

| Proposed Topic 1: | Long-Term Strategy for CPAU's Natural Gas Utility - Develop a comprehensive 5–20 year plan to align the gas utility with climate goals, financial stability, and regulatory changes, while evaluating options for electrification, biogas integration, and long-term infrastructure strategy. | | | |
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| BENEFICIAL IMPACTS | TIMELINE | RESOURCES NEEDED | MEASURE OF SUCCESS | STATE MANDATED / LOCAL LAW / COUNCIL-APPROVED |
| <p>Provides a comprehensive, future-focused plan for CPAU's natural gas utility over the next 5, 10, and 20 years.</p> <p>Integrates climate impact, regulatory environment, and evolving market conditions (e.g., supply, building electrification trends).</p> <p>Ensures financial stability by addressing costs, procurement strategies, tariffs, revenues, and the utility's contribution to the City.</p> <p>Identifies how best to align the gas utility with Palo Alto's sustainability goals and community expectations over the long term.</p> | <p>Short-Term (6–12 mo.) Define scope and objectives of the long-term gas utility strategy.</p> <p>Gather data and costs on externalities (supply constraints, regulatory changes, climate impacts, cost of compliance).</p> <p>Engage stakeholders (residents, businesses, environmental groups) to identify concerns/goals.</p> <p>Medium-Term (12–24 mo.) Develop draft plan outlining potential pathways (e.g., maintaining gas utility with partial electrification incentives, exploring advanced biogas/hydrogen blends, pricing in true cost of gas and its externalities, or phasing down distribution).</p> <p>Conduct financial analyses (cost, revenue, rates, capital investment, utility payment to City) and regulatory feasibility.</p> <p>Long-Term (24+ mo.) Finalize and adopt a formal strategy for the next 5–20 years.</p> <p>Begin implementing policy, infrastructure, and rate changes as approved by Council.</p> | <p>Staff analysis (Utilities, Finance, Sustainability) and potential consultants for policy, engineering, and market assessments.</p> <p>Legal counsel for evolving regulations and potential litigation (e.g., building electrification mandates).</p> <p>Stakeholder outreach resources for public engagement.</p> | <p>Completion and Council adoption of a 5–20 year gas utility strategy.</p> <p>Clear articulation of how externalities and climate goals are addressed (e.g., cost of carbon, supply reliability, how pricing of gas rates should be adjusted to reflect externalities).</p> <p>Stable or well-managed utility finances, including City payment, without undermining broader climate goals.</p> <p>Positive feedback from community stakeholders on transparency and alignment with City values.</p> | <p>Gas regulation intersects with state and federal laws (CPUC, etc.).</p> <p>Local ordinances or building codes may require revision (Council approval).</p> <p>Council likely to be involved if new rate structures, code changes, or litigation decisions arise.</p> |
| HIGH PRIORITY | | LOWER PRIORITY | | COUNCIL-DIRECTED POLICY UPDATE |
| High Priority, but not urgent—designed for a 2–3 year planning horizon. | | N/A | | Likely, if changes to local ordinances, building codes, or rate structures are proposed. |

| Proposed Topic 2: | Feasibility Study of Purple Pipe Expansion & Establishment of a Recycled Water Utility - Assess the potential for expanding Palo Alto's recycled water system | | | |
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| BENEFICIAL IMPACTS | TIMELINE | RESOURCES NEEDED | MEASURE OF SUCCESS | STATE MANDATED / LOCAL LAW / COUNCIL-APPROVED |
| <p>Maximizes the City's significant capital investment in the wastewater treatment/recycling plant.</p> <p>Reduces reliance on potable water by expanding the purple pipe system and usage within Palo Alto.</p> <p>Creates potential for a Recycled Water Utility to govern, finance, and manage distribution effectively.</p> <p>Enhances sustainability, resilience to drought, and local water independence.</p> | <p>Short-Term (6–12 mo.) Map and assess the existing purple pipe infrastructure, including the small system running down East Bayshore to the golf course and Greer Park.</p> <p>Quantify the volume of recycled water currently sent to Mountain View vs. local use.