



## Consent Item 6

**TO:** Ava Community Energy Authority

**FROM:** John Newton, Principal Regulatory Manager

**SUBJECT:** Resolution Authorizing Ava CEO to Negotiate and Execute a Consulting Services Agreement with Resero Corporation

**DATE:** January 17, 2024

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### **Recommendation**

Approve a Resolution dated January 17, 2024, authorizing Ava CEO to negotiate and execute a Consulting Services Agreement (“Agreement”) with the Resero Corporation (“Resero”). Resero will assist Ava with identifying and responding to evolving California Independent System Operator (“CAISO”) and other energy market rules and processes, and with associated infrastructure planning processes, for a total amount not to exceed \$500,000 through the planned two-year-term of the Agreement.

### **Background and Discussion**

The bulk of Ava’s energy resource portfolio participate in CAISO’s wholesale energy markets. Ava’s procurement of new or planned resources often includes resources that are or will interconnect to the CAISO-controlled transmission system. The timely and successful commercial operation of these new resources is contingent on the CAISO interconnection and transmission planning processes and grid operations.

Wholesale energy market operations and participation rules, as well as transmission and interconnection infrastructure planning and operation rules, are often the subject of frequent evolution in various stakeholder initiatives and recurring processes at CAISO as well as at the Federal Energy Regulatory Commission (“FERC”). The effects of policy, regulatory, and other rule changes for wholesale energy markets and transmission-system infrastructure are often highly complex and nuanced. The

changing regulatory landscape requires a significant allocation of staff time and other resources to monitor and engage in market and infrastructure work streams at CAISO and before other similar entities in order to influence proposed changes and safeguard Ava's energy portfolio needs. Recognizing the material importance of effective engagement in stakeholder initiatives and recurring processes at CAISO and other similar entities, Ava staff have identified a need to monitor and participate in these forums beyond Ava's current capabilities.

Ava solicited proposals from multiple vendors to provide wholesale energy market and infrastructure consulting services. We obtained three (3) written proposals in response to the solicitation. Based on an internal review of the proposals, relevant experience, qualifications of the respondents, and proposed fee structure, Ava staff identified Resero Corporation as the most qualified respondent.

**Fiscal Impact**

This Agreement will be funded with amounts from the forthcoming mid-year budget update for Public Policy.

**Attachment(s)**

- A. Resolution of the Board of Directors of the Ava Community Energy Authority Authorizing the CEO to negotiate and execute a Consulting Services Agreement with Resero Corporation

**RESOLUTION NO. R-2024-XX**

**A RESOLUTION OF THE BOARD OF DIRECTORS**

**OF AVA COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CEO TO NEGOTIATE AND EXECUTE A CONSULTING SERVICES AGREEMENT WITH RESERO CORPORATION**

**WHEREAS** The Ava Community Energy Authority (“Ava”) was formed as a community choice aggregation agency (“CCA”) on December 1, 2016, Under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The Cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of Ava and parties to the JPA in March of 2020. The City of Stockton, located in San Joaquin County was added as a member of Ava and party to the JPA in September of 2022. The City of Lathrop, located in San Joaquin County, was added as a member to Ava and party to the JPA in October of 2023. On October 24, 2023, the Authority legally adopted the name Ava Community Energy Authority, where it had previously used the name East Bay Community Energy Authority since its inception.

**WHEREAS** energy resources in Ava’s portfolio participate in wholesale energy markets (such as the California Independent System Operator (CAISO) energy market) which, from time to time, see a variety of changes in market participation rules or policies; and procurement of newly built or planned energy resources often interconnect to electric transmission system infrastructure that may be operated by the CAISO or similar entities, which may see a variety of changes to interconnection and transmission planning, operations, rules, or policies; Ava seeks timely insights into evolving market and infrastructure rule or policy changes that might affect the value or utilization of energy resources in Ava’s portfolio;

**WHEREAS** Ava solicited proposals from vendors to provide wholesale energy market and infrastructure consulting services. We obtained three (3) written proposals in response to the solicitation. Based on an internal review of the proposals, relevant experience, qualifications of the respondents, and proposed fee structure, Ava staff identified Resero Corporation as the most qualified respondent.

**WHEREAS** Ava wishes to execute a Consulting Service Agreement (“CSA”) with Resero Corporation (“Resero”) to assist Ava with identifying and responding to evolving wholesale energy market and infrastructure changes.

**WHEREAS** the anticipated cost of a CSA with Resero may not exceed \$500,000 through the planned two-year term of the CSA.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF AVA COMMUNITY ENERGY AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:**

Section 1. The CEO of Ava is hereby authorized to negotiate and execute a CSA for the wholesale energy market and infrastructure consulting services that will provide Ava with insights into wholesale energy market and infrastructure changes that may affect the value or utilization of current or future energy portfolio resources, with total compensation not to exceed \$500,000 for the two-year-term of the CSA. The CEO is further authorized to execute any additional clarifying or clerical changes to the CSA, which must be approved by General Counsel.

ADOPTED AND APPROVED this 17th day of January, 2024.

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Elisa Márquez, Chair

ATTEST:

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Adrian Bankhead, Clerk of the Board