



Executive Committee Meeting
Wednesday, November 1, 2023
9:00 am

In Person:

Conference Room 5
Ava Community Energy
(formerly East Bay Community Energy)
1999 Harrison St., Suite 2300
Oakland, CA 94612

Or from the following location:
Dublin City Hall - 100 Civic Plaza, Dublin, CA 94568

Via Zoom:

<https://us02web.zoom.us/j/88267670367>

Or join by phone:

Dial (for higher quality, dial a number based on your current location):
US: +1 669 900 6833 or +1 253 215 8782 or +1 346 248 7799 or +1 301 715 8592
or +1 312 626 6799 or 877 853 5257 (Toll Free) or 888 475 4499 (Toll Free)
Webinar ID: 882 676 70367

Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact the Clerk of the Board at least 2 working days before the meeting at (510) 906-0491 or cob@avaenergy.org.

If you have anything that you wish to be distributed to the Executive Committee, please email it to the clerk by 5:00 pm the day prior to the meeting.

1. Welcome & Roll Call

2. Public Comment

This item is reserved for persons wishing to address the Executive Committee on any Ava Community Energy-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. As with all public comment, members of the public who wish to address the Committee are customarily limited to three minutes per speaker and must complete an electronic [speaker slip](#). The Executive Committee Chair may increase or decrease the time allotted to each speaker.

- 3. Approval of Minutes from June 7, 2023 and October 4, 2023**
- 4. Ava Solar Billing Plan Proposal (Informational Item)**
Discussion about Ava Solar Billing Plan Proposal
- 5. Closed Session**
 - a. Public Employee Performance Evaluation pursuant to Government Code § 54957: Chief Executive Officer.
- 6. General Report Out of Closed Session**
- 7. Committee Member and Staff Announcements including requests to place items on future Executive Committee Agendas**
- 8. Adjourn**

The next Executive Committee meeting will be held on Wednesday, December 6, 2023.



Draft Minutes

Executive Committee Meeting

Wednesday, June 7, 2023

9:00 am

In Person:

Conference Room 1
East Bay Community Energy
1999 Harrison St, Suite 800
Oakland, CA 94612

Or from the following remote location:

- Dublin Civic Center, Second Floor, 100 Civic Plaza, Dublin, CA 94568

Via Zoom:

<https://ebce-org.zoom.us/j/88267670367>

Or join by phone:

Dial (for higher quality, dial a number based on your current location):

US: +1 669 900 6833 or +1 253 215 8782 or +1 346 248 7799 or +1 301 715 8592 or
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1. Welcome & Roll Call

Present: Members: Tiedeman, Hu, Marquez and Chair Balch

Excused: Member Kalb

Member Hu joined the meeting at 9:11 am

2. Public Comment

This item is reserved for persons wishing to address the Executive Committee on any EBCE-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. As with all public comment, members of the public who wish to address the Committee are customarily limited to three minutes per speaker and must complete an electronic [speaker slip](#). The Executive Committee Chair may increase or decrease the time allotted to each speaker.

(0:44) Dr. Marvin Boomer, a Pathway Administrator at Castlemont High School, advocated for the importance of energy resilience and local control of energy resources. He pointed to several student projects related to urban design and health, emphasizing the momentum in East Oakland for a sustainable future led by black, brown, and BIPOC communities. Highlighting the school's initiatives, like the one-acre farm orchard and garden and solar panels, he suggested that such sustainable practices should be expanded, including more access to clean energy and high-capacity energy storage. He emphasized that these investments should not be limited to municipal buildings but should also encompass trusted community spaces, small businesses, community centers, and safe spaces for immigrants. Dr. Boomer urged the board to consider these points when making decisions, stating that such investments would benefit not only East Oakland but all cities involved with East Bay Community Energy.

3. Approval of Minutes from May 3, 2023

Member Marquez motioned to approve the minutes. This motion was seconded by Member Tiedemann. The motion was approved 3/0.
Excused: Members Hu and Kalb

Member Hu joined the meeting at 9:11 am

4. FY 2023-24 Draft Budget Review (Informational Item)

Review updated information on the proposed draft budget for the upcoming 2023-2024 fiscal year

Committee discussion (preliminary questions):

- **(29:37) Member Marquez (Alameda County)** asked for clarification about the options that were provided (see slide 7 in the presentation) about whether to reduce the cost to customers for Bright Choice or Renewable 100.
- **(31:37) Chair Balch (Pleasanton)** asked about the relationship between the number of opt-outs and the change in the relative premium of Renewable 100 to PG&E from \$0.0075 to \$0.0025. (see slide 4 in the presentation).
- **(33:41) Member Marquez (Alameda County)** asked about the status of Community Grants disbursements and the timeline to identify microgrid contract recipients. Regarding microgrid contract recipients, Member Marquez spoke in support of partnering with federally qualified health clinics.
- **(36:16) Member Hu (Dublin)** asked about the range and value of the discount reduction that being considered.

(37:36) Jim Lutz, a member of the Community Advisory Committee but speaking in a personal capacity, spoke in favor of the budget report and asked a series of questions regarding the agency's energy generation. He inquired about the extent to which self-generation can mitigate price volatility risks, the current proportion of EBCE's energy that is self-generated, and the annual growth rate of energy contracted for building. Additionally, Jim Lutz spoke in favor of investing in local generation, resilience hubs and virtual power plants as a means to reduce transmission failure risk.

(40:39) Audrey Ichinose, from East Bay Clean Power Alliance, sought clarity on how the projected rise in customer bills resulting from PG&E's non-bypassable charges has been factored into calculations regarding the adjustment of discounts. Audrey Ichinose questioned whether consideration had been given to how these increases, which are mostly out of EBCE's control, would impact customer bills.