</p> <p>Initiate a feasibility study addressing technical, regulatory, and financial aspects of expanding the purple pipe system within Palo Alto.</p> <p>Medium-Term (12–24 mo.) Evaluate costs/benefits of expansion scenarios, including potential revenue models or cost-sharing agreements.</p> <p>Benchmark other cities' successful recycled water programs to explore best practices and potential governance structures.</p> <p>Engage stakeholders (residents, businesses, other agencies) on feasible expansion routes and priorities.</p> <p>Long-Term (24+ mo.) If recommended, establish a formal Recycled Water Utility to govern distribution, set rates, and manage infrastructure.</p> <p>Begin phased construction of new pipelines or retrofits based on study findings and Council approval.</p> | <p>Engineering/Consulting services for infrastructure assessment and expansion design</p> <p>Financial analysis to assess cost recovery, potential rate structures, or grants</p> <p>Legal/regulatory review to align with state requirements on recycled water</p> <p>Stakeholder outreach resources for community engagement</p> | <p>Completion of feasibility study with clear recommendations for expansion</p> <p>Increased local recycled water usage within Palo Alto, reducing reliance on potable supply</p> <p>Viable business model for a Recycled Water Utility (if pursued) that covers O&M costs</p> <p>Positive feedback from City Council, stakeholders, and regulatory bodies on the expansion plan</p> | <p>Council approval for capital investments and new utility formation.</p> <p>Subject to state and regional regulations.</p> |
| HIGH PRIORITY | | LOWER PRIORITY | | COUNCIL-DIRECTED POLICY UPDATE |
| High priority due to current, substantial capital investment in recycling plant, to ensure City maximizes use of its investment. In addition, aligns with City's sustainability goals. | | N/A | | Yes, major capital expansions may require formal Council action. |

| Proposed Topic 3: | Universal Access - Enhance CPAU accessibility beyond ADA compliance to ensure equitable service for all customers. | | | |
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| BENEFICIAL IMPACTS | TIMELINE | RESOURCES NEEDED | MEASURE OF SUCCESS | STATE MANDATED / LOCAL LAW / COUNCIL-APPROVED |
| <p>Ensures customers with disabilities can fully access CPAU services (billing portal, communications, facilities).</p> <p>Goes beyond minimum ADA compliance to adopt best practices in universal design.</p> <p>Builds equity and trust among all community members.</p> | <p>Short-Term (3–6 mo.) Conduct accessibility audit of CPAU platforms (e.g., billing portal, website, physical sites).</p> <p>Launch customer surveys & focus groups specifically for disabled customers.</p> <p>Medium-Term (6–12 mo.) Implement identified improvements (e.g., user interface changes, alternative format billing).</p> <p>Provide staff training on universal design & inclusive communication.</p> <p>Long-Term (12+ mo.) Ongoing monitoring & periodic re-evaluation via user feedback surveys.</p> | <p>Internal staff time</p> <p>Possible budget for any identified changes</p> | <p>Higher user satisfaction among disabled customers</p> | <p>ADA compliance is federally mandated but these efforts go beyond to provide universal access.</p> |
| HIGH PRIORITY | | LOWER PRIORITY | | COUNCIL-DIRECTED POLICY UPDATE |
| High priority given equity considerations. | | N/A | | May require council policy changes (e.g., new design standards). |

| Proposed Topic4: | Regional Collaboration on Water Supply - Advocate for accurate drought planning, strengthen regional partnerships, and explore alternative water supply solutions to enhance resiliency, cost efficiency, and long-term water security. | | | |
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| BENEFICIAL IMPACTS | TIMELINE | RESOURCES NEEDED | MEASURE OF SUCCESS | STATE MANDATED / LOCAL LAW / COUNCIL- APPROVED |
