



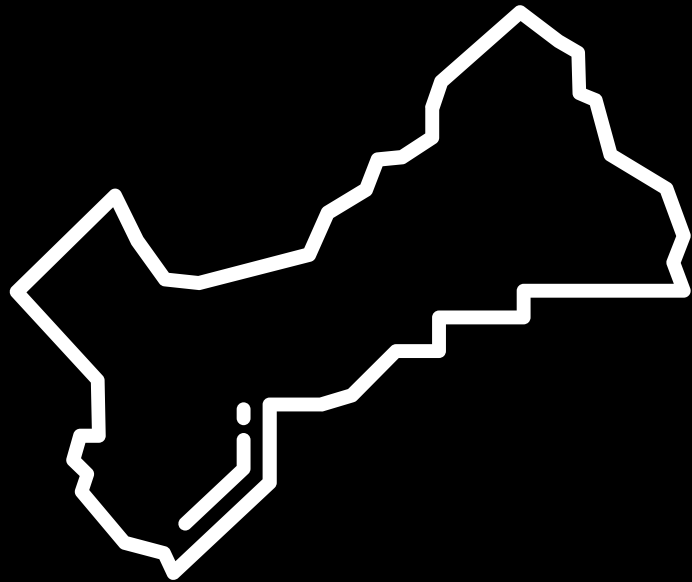
# Gigawatts For Good Jobs

Fresno Council of Governments  
Policy Board Meeting  
July 25, 2024

Slide Deck Based On May 27, 2024 'Gigawatts for Good Jobs' Paper and References

# Gigawatts

For Good Jobs



## Capturing Fresno County's Clean Energy Economic Advantage

*A strategy for a more equitable, healthier,  
and prosperous future*

# Key Points

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- **Harness Clean Energy:** Explore how massive clean energy projects planned for Fresno County can power local industries and create sustainable jobs.
- **Address Reliable Access and Rising Costs:** Understand the impacts of unpredictable electricity access, escalating rates, the need for local control.
- **Job Creation Strategy:** Discover a plan for attracting diverse industries and maximizing job opportunities.
- **Community Choice Aggregation:** Learn about the benefits of a CCA to purchase power and provide a countywide electricity services program.
- **Implementation Roadmap:** Review the strategic steps needed to realize this vision, from feasibility studies to community engagement.

# Fresno County Needs an Energy Focused Organization

## *Uniting its Cities and Unincorporated Areas for Economic Success*

- The clean energy transition is ushering in opportunities as well as risks of unpredictable supplies and costs of all types of energy.
- Fresno County needs a JPA organization with the authority and savvy to buy and manage power locally for the benefit of all County residents, businesses and institutions.
- Local ownership and management of power will also be critical for aligning the water, land, transportation, utilities and skilled workforce infrastructure investments necessary for attracting and growing industries *fueled by clean energy* with sustainably good jobs and export markets.
- A competitive and inclusive economy in the future will by necessity *require, leverage and align* locally controlled Reliable-Accessible-Renewable-Energy Resources (RARE Resources)

# Rising Energy Rates



- **Unpredictable Electricity Rates:**
  - Rates have more than doubled in the last 10 years.
  - Average PG&E rate in 2024: 39.6 cents per kilowatt hour (up from 21 cents in 2019).
- **Nation's Highest Fixed-Utility Fees:** California has adopted some of the highest fixed-utility fees in the country.
- **Persistent Inflationary Trends:** Household energy costs projected to exceed inflation over the next decade. Rising demand for electricity due to new technologies and increased power needs.
- **Impact on Consumers:** Growing distress and anger among residential, business, and institutional customers due to rising rates.