(43:11) Jessica Tovar, from East Bay Clean Power Alliance, emphasized the necessity of the Community Innovation Grants, arguing they should be prioritized and replenished annually due to their significance in building energy resilience within the EBCE's service area. She highlighted an inconsistency, noting that while other community activities like sponsorships are supported, the Community Innovation Grants, which have not been offered since 2019, are neglected. Tovar contended that given EBCE's substantial income, more resources should be allocated to aid local community-based organizations in their resilience efforts. Additionally, Jessica Tovar spoke in opposition to EBCE's Community Resilience and VPP management program. She stated that, rather than offer technical support for community based organizations to apply for state and federal grants, EBCE should directly support the inclusion of CBO-sponsored projects in its community resilience program.

(45:56) Elsa, from the Local Clean Energy Alliance, backed Jessica Tovar's argument that EBCE's technical support approach doesn't adequately address the need for local energy development and risks outsourcing responsibilities. Elsa emphasized that EBCE, under the Local Business Development Plan, is mandated to procure local clean energy, and that proposals should incorporate community-based organizations or trusted community locations in the creation of virtual power plants and resilience initiatives. Elsa seconded Marvin Boomer's suggestion that resilience hubs should be in trusted community locations within vulnerable communities, as this could also foster job creation within the EBCE's territory. Additionally, Elsa agreed with Jim Lutz that local clean energy could help mitigate risks associated with wildfires, public safety shutdowns, and resource adequacy demands. They criticized EBCE's lack of significant investment in local development and urged the organization to reassess its funding allocation to fulfill its principal mandate of community energy provision.

Committee discussion (continued):

- **(47:58) Chair Balch (Pleasanton)** asked if there is a staff constraint issue that is preventing the direct funding of CBO-sponsored projects in the Community Resilience and VPP management program, and if that might be the reason that \$2M in technical grant writing assistance for CBOs has been recommended in the budget. (see Slide 17 in the presentation)

- **(51:50) Member Marquez (Alameda County)** asked for staff to develop community resilience and VPP funding eligibility metrics and criteria within one fiscal year.
- **(53:31) Chair Balch (Pleasanton)** supported Member Marquez' request for community resilience and VPP eligibility metrics and criteria, and asked if a pilot program to directly fund eligible CBOs could be developed.
- **(54:20) Member Tiedemann (Albany)** asked if staff capacity can be increased to expand the possibilities for what can be done with community development funding.
- **(56:07) Member Andersen (Piedmont)** thanked staff for thinking about the proper level of discounts and premiums to provide relative to rising PG&G rates, especially for customers who receive Renewable 100 as their default option. Member Balch followed up by asking if options for a change in the discount rate could be provided to the Board to decide.
- **(56:25) Member Balch (Pleasanton)** cautioned staff to consider the risk of recession on its projections for uncollectables collection, and he lent support for developing metrics and criteria for the direct funding for CBO-sponsored projects in the community resilience program.

5. EBCE Name Proposal (Informational Item)

Present the process and proposed new name for EBCE

Committee Discussion (preliminary questions):

- **(1:22:01) Member Hu (Dublin)** expressed approval of the relationship between the proposed brand name and the inclusion of the Central Valley in EBCE's service territory but asked if staff had considered the implications of further territory expansion on the name.
- **(1:23:57) Member Andersen (Piedmont)** asked about the thought process around choosing a popular female name for the brand, and if the name has any cultural, linguistic or religious connotations
- **(1:27:25) Member Balch (Pleasanton)** asked about the use of acronyms such as ACE for Ava Community Energy, which staff discouraged.

(1:28:27) Audrey Ichinose expressed appreciation for the presentation and suggested a branding alteration. She proposed capitalizing the "v" in the proposed brand name "Ava Community Energy" to emphasize the connection between Alameda County and the Central Valley. In her opinion, this small change could strengthen the institutional aspect of "Community Energy" and emphasize this agency's electrical power reliability.

(1:30:11) Elsa, a member of the Local Clean Energy Alliance, expressed concern about EBCE's proposed rebranding to "Ava Community Energy." They criticized the emphasis on personalization and compared it to digital assistants like Alexa or Siri, arguing that such an approach is inappropriate for a public agency that provides essential services. Elsa echoed Audrey Ichinose's sentiments about needing a formal, institutional name, suggesting an acronym or the name "East Bay and Valley Community Energy". They also questioned the marketing strategy of associating the public agency with an "energetic and earthy" name, viewing it as adhering to corporate marketing principles.

(1:32:01) Jessica Tovar shared feedback on the proposed rebranding to "Ava Community Energy" and suggested that a verb-like name might be more appropriate for the agency. Jessica Tovar questioned the timing of the rebranding, given the ongoing issues with integrating Stockton and the CPUC's halt due to resource adequacy concerns. Jessica Tovar emphasized the significance of the name change and its potential permanence, promising to continue gathering reactions to the proposed name.

Committee discussion (continued):

- **(1:36:36) Member Tiedemann (Albany)** recommended that rebranding campaigns emphasize that EBCE, or "Ava Community Energy", is a public agency that is not profit maximizing. Member Tiedemann stated that this is an important point to communicate to Renewable 100 customers. Member Tiedemann also stated that it is important to provide education about new branding to city staff so they are prepared to answer constituent's questions.
- **(1:38:46) Member Andersen (Piedmont)** asked for feedback from staff about Audrey Ichinose's suggestion to capitalize the "V" in "Ava Community Energy".
- **(1:40:04) Member Hu (Dublin)** requested that staff emphasize the continuity between "EBCE" and "Ava Community Energy" because the public might think that those names describe two separate entities.
- **(1:40:37) Member Marquez (Alameda County)** asked for staff to provide an estimate for when the logo redesign process will begin.