| <p>Enhanced drought resiliency & diversified water supply.</p> <p>Accurate design drought and cut back scenarios to advise current and future planning.</p> <p>Stronger position in regional decision-making.</p> <p>Potential cost savings via joint projects.</p> | <p>Short-Term (6–12 months): Advocate for regional partners, e.g. BAWSCA and SFPUC, to provide accurate design drought and cut back scenarios. Seek to bolster BAWSCA to advocate for accurate drought planning.</p> <p>Work with regional partners to identify and study feasibility of alternative water supplies.</p> <p>Medium-Term (12–24 months): Work with regional partners to communicate to public potential planning around alternative water supply.</p> | <p>Staff time for interagency coordination</p> <p>Possible consulting studies (supply forecasting, demand modeling)</p> | <p>Incorporation of Palo Alto's interests in regional water plans.</p> <p>Tangible progress on shared infrastructure or alternative supply solutions.</p> <p>Improved drought planning data.</p> | N/A |
| HIGH PRIORITY | | LOWER PRIORITY | | COUNCIL-DIRECTED POLICY UPDATE |
| <p>High priority. BAWSCA has a new CEO/General Manager that the City and UAC should work with. SFPUC has just begun its own alternative water supply planning process, with a primary focus on purified water projects. Its recently approved 10-year capital improvement plan allocates \$260 million toward alternative water supply programs within its \$3.16 billion total budget, but much of this planning remains in the early stages. The UAC recently considered and did not proceed with the city's One Water Plan, advising focusing on regional partnership to enhance our understanding of the drought planning scenarios for future regional and local planning and to seek a comprehensive regional strategy to alternative water supply.</p> | | N/A | | N/A |

| Proposed Topic 5: | Credit Card Fees - Implement a fee pass-through to reduce City costs, improve transparency, and allow larger credit card payments while monitoring customer impact. | | | |
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| BENEFICIAL IMPACTS | TIMELINE | RESOURCES NEEDED | MEASURE OF SUCCESS | STATE MANDATED / LOCAL LAW / COUNCIL- APPROVED |
| <p>Potential \$1.2M/year savings for the Utilities budget by shifting transaction fees to customers who choose credit cards.</p> <p>Encourages cost transparency and may incentivize lower-fee payment methods.</p> <p>Allow for customers to charge larger bill amounts (>\$5,000) to their credit cards, as fees are transparently passed on.</p> | <p>Short-Term (3–6 months): Implement updated fee pass-through structure and billing system changes.</p> <p>Develop communication plan for customers.</p> <p>Medium-Term (6–12 months): Monitor and review impact on customer satisfaction and payment behavior.</p> | <p>Billing software updates & staff training</p> <p>Customer communication/outreach</p> | <p>Reduction in City's transaction-fee costs (targeting \$1.2M savings).</p> <p>Customer acceptance measured by complaint levels or payment method shifts.</p> <p>Minimal negative impact on delinquency rates.</p> | N/A |
| HIGH PRIORITY | | LOWER PRIORITY | | COUNCIL-DIRECTED POLICY UPDATE |
| N/A | | Lower priority but also low-hanging fruit that can save \$1.2 million annually. | | May require policy update. |

| Proposed Topic 6: | Fiber to the Premises (FTTP) – Pilot and Phase 1 - Review and evaluate pilot results, recommend to Council ISP rates, refine business and operations plan for Phase 1 rollout, and inform decision on further investment after Phase 1. | | | |
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| BENEFICIAL IMPACTS | TIMELINE | RESOURCES NEEDED | MEASURE OF SUCCESS | STATE MANDATED / LOCAL LAW / COUNCIL- APPROVED |
| <p>Enhances high-speed internet access for residents & businesses.</p> <p>Ensure equitable access to high-speed and high-quality internet across the City, its neighborhoods, and its residents.</p> <p>Future-proofs City's communications infrastructure.</p> | <p>Short-Term (6–12 mo.): Complete pilot, begin marketing, gather data on take-rate.</p> <p>– Medium-Term (12–24 mo.): Evaluate pilot results, refine business and operations plan for Phase 1 rollout.</p> | <p>Capital investment for fiber deployment</p> <p>Marketing budget</p> <p>Ongoing operations & maintenance funding</p> | <p>Demonstration of operational success from pilot.</p> <p>Meeting or exceeding pilot and phase 1 goals</p> <p>Positive customer feedback and subscription growth.</p> <p>Sustainable model to cost-recovery or revenue.</p> | Likely needs Council approval for budget allocations, rate structures, or bond financing |