# Opportunity & Urgency



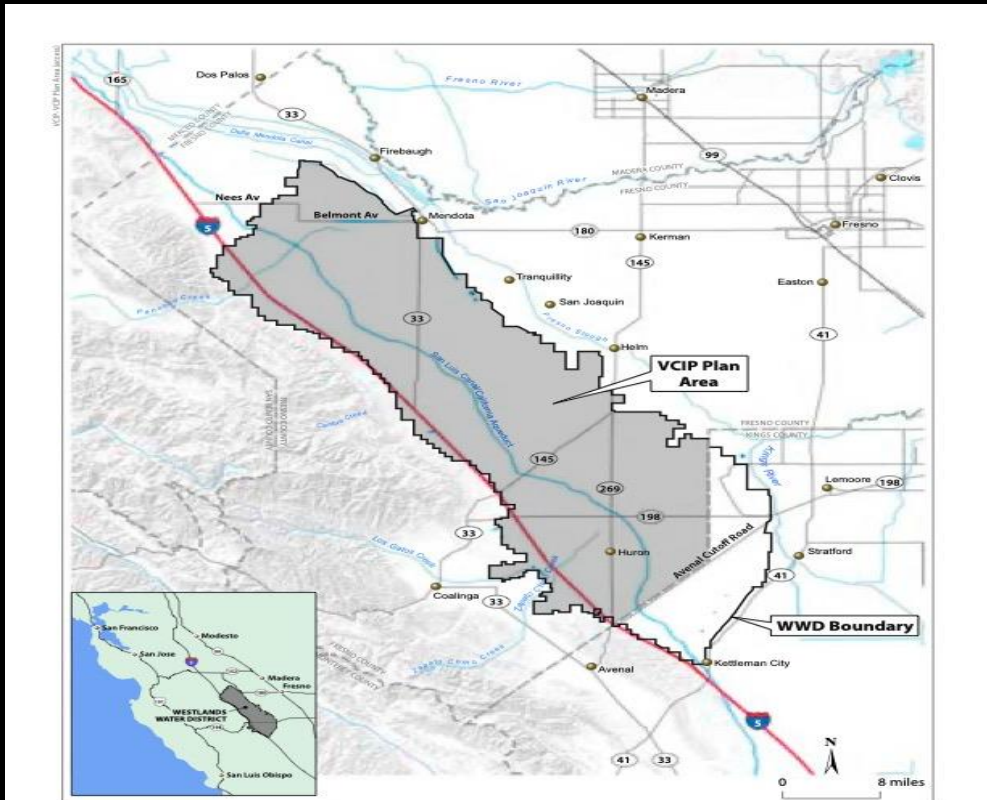
- **A massive utility-scale clean energy development is planned for Fresno County**
  - Huge demand to meet state goal of 56 gigawatts by 2035
  - Global-scale cluster of solar, battery storage, and green hydrogen of 30+ Gigawatts is proposed in Fresno County alone (will be one of the largest clusters in the world)
  - The majority of the energy is planned for export across the state
- **Westlands Water District + Golden State Clean Energy:** Significant farmland acreage to be retired by Westlands and repurposed for clean energy generation. Golden State Clean Energy is the clean energy development master planner.
- **Organizing & Negotiating is Critical:** Fresno County needs to unite ASAP to negotiate with developers, secure local power, and create permanent jobs.



# Solar Development in the Central Valley is Essential to Meet California's Clean Energy Goals

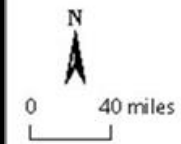


# 130,000+ Acres Under Evaluation for Development in Westlands Water District



Source: Westlands Water District, 2022

**Figure 1**  
Valley Clean Infrastructure Plan Area



- LEGEND**
- Existing 500-kV Transmission Lines
  - Power Plant Site
  - Substation





# Valley Clean Infrastructure Plan (VCIP) is an Innovative Approach to Creating Value for Customers, Property Owners, & Local Communities


(Golden State Clean Energy)

**SOLAR FOR THE CLEAN ENERGY FUTURE** | Approximately 20,000 MW (PV), 20,000+ MW (storage) and hundred of miles of transmission lines to help meet California's future needs in an efficient and cost-effective manner

**GARNERING BROAD SUPPORT** | Strong support from a wide variety of parties, including environmental groups, labor, state and local governments, and agriculture groups

**WATER BENEFITS** | Saving water for productive farms while using less productive lands for solar provides a mutual benefit to the agricultural community

**JOBS & ECONOMIC DEVELOPMENT** | Potential for thousands of high paying jobs over the next 15+ years, plus economic development from opportunities for manufacturing, fabrication, assembly, and research and development.

