Rather than replace one of GWP's three scenarios with another community scenario (which GWP opted not to do given several STAG members were concerned about affordability and had agreed to the community scenario profiles based on the information that would be gained from the already defined GWP scenarios), GWP and Ascend Analytics ultimately decided to make a third community scenario available to STAG, for a total of six modeling scenarios in the IRP.

Scenario development began at the townhalls which included community preference activities facilitated by Strategen. Several clear signals emerged from this polling: 1) high interest in customer-sited resources, namely rooftop solar; 2) interest in developing local

resources to minimize transmission challenges; 3) preference for renewable resources; and 4) interest in achieving 100% clean energy faster than the California mandate requires, and ideally by 2035. When discussing this information with STAG, it was prevalent that many STAG members shared these views. Compared to the townhalls, STAG discussions were also permeated with concerns regarding reliability and affordability raised by several members. After considering input received at the townhalls and brainstorming potential approaches for community scenarios, STAG coalesced around the following three scenarios:

- *High local resources + accelerated electrification by 2035:* Focuses on local resources (both customer-sited and utility-scale), while achieving City Council's clean energy goals (i.e., 100% by 2035, 10% of customers with solar by 2027, reach code, 100 MW of DERs). The scenario also models accelerated electrification compared to GWP's scenarios.
- *Moderate local resources + long-duration energy storage by 2042:* Achieves 90% clean energy by 2035 and 100% by 2042. Will take a "middle path" on local resource assumptions, assuming higher potential for utility-scale and customer-sited resources than GWP's baseline, but lower than the above. This scenario will also model a Long-Duration Energy Storage (LDES) project built in Glendale during the IRP period. The LDES would be in addition to the 75MW/300MWh planned battery storage at Grayson already considered in the model.
- *Moderate local resources by 2040:* Achieves 90% clean energy by 2035 and 100% by 2040. As above, takes more moderate assumptions on local resource potential compared to GWP's baseline and STAG's first scenario.

Strategen emphasized, from the beginning, that the goal of the scenario development process was for every STAG member to have at least one community scenario they felt good about. After much discussion and compromise, it seems the three scenarios described above met that goal.

Summary of community input integrated in the IRP process thus far:

- Two additional townhalls and two additional STAG meetings.
- Addition of a third community-informed scenario for modeling, for a total of six scenarios.
- Application of social cost of carbon sensitivity analysis to all scenarios (traditionally in IRPs, this analysis is only completed for 1-2 scenarios).
- Compilation of a public "key assumptions" spreadsheet from Ascend Analytics, which will be released on the GWP website following updates from STAG.

Next Steps

Moving forward, Ascend will continue to refine the models for the six scenarios based on stakeholders input and updated assumptions, and prepare the draft of the IRP according to the CEC's guidelines.

2024 IRP Development Milestones/Schedules

Awarding of IRP Consulting Contract to Ascend (with Strategen as a subcontractor)	May 2, 2023
STAG Application Deadline	July 4, 2023
Community Townhalls	1 st : June 29, 2023 2 nd : July 24, 2023 3 rd : August 12, 2023 4 th : October 16, 2023
STAG Meetings	1 st : July 12, 2023 2 nd : July 19, 2023 3 rd : August 2, 2023 4 th : August 9, 2023 5 th : September 6, 2023 6 th : October 11, 2023
Presentation of IRP Draft to GWP Commission	November 4, 2023
Adoption of IRP by City Council	December 5, 2023
CEC Filing Deadline	January 1, 2024

STAKEHOLDERS/OUTREACH

Effective stakeholder engagement is integral to the IRP process. Strategen runs the community townhalls and STAG sessions. To date, GWP has conducted extensive outreach efforts to gather input and ensure diverse perspectives are considered. Spanish and Armenian interpreters were made available, if needed. PowerPoint presentations, townhall videos, and minutes of the STAG meetings are published on the Glendale website.

In addition, information regarding upcoming community meetings is announced on social media platforms Facebook, X (Twitter), and Instagram. GWP has also provided an email address (gwp-irp@glendaleca.gov) where the community members can send questions and thoughts regarding the IRP.

FISCAL IMPACT

There is no fiscal impact associated with this report.

ENVIRONMENTAL REVIEW

Not Applicable.

CAMPAIGN DISCLOSURE

Not Applicable.

ALTERNATIVES

Alternative 1: Note and file the updates to the development of the 2024 IRP as received.

Alternative 2: Consider any other alternative not proposed by staff.

ADMINISTRATIVE ACTION

Prepared by:

Scott Mellon, Assistant General Manager - Power Management

Approved by:

Roubik R. Golanian, P.E., City Manager

EXHIBITS / ATTACHMENTS

None.