| HIGH PRIORITY | | LOWER PRIORITY | | COUNCIL-DIRECTED POLICY UPDATE |
| High priority. The Council has approved a FTTP pilot and phase 1 to study eventual build-out to the city. In the coming year, the pilot will be started and studied. | | N/A | | N/A |

| Proposed Topic 7: | Federal Issues and Collaboration - Monitor federal policy changes, informational item regarding impact, secure critical funding, advocate for beneficial legislative or regulatory actions to protect City resources, and strengthen federal partnerships. | | | |
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| BENEFICIAL IMPACTS | TIMELINE | RESOURCES NEEDED | MEASURE OF SUCCESS | STATE MANDATED / LOCAL LAW / COUNCIL-APPROVED |
| <p>Helps the City mitigate negative effects from federal policy changes (e.g., budget cuts, shifting regulations).</p> <p>Identifies resources (e.g., federal grants) that City utilities rely on, ensuring continuity of funding & compliance.</p> <p>Positions the City to advocate effectively for beneficial regulatory or legislative changes.</p> <p>Strengthens relationships with federal representatives and agencies.</p> | <p>Short-Term (3–6 mo.) Inventory federal resources/programs used by the City (funding, permits, land, etc.).</p> <p>Develop risk assessment of potential federal cost-cutting impacts.</p> <p>Identify immediate federal legislative or regulatory priorities for City advocacy.</p> <p>Medium-Term (6–12 mo.) Engage regularly with federal representatives (e.g., staff briefings, letters, visits).</p> <p>Develop strategies to safeguard critical grants or programs.</p> <p>Long-Term (12+ mo.) Propose any desired federal law/regulation changes for long-term City benefit.</p> <p>Formalize ongoing mechanism for monitoring and responding to federal actions.</p> | <p>Staff time to compile inventories and coordinate advocacy</p> <p>Possible outside lobbyist or legal counsel for federal issues</p> <p>Budget for travel/meetings in Washington, D.C. or regionally</p> | <p>Timely identification of potential federal funding shortfalls or policy changes.</p> <p>Number of successful federal grants retained or newly secured despite cost-cutting.</p> <p>Positive engagement/feedback from federal reps on City's positions.</p> <p>Incorporation of City concerns into relevant legislative proposals or regulatory rulemaking.</p> | <p>Council approval might be required for formal policy positions or lobbying expenditures.</p> |
| HIGH PRIORITY | | LOWER PRIORITY | | COUNCIL-DIRECTED POLICY UPDATE |
| High priority given the potential budget or regulatory impacts. | | N/A | | May require council policy changes, including city resolutions or official stances on federal issues. |

| Proposed Topic 8: | Data Center Competitiveness - Review and recommend policies and incentives to attract data centers to Palo Alto | | | |
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| BENEFICIAL IMPACTS | TIMELINE | RESOURCES NEEDED | MEASURE OF SUCCESS | STATE MANDATED / LOCAL LAW / COUNCIL-APPROVED |
| <p>Potential to attract new data center developments or expansions, boosting local economic activity and job creation.</p> <p>Leverages Palo Alto's carbon-free energy to market a more sustainable data center environment versus competitors.</p> <p>Increases City revenue streams (utility sales, property taxes, etc.)</p> <p>Increased sales may lead to reduced rates for our customers.</p> <p>Builds on existing tech reputation of Palo Alto/Silicon Valley.</p> | <p>Short-Term (1–3 mo.) Conduct market analysis comparing Palo Alto's electricity rates, real estate availability, permitting processes, and data center–friendly policies to those of neighboring cities (e.g., Santa Clara).</p> <p>Identify key barriers or advantages (e.g., cost competitiveness, clean energy, land use constraints).</p> <p>Medium-Term (3–9 mo.) Develop targeted policy or rate options to attract data centers (e.g., special electricity rate packages, expedited permitting zones).</p> <p>Collaborate with real estate developers and property owners to address space constraints or lease structures.