6. CAC Term Extension + Stockton Membership (Informational Item)

Proposal to extend current expiring CAC terms by six months and add an interim member for Stockton

Committee discussion:

- **(1:48:00) Member Marquez (Alameda County)** asked for an estimate for when the Board will receive an update about next steps.
- **(1:52:32) Member Hu (Dublin)** asked how many times a CAC member can renew their two-year terms.
- **(1:53:02) Chair Balch (Pleasanton)** spoke in opposition to extending the CAC member term length by six months, stating that opportunities should be provided for people to participate on the Community Advisory Committee. Chair Balch also requested for staff to think about realigning the Board, Subcommittee and CAC calendars back to the fiscal year.

7. Committee Member and Staff Announcements including requests to place items on future Committee Agendas

There were no Committee Member or staff announcements.

8. Adjourn

*The next Executive Committee meeting will be held on July 5, 2023 at 9:00 am at:
Conference Room 1*

East Bay Community Energy
1999 Harrison St, Ste 800
Oakland, CA 94612



Draft Minutes

**Executive Committee Meeting
Wednesday, October 4, 2023
9:00 am**

In Person:

Conference Room 1
East Bay Community Energy
1999 Harrison St, Suite 800
Oakland, CA 94612

Via Zoom:

<https://us02web.zoom.us/j/88267670367>

Or join by phone:

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Webinar ID: 882 676 70367

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Please note that the October 4, 2023 Executive Committee meeting was noticed incorrectly. Therefore, votes taken at this meeting will be taken again at the November 1, 2023 Executive Committee meeting.

1. Welcome & Roll Call

Present: Members: Tiedeman, Hu, Kalb, Marquez and Chair Balch

2. Public Comment

This item is reserved for persons wishing to address the Executive Committee on any EBCE-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. As

with all public comment, members of the public who wish to address the Committee are customarily limited to three minutes per speaker and must complete an electronic [speaker slip](#). The Executive Committee Chair may increase or decrease the time allotted to each speaker.

No public comment was provided.

3. Approval of Minutes from June 7, 2023

The June 7, 2023 minutes will be approved at the November 1, 2023 Executive Committee meeting

4. Health-e Communities (Informational Item)

Update on Health-e Communities Program plan

EBCE staff member Brett Wiley provided an informational update on the Healthy Communities Program.

- The 3-year program aims to install 2,000 induction stoves in EBCE customer homes to study the health benefits of electrification.
- The program will develop a contractor network and involve healthcare partners to potentially prescribe the program to patients.
- The EBCE Board approved \$15 million in funding for the building electrification portion of the program. EBCE will seek external funding for the healthcare research component.
- A 6-month pilot will be conducted starting in October 2023 to install 200 stoves and test methodologies before scaling up.
- The pilot will focus on enrolling low-income and medical baseline customers.
- The full program will aim to enroll participants referred by healthcare providers for conditions like asthma.
- EBCE will pay contractors directly for the stove, electrical work, permits, etc. to reduce friction for participants.
- The pilot will help determine accurate program costs and feasibility before launching the full program.

(32:11) Audrey Ichinose, a South Berkeley resident and member of East Bay Clean Power Alliance and the California Alliance for Community Energy, commended EBCE's initiative to promote induction cooking but raised concerns regarding execution. She questioned the emphasis on post-installation testing, given existing evidence of the dangers of gas cooking. Audrey Ichinose also sought clarity on whether installing full induction stoves or simply distributing plug-in induction cooktops would be more efficient and stressed the importance of educating the public about using these appliances. Ichinose recommended a review and revamp of the Health-e Communities program and stated that the title of the program is vague.

(34:50) Jessica Tovar, representing the East Bay Clean Power Alliance, emphasized the importance of coordinating with existing agencies such as Stop Waste and Bay Area Regional Energy Network to combine efforts on retrofits and energy efficiency. She highlighted a study which demonstrated a 30% pollution reduction in homes when switching from gas to induction stoves, but stressed that 70% pollution remains, partially from external sources and gas oven usage. Tovar raised concerns about gas ovens remaining even after induction cooktop installation, the lack of hoods over gas stoves in many low-income homes, and the risks of renter displacement or rent hikes. She proposed that East Bay Community Energy adopt a "green lease" approach to prevent such displacements. Tovar also voiced concerns about prioritizing modern homes over older housing stock in initial phases, especially given the health concerns like asthma in older homes. She urged the agency to consider HUD housing and other low-income residences outside of subsidized programs. Tovar concluded by stressing the need for a detailed budget, stating that re-conducting previous studies, like the air sampling one, is redundant, and called for immediate action.

(38:19) Jim Lutz, a member of the Community Advisory Committee, though speaking personally, raised questions regarding the costs associated with applying for and identifying research funding, both in terms of monetary value and staff hours. He inquired why potential partners and funding sources for the Heath-e Communities program had not been identified yet. Jim Lutz also expressed concerns about sources of indoor air quality problems in addition to gas stoves such as leaky homes.

(40:35) Elsa Potter, from the East Bay Clean Energy Alliance, emphasized concerns regarding the selection of appliances and the potential sidelining of older homes, lower-income areas, and multi-family housing in the pilot program. She noted that this appears to be done to streamline a study which has already been conducted multiple times. Elsa Potter cautioned against overlooking those who would benefit most from the pilot and voiced concerns that this could skew EBCE's understanding of potential limitations. She urged the board to re-evaluate the program to prioritize low-income communities and choose technologies most beneficial for them, like easily pluggable induction stovetops or entire induction ranges. Potter highlighted that if health is a primary concern, focusing solely on stovetops might be misguided as 70% of indoor pollutants aren't from stoves. She stressed the importance of determining the best technologies for low-income communities.