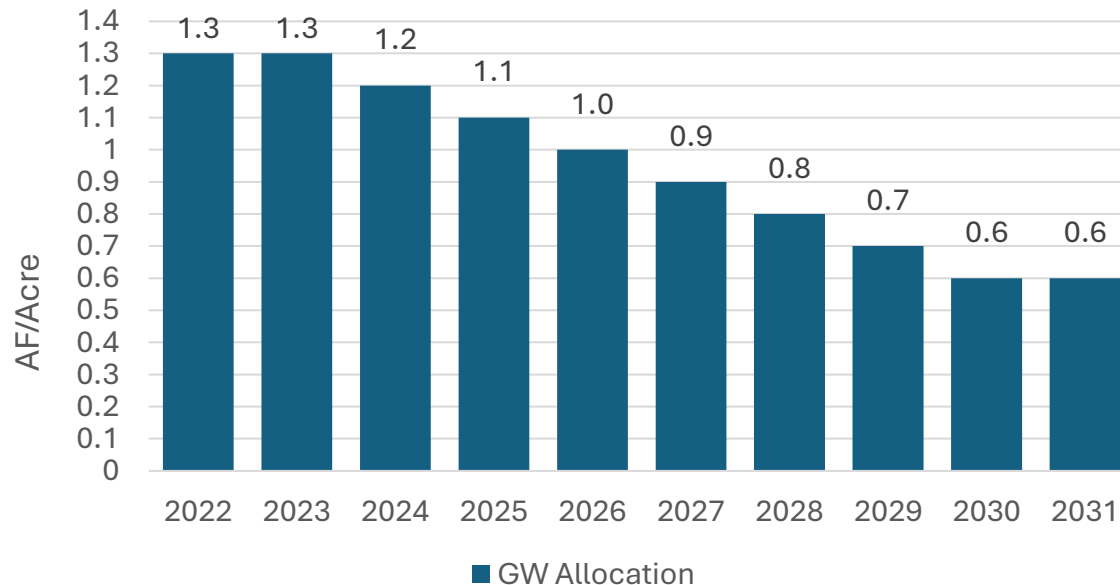


# Groundwater Allocation and Transition Period



Westlands  
Water District

- Sustainable yield of 305,000 AF/year
- ~525,000 acres eligible receive allocation
- Starting 2022, 8-year “Transition Period”
- **1.3 AF/acre taper to 0.6 AF/acre allocation**