</p> <p>Long-Term (9+ mo.) Implement pilot incentive programs or updated rates if Council-approved.</p> <p>Monitor outcomes, refine strategies, and continue marketing Palo Alto's advantages.</p> | <p>Staff time (economic development, utilities, planning) for market research and policy review.</p> <p>Potentially consultant to assess market if needed.</p> <p>Legal counsel if changes to rates or zoning require new ordinances.</p> <p>Budget for outreach/marketing materials.</p> | <p>Clear, data-driven competitiveness report identifying Palo Alto's position vs. neighbors.</p> <p>If implemented, new or expanded data center developments within city limits.</p> <p>Revenue growth from increased utility sales.</p> <p>Favorable feedback from the tech community regarding Palo Alto's data center environment.</p> | Council approval for new electricity rates or zoning changes. |
| HIGH PRIORITY | | LOWER PRIORITY | | COUNCIL-DIRECTED POLICY UPDATE |
| High priority due to opportunity to compete in exploding data center market due to the rise of artificial intelligence. | | N/A | | Yes, if altering utility rate structures or zoning/permitting processes for data centers. |

| Proposed Topic 9: | Microplastics and Forever Chemicals in Water Supply and Wastewater - Assess and mitigate forever chemical (PFAS etc.) and microplastic contamination in drinking water and wastewater. | | | |
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| BENEFICIAL IMPACTS | TIMELINE | RESOURCES NEEDED | MEASURE OF SUCCESS | STATE MANDATED / LOCAL LAW / COUNCIL- APPROVED |
| <p>Improved public health and environmental protection by studying and reducing PFAS (and other forever chemicals) and microplastics in drinking water and discharged wastewater.</p> <p>Compliance with California and federal regulations (keeps the City ahead of regulatory curves).</p> <p>Potentially reduced long-term infrastructure costs by addressing contaminants early.</p> <p>Builds community trust in water quality.</p> | <p>Short-Term (6–12 months): Initiate sampling of wastewater and water distribution system to quantify microplastics and PFAS.</p> <p>Conduct feasibility for solutions, such as for installing filters on residential/commercial laundry machines.</p> <p>Medium-Term (12–24 months): Evaluate pilot programs for retrofitting or upgrading treatment processes.</p> <p>Assess whether plastic-based service lines and mains contribute microplastics to the water/soil, and study alternative pipe materials.</p> | <p>Staff time for feasibility studies & sampling</p> <p>Funding for pilot mitigation projects</p> | <p>Reduction in PFAS/microplastic levels to target thresholds.</p> | <p>Subject to CA and potential future federal regulations on PFAS/microplastics</p> <p>May need Council approval if new local ordinances or major capital investments are required.</p> |
| HIGH PRIORITY | | LOWER PRIORITY | | COUNCIL-DIRECTED POLICY UPDATE |
| <p>High priority in determining baseline microplastic and forever chemical contamination and studying mitigation given increased awareness of extent of contamination and detrimental health effects.</p> | | N/A | | <p>May require policy update (e.g., if requiring certain filters or changing procurement standards).</p> |

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| Proposed Topic 10: | Time of Use Rates - bring TOU to UAC early to give us a chance to discuss and advise on options before they are rolled out. Then, once TOU rates are in place, report out on how it is going at least once a year | | | |
| BENEFICIAL IMPACTS | TIMELINE | RESOURCES NEEDED | MEASURE OF SUCCESS | STATE MANDATED / LOCAL LAW / COUNCIL-APPROVED |
| <ul style="list-style-type: none"> • Discuss what are our goals as a city? Reduce GHG use within PA? Minimize cost of electricity? Reduce stress on grid from vehicle charging? • How many and what rate structures would we consider? • What rate structures are in use in other comparable areas and how are they performing? | | Staff, Legal, | <ul style="list-style-type: none"> • Suggestions for top level KPIs: <ul style="list-style-type: none"> ○ Fraction or bar chart incorporating all customer classes: __ signups / __ customers in customer class ○ chart: % of customers uptake (cumulative by quarter by customer class)- this would reflect performance over time ○ chart: % of total PA electricity on TOU rates (cumulative by quarter)- this would reflect performance over time ○ Measures of GHG reduced / cost saved (depending on what the goal was) | Cost-of-service requirements set forth in the California Constitution and applicable statutory law |