(49:36) Member Hu (Dublin) asked about the bill difference to customers for switching from gas stoves to induction cooktops, taking into consideration the difference in gas and electricity prices.

(52:26) Member Kalb (Oakland) asked for staff to describe the full program implementation. Member Kalb also asked questions about the criteria to qualify for the program.

(1:02:03) Member Marquez (Alameda County) expressed interest in partnering with the Public Health Department in Alameda County as well as the federally qualified

health plan clinics and spoke in approval of the program's support for low-income members. Member Marquez also asked about next steps with regards to outreach.

(1:07:18) Member Tiedemann (Albany) asked if, after the pilot has concluded, staff could provide data about who the program has served - homeowners or renters.

(1:08:17) Chair Balch (Pleasanton) acknowledged the public's suggestion to collaborate with entities like Stop Waste and BayRen. Drawing from Pleasanton's experiences with home upgrades, he noted the challenges due to the lack of standardized conditions in homes. While upgrades such as panel enhancements are important, learning from the pilot to determine the next beneficial steps and allocating resources back into the community remains vital. Chair Balch underscored the significance of indoor air quality over potential bill impacts and emphasized the importance of incentivizing customers to make choices that enhance air quality. He also highlighted the potential role of city partnerships, using Pleasanton as an example, stating the need for cities to be receptive to improvements and not become barriers. The chair concluded by stressing the importance of learning from the pilot and anticipating unforeseen challenges,

5. (1:11:13) Committee Member and Staff Announcements including requests to place items on future Executive Committee Agendas

- **Member Marquez (Alameda County)** requested to add a closed session item to discuss CEO performance metrics at the November 2023 BOD meeting.
- **Chair Balch (Pleasanton)** requested to discuss soliciting vendors for a 360 review of the CEO in open session at a future meeting.
- **Chair Balch (Pleasanton)** requested that staff discuss the Power Content Label controls and certification process.
- **Member Hu (Dublin)** requested a future discussion on EBCE's energy storage strategy and programs.

6. Adjourn

The next Executive Committee meeting will be held on Wednesday, November 1, 2023.



Staff Report Item 4

TO: Ava Community Energy Executive Committee

FROM: Kelly Brezovec, Director of Account Services
Jin Ruan, Energy Analyst - Financial Modeler

SUBJECT: Solar Billing Plan Policy recommendations

DATE: November 1, 2023

Recommendation

Receive an update on staff policy recommendations for the Solar Billing Plan (SBP), also known as Net Billing Tariff (NBT). Provide feedback in advance of policy going to the full board for a vote in November.

Background

Ava Community Energy regulatory staff has been tracking the NEM 2.0 successor tariff and presented on major developments at the [December 2022 Board of Directors meeting](#). Staff returned to the [September 2023 Board of Directors meeting](#) to provide a history of the NEM tariffs and the Net Billing Tariff, with an intention to return with Ava-specific data and a proposal for implementation.

Net Billing Tariff (NBT) is the successor to NEM 2.0. Rather than receive the retail rate for generation that is exported to the grid, customers receive compensation at a new Avoided Cost Calculation (ACC) rate, also called the Energy Export Credit (EEC). The ACC is a tool used by the California Public Utility Commission (CPUC) to determine the value of onsite solar and other distributed energy resources. The ACC varies by the hour and the month. Spring and summer mid-day ACC compensation rates are the lowest while late summer early evening prices are the highest. ACC pricing is aligned with historic California Independent System Operator, or CAISO, energy demand and availability.

The policy proposed by the CPUC, adopted by PG&E, includes a “glidepath” for new residential SBP customers, which provides an adder, or increase, to the established ACC for new solar customers who

are voluntarily installing solar with larger adders for CARE or FERA customers. Residential new construction is required per State building code to install solar and will not receive the Energy Export Bonus Credit, as these are “involuntary” system installations. The glidepath uses a vintage-like system with customers receiving their adder for nine years. The glidepath adder under the base SBP plan is called the **Energy Export Bonus Credit**. Note that the glidepath does not apply to non-residential customers.

Table 1: Energy Export Bonus Credits (SBP Glidepath)

	Residential \$/kWh	Low Income \$/kWh
2023	\$0.022	\$0.090
2024	\$0.018	\$0.072
2025	\$0.013	\$0.054
2026	\$0.009	\$0.036
2027	\$0.004	\$0.018

Implementation Schedule

There are two groups of customers that will initially be eligible for SBP:

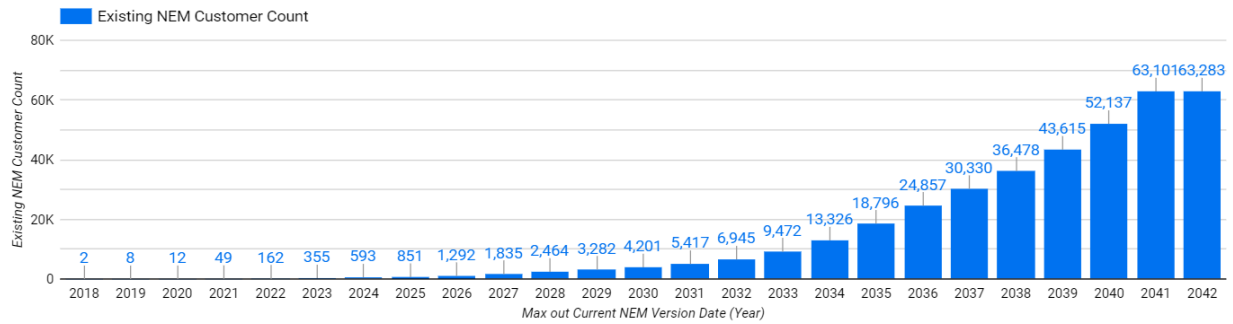
1. Customers that completed their self-generation application after April 14, 2023 will be automatically placed on SBP.
2. Customers that have completed 20 years on NEM 1.0, and eventually 20 years on NEM 2.0, will transition to SBP at their next PG&E delivery true-up.