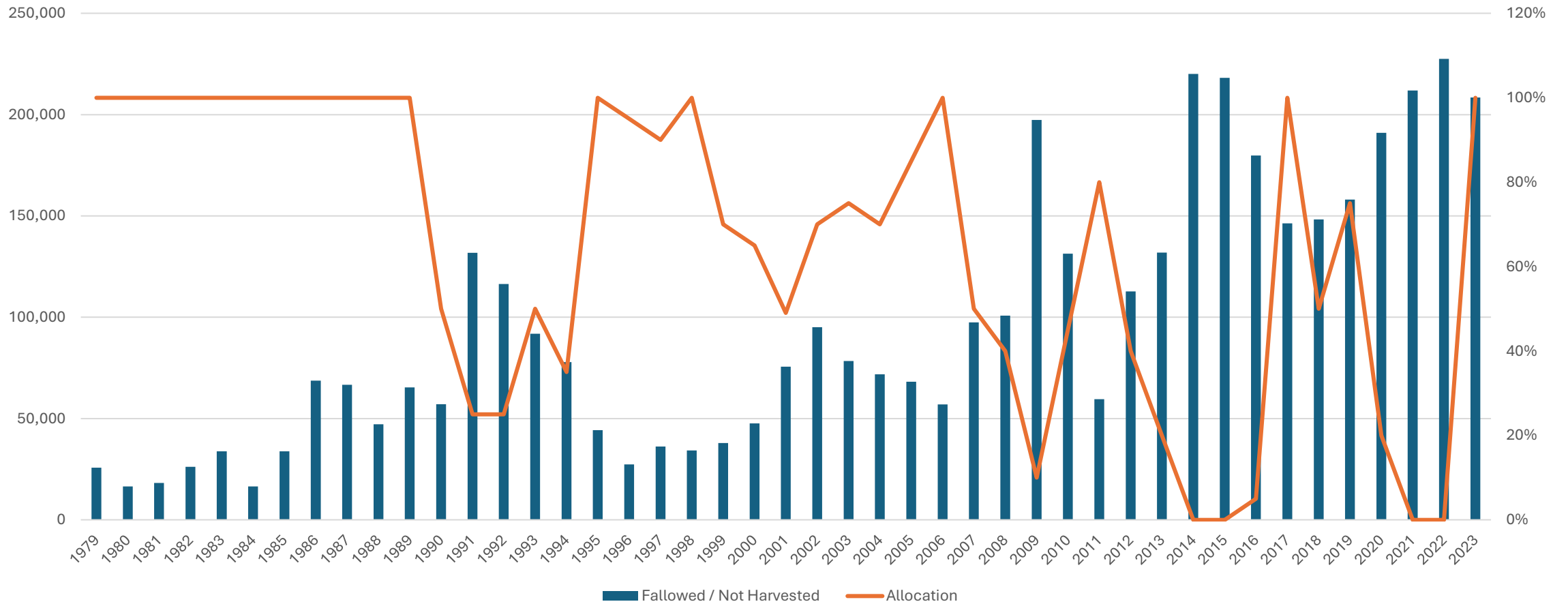


Water Year	Allocation Cap
2022	1.3 AF per acre
2023	1.3 AF per acre
2024	1.2 AF per acre
2025	1.1 AF per acre
2026	1.0 AF per acre
2027	0.9 AF per acre
2028	0.8 AF per acre
2029	0.7 AF per acre
2030	0.6 AF per acre



Westlands  
Water District

# Fallowed and Not Harvested Land



# Job Creation Potential



- **RAND Corporation\* study:**
  - Limited permanent jobs from clean energy production
  - 4.3 Million population in the San Joaquin Valley, an estimated 4,000 jobs from the portfolio, only 1,100 direct jobs are permanent
- **We need collaborative efforts to leverage clean energy for local job creation**
- **It is critical to buy and manage electrical power locally**

\*The **RAND Corporation** is an American nonprofit global policy think tank, research institute, and public sector consulting firm

# Industry Opportunities

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**San Joaquin Valley Manufacturing Alliance (SJVMA) suggests a diversity of new manufacturing, fabrication, assembly, technology, processing and distribution industries can be grown and attracted to locate here.**

- Potential to attract diverse industries: manufacturing, fabrication, assembly, technology, etc.
- Strategic alignment of energy, land use, water resources, utility and transportation infrastructure, and talent
- Create a mix of big durable industry and a venture capital start-up ecosystem envisioned by entities like HawkTower



# What is CCA?

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## **AB117 | Community Choice Aggregation**

Through Community Choice Aggregation (CCA), communities can join together to pool (or aggregate) their electricity load in order to purchase clean energy and develop local projects and programs on behalf of their residents and businesses.

Aggregators work in partnership with the region's existing Investor-Owned Utility (IOU), which continues to deliver power and maintain the grid.

# How CCA Works



## ELECTRICITY

CCA procures clean energy sources

## DELIVERY

IOU delivers energy and maintains the grid

## CUSTOMER

Cleaner energy, local control and competitive rates!

# The Benefits of CCA

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- **Consumer choice, local control, and accountability**
- **Policy tool to help communities reach their climate and economic goals**
- **Transition to a cleaner, more efficient energy supply**
- **Revenues reinvested in the community, not distributed to shareholders**
- **Tool for communities to establish local energy resources and programs such as solar+storage for resilience, low-income solar, EV vehicle and infrastructure incentives, feed-in-tariff, net energy metering (NEM), energy efficiency, demand response, and more**
- **Development of new renewable energy projects**





# What California CCAs are Doing:



**7,004** Megawatts  
New Solar Panels



**1,526** Megawatts  
New Wind Turbines



**5,014** Megawatts  
New Energy Storage



**325** Megawatts  
New Geothermal

**25** Megawatts  
New Biogas

*“CCAs differ from other load serving entities because we don’t just care about getting contracts signed. We really do care about the impact of the projects and want to select projects that our communities are going to be proud of.”*

– Natasha Keefer, Director of Power Planning & Procurement, Clean Power Alliance

# A Super CCA for Fresno

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- **Collaborative effort across all 15 cities and the county**
- **Long-term power purchase contracts with clean energy developers**
- **Driving economic development and job creation**

# Implementation Strategy

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## Steps to Success:

- **Feasibility study and business plan with inclusive stakeholder input (see estimated budgets)**
- **Meetings with key leaders from all jurisdictions**
- **Fund studies and planning from nonprofit, philanthropic, state, or federal sources**

# Estimated Budgets



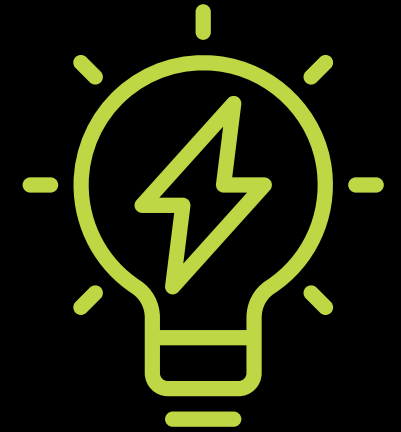
## Prospective CCA Assessment for Fresno County / 15 Cities Feasibility Study and Business Plan - Estimated budgets:

1. Feasibility study: \$65k +
2. Economic analysis: \$25k +
3. Energy efficiency, demand reduction opportunities: \$15k +
4. Clean energy sourced industrial park(s) economic analysis: \$50k +
5. Remote consultant presentations to City Councils/BoS –1- 2 Meetings @ \$500 per: \$16k +
6. Local multi-jurisdiction engagement, consultant coordination and quality assurance: \$64k
7. Grant fiscal expense: \$15k

**Rough total cost estimate: \$250k**

# Ownership Alternatives

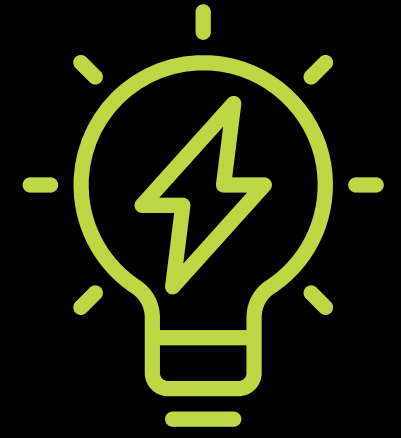
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- A Municipal Utility District (like the Sacramento Municipal Utility District or the Modesto Utility District)
- Are heavy lifts to establish today with losses likely the first 10 years of operation before any possible and speculative energy savings might be achieved
- The prospect for a municipally owned utility being established now and run more efficiently or less expensively is not likely when all costs are considered.

# Inclusive Planning

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To foster economic growth and reduce poverty, Fresno County must develop clean energy-powered industry parks that offer high-paying jobs and address environmental and community needs.

- **Economic Development:** Essential for reducing poverty and income inequities through diverse, high-paying permanent jobs.
- **Infrastructure:** Access to rail, freeway, and air transport is crucial.
- **Community Engagement:** Collaborate with impacted communities for equitable development.
- **Environmental Considerations:** Address environmental justice, pollution, and conservation issues.
- **Clean Energy Transition:** Ensure new facilities start with 100% clean energy, balancing interim emission standards.

# Social Determinants of Health



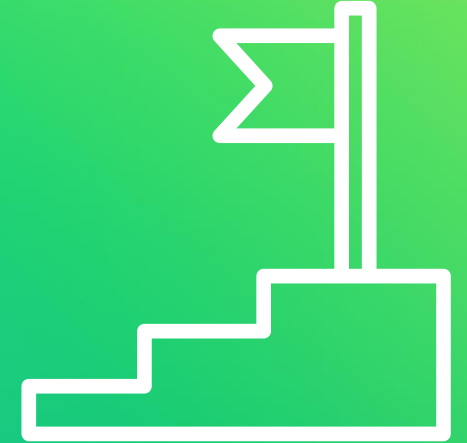
*The Federal Plan for Equitable Long-Term Recovery and Resilience (Federal Plan for ELTRR), leverages the Vital Conditions for Health and Well-Being as a guiding framework related to The Social Determinants of Health*

**Integrating the Social Determinants of Health in clean energy efforts can unite diverse stakeholders for collective progress.**

- **Shared Framework:** Utilize the Social Determinants of Health to align goals and outcomes.
- **Inclusive Collaboration:** Encourage diverse sectors to work together for county-wide benefits.
- **Federal Guidance:** Reference the Federal Plan for Equitable Long-Term Recovery and Resilience for integrative and inclusive strategies.

# Next Steps

- With Fresno COG Leadership - Form a Fresno County Reliable Accessible Renewable Energy (RARE) Planning Committee that includes Local Governments, Labor, Businesses, Institutions, **Non-Profits** and Community Organizations
- Focus on leveraging renewable energy opportunities for aligning the transportation, water, land, utilities and skilled workforce infrastructure investments necessary for attracting and growing industries with **sustainable** good jobs and export markets
- Encourage RARE Planning Committee Partners to jointly raise grant funds for a SUPER CCA Feasibility Study and Business Plan and the interrelated transportation, water, land, utilities and skilled workforce infrastructure studies and plans required for creating **durable** competitive economic advantage for Fresno County stakeholders
- The Fresno, Madera, Tulare and Kings Counties Central Labor Council (FMTKCLC) and Regenerate California Innovation (RCI) are ready to help organize, support and participate in all next steps





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## For Good Jobs

# THANK YOU!