| HIGH PRIORITY | | LOWER PRIORITY | | COUNCIL-DIRECTED POLICY UPDATE |
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| Proposed Topic 11: | Demand side management: annual update and discussion on programs and performance | | | |
| BENEFICIAL IMPACTS | TIMELINE | RESOURCES NEEDED | MEASURE OF SUCCESS | STATE MANDATED / LOCAL LAW / COUNCIL-APPROVED |
| <ul style="list-style-type: none"> • What are the city's goals of demand side management? Reducing load / water use? Electrification? Load shifting? • What are our strategies / programs and how are they performing? (beyond TOU rates) • (this part may overlap with grid mod / SCAP projects): What technologies does CPAU recommend to customers to help with these changes? What are the steps to determine what these recommendations will be? How will we communicate them? (Examples: circuit sharing panels, batteries, management of vehicle charging, vehicle to grid) | | Staff and Legal | <ul style="list-style-type: none"> • Create KPIs and report against them (in a numeric form, not in a paragraph description) • Suggestions for top level KPIs <ul style="list-style-type: none"> ○ Annual electric, gas, and water savings as a percent of total load ○ Pie charts breaking down annual electric and gas savings by end use as a percent of total energy savings ○ Charts showing historical electric, gas, and water savings over time ○ Charts showing historical adoption of EVs, solar, and storage over time | |
| HIGH PRIORITY | | LOWER PRIORITY | | COUNCIL-DIRECTED POLICY UPDATE |
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| Proposed Topic 12: | CPAU – Stanford Interconnection | | | |
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| BENEFICIAL IMPACTS | TIMELINE | RESOURCES NEEDED | MEASURE OF SUCCESS | STATE MANDATED / LOCAL LAW / COUNCIL- APPROVED |
| <p>Greater grid reliability/resilience if either Palo Alto's or Stanford's system fails.</p> <p>Integrated emergency planning for critical services.</p> | <p>Short-Term (6–12 mo.): Feasibility/engineering study on interconnection points, cost sharing.</p> <p>Medium-Term (12–24 mo.): Implementation planning, permitting, construction approach.</p> | <p>Joint technical consultants</p> <p>Infrastructure investment funding</p> <p>Coordination team (City & Stanford)</p> | <p>Successful interconnection or backup capability in actual or simulated emergency.</p> <p>Minimal downtime and rapid recovery in a crisis.</p> <p>Positive cost-benefit compared to not having interconnection.</p> | <p>Likely requires formal agreement or MOU between City and Stanford.</p> <p>Council approval for major infrastructure investments or cost-sharing arrangements.</p> |
| HIGH PRIORITY | | LOWER PRIORITY | | COUNCIL-DIRECTED POLICY UPDATE |
| <p>Stanford and CPAU each currently have only one transmission line. CPAU has expressed concern over long-term power loss in the event of an accident at this transmission line (e.g., airplane crash), or upstream power loss due to disaster. CPAU power supports residences, businesses, and three major hospitals, including Stanford Hospital. Stanford has experienced power-loss events due to impacts to their PG&E transmission line, most recently in March 21, 2023. An interconnection between the grids will allow for greater grid reliability and resilience if either Palo Alto's or Stanford's system fails.</p> | | N/A | | <p>Possibly (for final agreements, budget approvals)</p> |

| Proposed Topic 13: | CPAU Electrical Emergency Preparedness | | | |
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| BENEFICIAL IMPACTS | TIMELINE | RESOURCES NEEDED | MEASURE OF SUCCESS | STATE MANDATED / LOCAL LAW / COUNCIL- APPROVED |