Given the complexities of this new tariff, PG&E’s billing systems are not ready to bill on SBP. PG&E expects to have their residential SBP operations ready by December 2023 and non-residential prepared by July 2024. Once the billing systems are ready, customers will transition to SBP based on their PG&E delivery true-up date or interconnection date.

Existing NEM customers will remain on their current tariff until they have reached their 20-year legacy period.

For reference, figure 1 depicts the movement from our existing NEM customers to the new Solar Billing Plan tariff, based on the 20-year legacy period. Ava will not see the majority of our current NEM customers transition to SBP until 2037.

Figure 1: Charting Ava customers' transition dates, NEM 1.0 and 2.0 to Solar Billing Plan



Ava SBP Policy Proposal

Staff proposes to implement SBP, largely mirroring PG&E's structure - with three major differences as listed below and followed by additional detail.

1. Peak load management compensation
2. CARE/FERA export adder
3. Peak hours export adder

First, SBP lends itself to paired solar and storage installations, as the customer can use their own excess energy later in the evening. Ava staff is exploring program opportunities to compensate customers with a capacity-based payment based on the size of the customer's battery for storage use that is aligned with our peak, and is able to flex with price signals provided by Ava. This program would be the successor to the Resilient Home program, and provide benefits to Ava customers in the form of cost savings resulting from active battery management as well as capacity-based payments for use of storage. Program design is under development, and seeks to provide a route for broad participation for Ava customers regardless of battery vendor while advancing local solar resource usage and peak load management. Program design is under development, and seeks to provide a route for broad participation for Ava customers regardless of battery vendor while advancing local solar resource usage and peak load management.

Staff will return to the Board within the first half of 2024 with a program to encourage solar plus storage adoption and usage in Ava's service area via meaningful, on-going capacity-based payments based on customer participation.

Second, all SBP CARE/FERA Ava customers - including those transitioning from NEM 1.0 and 2.0, or those customers who were required to add solar to meet the California building code for new housing - will be eligible for a \$0.01 per kWh Ava adder for all exported energy. Note that this is on top of the Energy Export Credit Bonus that new installations will receive.

Third, all remaining SBP Ava customers, again, including those transitioning from NEM 1.0 and 2.0, or those customers who were required to add solar to meet the California building code for new housing and including non-residential customers - will be eligible for a \$0.025 per kWh export adder during the Ava peak hours of 3-8 pm, 7 days a week.

Staff proposes the Ava bonus structure will be in place for five years, from 2024 to 2029. The Ava tariff will include a provision to edit or remove the adder after the five-year period. In contrast with the IOU’s glidepath, this bonus structure is flat for five years, which allows Ava to learn more about SBP, customer installation patterns and behaviors, and develop our robust battery storage capacity-based incentive program. After 2029, Ava may step down or remove this adder.

Table 2: Comparison between Energy Export Bonus and Ava Adders

	Implementer	Customer Segment	Timeframe	Structure	Amount
Energy Export Bonus Credit (SBP base plan)	PG&E Ava	Residential customers with new voluntary solar installation after April 14, 2023	Applies to customers who install solar in the first 5 years of the new SBP program (2023-2027); the rate is locked in for 9 years	- Value of credit goes down by 20% each year within the 5-year period to incentivize going solar sooner - CARE/FERA customers receive a higher credit	Varied, from \$0.004 to \$0.090 per kWh
Ava Adder - CARE/FERA (Proposed)	Ava	All CARE/FERA SBP customers Residential, voluntary or involuntary install, new or transitioning from NEM 1.0/2.0	5 years (2024 – 2029); Ava tariff will include a provision to edit or remove after the 5-year period	- Flat adder for energy exports at all hours - On top of Energy Export Bonus credit, if applicable	\$0.01 per kWh
Ava Adder - Peak Hours (Proposed)	Ava	All SBP customers, non-CARE/FERA Residential, commercial, voluntary or involuntary install, new or transitioning from NEM 1.0/2.0	5 years (2024 – 2029); Ava tariff will include a provision to edit or remove after the 5-year period	- Flat adder for energy exports between Ava peak hours of 3-8 pm - On top of Energy Export Bonus credit, if applicable	\$0.025 per kWh (3-8 pm)

Fiscal Impact

The fiscal impact is in the direction of customer credits that are shifting from Ava to the customer. With the Ava Peak Hours Adder scenario outlined above, we see an additional \$20 in annual credits for non-CARE/FERA customers and \$45 in annual credits for CARE/FERA customers through the Ava CARE/FERA Adder.

Table 3: Estimated annual credits for excess generation

	CARE/FERA, new voluntary installation	Non-CARE/FERA, new voluntary installation	CARE/FERA, NEM transition or mandatory install	Non-CARE/FERA, NEM transition or mandatory install
Base SBP	\$481	\$236	\$167	\$163
SBP + Ava Adders	\$525	\$257	\$211	\$184

The value for commercial, or non-residential, customers is not as meaningful to model, as system size and usage is highly variable.

Overall, five years of the Ava Adders will mean an additional \$8.4M in customer credits for solar production, with the bulk of those credits being applied to excess generation during the Ava peak demand period of 3-8 pm.

Table 4: Annual Export Generation Costs under Solar Billing Plan Scenarios

	2024	2025	2026	2027	2028	Total
Base SBP	\$4,579,619	\$7,824,747	\$12,228,903	\$16,572,929	\$20,394,958	\$61,601,157
CARE/FERA	\$820,571	\$1,396,707	\$2,172,137	\$2,926,022	\$3,555,654	\$10,871,091
Non-CARE/FERA	\$3,759,048	\$6,428,040	\$10,056,766	\$13,646,907	\$16,839,304	\$50,730,066
SBP + Ava Adder	\$5,227,403	\$8,982,844	\$13,898,276	\$18,755,731	\$23,099,998	\$69,964,251
CARE/FERA	\$1,011,016	\$1,736,504	\$2,661,738	\$3,565,624	\$4,344,755	\$13,319,637
Non-CARE/FERA	\$4,216,387	\$7,246,339	\$11,236,539	\$15,190,107	\$18,755,243	\$56,644,615

As shown in Figure 1, existing NEM customers will transition to SBP each year, with 2,500 NEM customers transitioning to SBP by 2028. The estimated annual credits shown in Table 4 are based on these transitioning customers and estimated new SBP installations.

Attachment

A. Presentation

Solar Billing Plan Policy Proposal

Executive Committee Meeting

November 1, 2023



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Introduction

Solar Billing Plan Refresher

- SBP is the successor to NEM 2.0. Rather than receive the retail rate for generation that is exported to the grid, customers receive compensation at a new Avoided Cost Calculation (ACC) rate, called the Energy Export Credit (EEC).
- The EEC rate better aligns with the value of onsite solar and other distributed energy resources.
- EEC rates vary by the hour and the month. Spring and summer mid-day EEC prices are the lowest while late summer early evening prices are the highest.

Eligibility and Timeline

- Applies to customers with signed interconnection agreement after April 2023 or after 20-years with NEM 1.0/2.0 service
- PG&E's billing system for residential customers is scheduled to be online in mid-December 2023, non-residential customers in July 2024
 - Until the billing system is ready, PG&E and Ava will continue to bill SBP-eligible customers on NEM



Base Solar Billing Plan: CPUC/PG&E Glidepath

Recipients:

- New, voluntary residential installations that begin service eligible for SBP

Bonus structure:

- Value is provided to the customer for nine years
- Value is locked, based on the installation year
- Bonus is zero for installations starting in 2028

	Residential \$/kWh	Low Income \$/kWh
2023	\$0.022	\$0.090
2024	\$0.018	\$0.072
2025	\$0.013	\$0.054
2026	\$0.009	\$0.036
2027	\$0.004	\$0.018



Ava Solar Billing Plan

Staff proposes to implement SBP, largely mirroring PG&E's structure - with three major differences:

1. Peak load management compensation program
2. CARE/FERA export adder
3. Peak hours export adder



Peak Load Management Compensation: Capacity-Based Battery Storage Program

Benefits of Paired Solar + Storage with SBP

- Customers limit their excess exports, saving their daytime surplus to use during higher priced evening hours
- Potential peak load management for Ava

Ava can help encourage battery storage with solar installations

- Ava staff is exploring program opportunities to compensate customers with ongoing capacity-based payments
 - Customers align their use with Ava's peak and, also flex with price signals provided by Ava
 - Potential successor to the Resilient Home program
 - Cost savings resulting from active battery management as well as capacity-based payments for use of storage

Program Proposal expected in Q1/Q2 2024



Proposed Ava Adders

Recipients

- All SBP customers

Structure

- Constant adder, applied through EOY 2028
 - Tariff written to allow for modification starting in 2029
- CARE/FERA customer Adder is applied on all exports
- Non-CARE/FERA Adder is applied to exports during Ava's peak hours of 3-8pm
 - Encourages exports when they are most valuable to all Ava customers

Customer Group	Adder	Application
Residential CARE/FERA	\$0.01	All exports
Resi + non-Resi Non-CARE/FERA	\$0.025	Exports between 3-8pm



Ava Adder Duration

The Ava Adders as proposed will be in place for five years, through EOY 2028. By 2029, staff expects to use SBP data to better understand:

- Solar installation patterns, including rate of install and size of system
- Energy use behaviors
- Battery storage characteristics, such as size, usage patterns, and installation rates



Customer Financial Impacts – Annual Credits for Exports

	CARE/FERA, new voluntary installation	Non-CARE/FERA new voluntary installation	CARE/FERA transitioning or required install	Non-CARE/FERA transitioning or required install
Base SBP	\$481	\$236	\$167	\$163
SBP + Ava Adders	\$525	\$257	\$211	\$184

Figures here are based on an average residential customer, exclusive of battery storage and Ava's upcoming battery storage program



Ava Financial Impacts – Credits Provided for Exports

	2024	2025	2026	2027	2028	Total
Base SBP	\$4.6M	\$7.8M	\$12.2M	\$16.6M	\$20.4M	\$61.6M
CARE/FERA	\$0.8M	\$1.4M	\$2.2M	\$2.9M	\$3.6M	\$10.9M
Non-CARE/FERA	\$3.8M	\$6.4M	\$10.1M	\$13.6M	\$16.8M	\$50.7M
SBP + Ava Adder	\$5.2M	\$9.0M	\$13.9M	\$18.8M	\$23.1M	\$70.0M
CARE/FERA	\$1.0M	\$1.7M	\$2.7M	\$3.6M	\$4.3M	\$13.3M
Non-CARE/FERA	\$4.2M	\$7.2M	\$11.2M	\$15.2M	\$18.8M	\$56.6M



Summary of Recommendations

Implement Solar Billing Plan with:

- A planned capacity-based battery storage incentive program for peak load management
- A constant, five-year long Ava Adder available to all SBP customers:
 - CARE/FERA customers receive an extra \$0.01 per exported kWh
 - Non-CARE/FERA customers receive an extra \$0.025 per exported kWh between 3-8pm



Thank you!