| <p>CPAU emergency preparedness is essential for the preparedness of the entire Palo Alto community and a key aspect of CPAU's reliability / resilience activities.</p> <p>This initiative is geared to prepare CPAU and the Palo Alto community it serves for emergencies, such as earthquakes, cyber-attacks, wildfires, and floods, in coordination with Palo Alto's Office of Emergency Services (OES).</p> | <p>2025-2026: Initial assessment and coordination with OES. (See "Measures of Success")</p> <p>2027 & ongoing: Implementation and regular updating.</p> | <p>2025-2025: CPAU staff time for establishing initial objectives and planning with OES. OES staff to work with CPAU.</p> | <ol style="list-style-type: none"> 1. Determination of the "design emergencies" to be used as the basis for CPAU emergency preparedness. 2. Establishment of CPAU's risk assessment framework in coordination with OES. 3. Determination of CPAU's roles and specific actions in each such emergency. 4. Completion of action planning and implementation in coordination with OES. | N/A |
| HIGH PRIORITY | | LOWER PRIORITY | | COUNCIL-DIRECTED POLICY UPDATE |
| <p>Highly important and urgent.</p> <p>CPAU emergency preparedness is essential for the preparedness of the entire Palo Alto community.</p> <p>CPAU has invested to reinforce water system operation during an emergency, for example water main upgrading and wells with emergency power. But CPAU has focused its electrical reliability efforts only on short-term interruptions. With the risk of earthquakes and other events that could cause long-term disruption to CPAU's electricity delivery, it is essential that we develop equivalent plans for electrical resilience and CPAU responsibility during a severe emergency. CPAU needs to develop its emergency preparedness consistent with the OES "design emergency" in collaboration with OES.</p> | | N/A | | N/A |

| Proposed Topic 14: | CPAU Grid Mod Strategy | | | |
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| BENEFICIAL IMPACTS | TIMELINE | RESOURCES NEEDED | MEASURE OF SUCCESS | STATE MANDATED / LOCAL LAW / COUNCIL-APPROVED |
| <p>Grid Mod represents an expenditure of \$300M+. Multiple technologies and other exogenous factors will impact distribution grid design and implementation in major ways. To address those issues, the Grid Mod plan needs to include:</p> <ol style="list-style-type: none"> 1. The goals that grid modernization is intended to achieve and the strategy for achieving those goals. 2. A detailed plan and roadmap articulating what will be done, and when: Anticipated “external environment” impacts over the life of the plan; key milestones and decision points for actions and expenditures; which technologies will be accommodated and when; estimated capital and operating costs; and opportunities to mitigate, reduce, or delay expenditures. | <p>With major Grid Mod expenditures already underway, CPAU needs an intensive strategic planning focus starting immediately and continuing from 2025 through 2027.</p> | <p>2025-2027: CPAU staff time and external experts to map out the CPAU distribution grid evolution and impacts of key exogenous factors. (See “Measures of Success.”)</p> | <p>To succeed, Grid Mod must successfully address the key issues that will affect the design and cost of CPAU's future distribution Grid:</p> <ol style="list-style-type: none"> 1. New technologies: Technological advances mean that the future grid will not be an incremental extension of today's grid. So, Grid Mod needs to anticipate and incorporate those changes, for example, local distributed energy resources (DER) such as solar + storage; microgrids; active demand side management (DSM); electric vehicles (EVs), and advanced metering (AMI). 2. SCAP: How will the grid deliver the electricity called for by the City's SCAP plan? 3. Resilience: When the grid is operating (reliability, up time, repairability) and during emergencies (as CPAU does for water). 4. Other exogenous factors: Especially energy supply, future regulations, and shifts in demand, such as proliferation of large data centers. | <p>N/A</p> |
| HIGH PRIORITY | | LOWER PRIORITY | | COUNCIL-DIRECTED POLICY UPDATE |
| <p>Highly important and urgent.</p> <p>With a planned expenditure of \$300M+ Grid Mod is CPAU's largest capital investment. To succeed and employ this capital effectively the Grid Mod plan and implementation <i>must explicitly address and incorporate</i> key technological and other exogenous factors.</p> | | <p>N/A</p> | | <p>N/A</p> |