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2022 Power Content Label comparisons

Tom Kelly <tkelly@kyotousa.org>
To: Adrian Bankhead <abankhead@ebce.org>

Mon, Oct 30, 2023 at 5:16 PM

Dear Adrian,

Please provide the Executive Committee with this email and attachment prior to the ExComm's meeting on Wednesday. Thank you.

Tom Kelly

Dear Members of the AVA Executive Committee,

I listened with interest to the presentation EBCE staff made on the Power Content Label at the last Board meeting. I heard CEO Chaset clearly state that the Board should direct the staff to make the changes in power content that they think are appropriate. This statement to the Board has been made previously. It is clear that he is asking the Board to direct staff to make changes in the power content of Bright Choice.

I am attaching a different view on the CCA Comparison chart that staff provided at the October Board meeting. Rather than rank the CCAs by "RPS" content, I've switched it to show the rankings by GHG content. You will see that 5 of the best 6 CCAs on GHGs do not have nuclear in their power mix. That should put to rest the claim that EBCE's GHG content is the result of the Board's decision not to take the nuclear allocation. Also note that PG&E's renewables (and those of the top 5 CCAs) are primarily PCC-1, while EBCE's are a combination of PCC-1 and PCC-2. PCC-2 renewables do not put Californians to work which was another important reason for the formation of EBCE.

I was also pleased to see that Redwood Coast moved up significantly in the rankings from #13 in 2021 to #4 in 2022. Granted, Redwood Coast is a small CCA, but it is buying power in the same markets as EBCE. They went from 33% renewable and 56% "unspecified" in 2021 to 50% renewable and 5% unspecified in 2022. Quite a remarkable achievement that demonstrates that a CCA can make significant changes in its power content in a short period of time.


Please also look at the "notes" on the spreadsheet. You'll see that 2 CCAs will be 100% renewable by 2030 (not 100% carbon free) and that PCE plans to be 100% renewable by 2025 on a 24/7 basis.

PCE is an interesting case study. PCE has essentially been 100% carbon free since its inception. It is about half the size of EBCE in terms of total accounts and overall electricity load. Nevertheless, PCE's latest financials show that net reserves are at \$266M (1st quarter 2023) while EBCE's are at \$324M for the same reporting period. The point I'd like to make here is that PCE is the cleanest CCA in northern CA and is in a very strong financial position. Note too, that PCE launched about a year before EBCE.

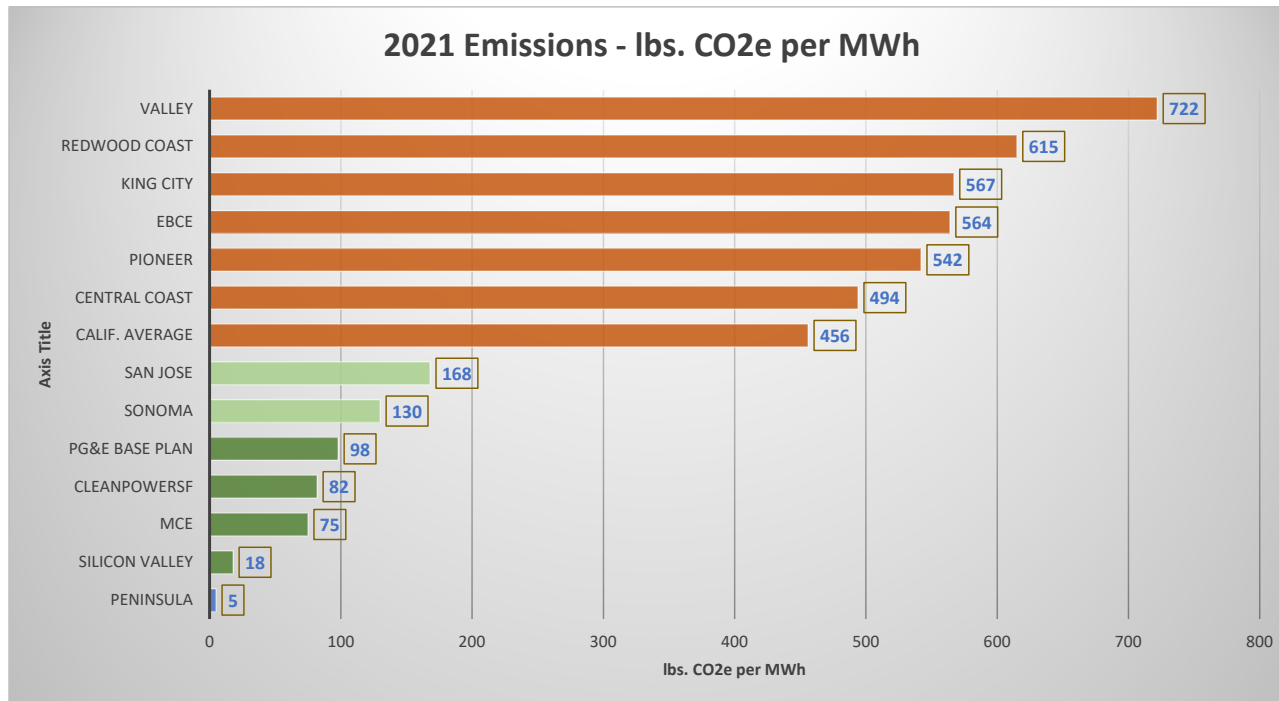
One other item caught my attention recently. The US EPA is proposing to increase the "social cost of carbon" (<https://www.nrdc.org/bio/mohit-chhabra/epa-finds-higher-benefits-curbing-climate-change>) to \$190/ton. It's currently \$40/ton. If there were a legal requirement to pay for the CO2 generated by EBCE (299,000 metric tons in 2021) at the proposed new rate, EBCE would owe nearly \$57M, a sum undoubtedly lower than what it would cost to eliminate EBCE's carbon emissions entirely.

I hope this is helpful. Please let me know if you have questions. All the best!

Tom Kelly
Berkeley

 **2020-2021-2022 PCL comparisons.xlsx**
24K

2020 RANK	2021 RANK	Load Serving Entity	Lbs CO2e per							% Unbundled
			MWh	% Renewable	% Unspecified	% Nat. Gas	% Large Hydro	% Nuclear	% Other	
2	1	Peninsula	5	49.20%	0.00%	0.00%	50.80%	0.00%	0.10%	0.00%
1	2	Silicon Valley	18	44.10%	0.00%	0.00%	35.90%	20.00%	0.00%	0.00%
4	3	MCE	75	60.50%	1.70%	0.00%	36.80%	0.90%	0.10%	0.00%
3	4	CleanPowerSF	82	55.40%	6.90%	0.00%	37.60%	0.10%	0.00%	0.00%
7	5	PG&E BASE PLAN	98	47.70%	0.00%	8.90%	4.00%	39.30%	0.00%	2.00%
5	6	Sonoma	130	49.70%	9.20%	0.00%	40.60%	0.50%	0.00%	0.00%
8	7	San Jose	168	36.00%	1.30%	0.00%	31.30%	31.30%	0.00%	0.00%
11	8	CALIF. AVERAGE	456	33.60%	6.80%	37.90%	9.20%	9.30%	0.20%	NA
6	9	Central Coast	494	38.40%	49.80%	0.00%	11.80%	0.00%	0.00%	0.00%
14	10	Pioneer	542	30.80%	48.40%	0.00%	0.40%	20.40%	0.00%	5.00%
13	11	EBCE	564	42.30%	40.00%	0.00%	15.90%	1.70%	0.10%	0.00%
12	12	King City	567	40.00%	60.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10	13	Redwood Coast	615	33.10%	56.40%	0.00%	10.50%	0.00%	0.00%	0.00%
9	14	Valley	722	12.60%	76.50%	0.00%	10.90%	0.00%	0.00%	0.00%



<u>2020</u> RANK	<u>2021</u> RANK	<u>2022</u> Rank	<u>Load Serving Entity</u>	<u>Lbs CO2e</u> per MWh	<u>%</u> <u>Renewable</u>	<u>%</u> <u>Unspecified</u>	<u>% Nat.</u> <u>Gas</u>	<u>% Large</u> <u>Hydro</u>	<u>%</u> <u>Nuclear</u>	<u>%</u> <u>Other</u>
2	1	1	Peninsula Clean Energy	9	51.80%	0.00%	0.00%	48.20%	0.00%	0.00%
4	3	2	MCE	44	59.60%	0.50%	0.00%	39.50%	0.40%	0.00%
3	4	3	CleanPowerSF	47	59.90%	2.90%	0.00%	37.20%	0.00%	0.00%
10	13	4	Redwood Coast	49	50.00%	5.00%	0.00%	45.00%	0.00%	0.00%
7	5	5	PG&E BASE PLAN	56	38.30%	0.00%	4.80%	7.60%	49.30%	0.00%
1	2	6	Silicon Valley	72	44.90%	0.00%	0.00%	30.80%	24.30%	0.00%
5	6	7	Sonoma Clean Power	112	50.30%	8.70%	0.00%	40.00%	0.90%	0.10%
8	7	8	San Jose Clean Energy	116	59.20%	8.60%	0.00%	7.40%	24.80%	0.00%
14	10	9	Pioneer	343	44.10%	27.00%	0.00%	1.30%	27.60%	0.00%
11	8	10	CALIF. AVERAGE	422	35.80%	7.10%	36.40%	9.20%	9.20%	2.20%
13	11	11	EBCE	496	49.40%	28.40%	0.00%	21.90%	0.20%	0.10%
12	12	12	King City	580	38.50%	61.50%	0.00%	0.00%	0.00%	0.00%
6	9	13	Central Coast	637	35.80%	58.30%	0.00%	5.90%	0.00%	0.00%
9	14	14	Valley	709	17.50%	75.10%	0.00%	7.40%	0.00%	0.00%

Notes:

EBCE will be 100% carbon free by 2030

Redwood Coast will be 100% renewable by 2030.

Peninsula Clean Energy will be 100% renewable - 24/7 - by 2025.

Valley Clean Energy is committed to 100% renewable by 2030.

2020						
RANK	Load Serving Entity	Lbs CO2e per MWh	% Unspecified	% Nat. Gas	% Other	% Unbundled RECs
1	Silicon Valley	7	0.20%	0.00%	0.30%	0.00%
2	Peninsula	13	0.40%	0.00%	0.10%	0.00%
3	CleanPowerSF	40	3.50%	0.00%	0.00%	0.00%
4	MCE	77	1.10%	0.00%	0.20%	0.00%
5	Sonoma	80	7.20%	0.00%	0.00%	0.00%
6	Central Coast	151	13.20%	0.00%	0.00%	0.00%
7	PG&E BASE PLAN	160	0.00%	16.40%	0.00%	2.00%
8	San Jose	178	10.50%	0.10%	0.40%	0.00%
9	Valley	190	19.60%	0.00%	0.00%	0.00%
10	Redwood Coast	447	26.30%	0.30%	0.70%	0.00%
11	CALIF. AVERAGE	466	5.40%	37.10%	0.20%	NA
12	King City	486	0.00%	0.00%	0.00%	8.00%
13	East Bay	591	44.70%	0.10%	0.20%	0.00%
14	Pioneer	603	55.90%	0.00%	0.00%	2.00%