

Ava Resilience Hubs and Solar+Storage Incentive Program

March 6, 2024

Ava Executive Committee



Program to deliver Community Resilience Hubs

Community Grant (\$300k)

3-year grant term with CBO

- Case Studies
- Resilience Hub definition
- Community Engagement
- Site Identification
- Feedback on value of Technical Assistance

Technical Assistance (\$2M)

5-year term, multiple parties

- Resilience hub site constraints
- Site Review
- Preliminary System designs
- Bid Reviews
- Grant writing assistance

Solar + Storage Incentive

- Budget from 2023 surplus + savings from transition from NEM2.0 to Net Billing Tariff.
- Incentive levels TBC
 - Upfront incentive
 - Ongoing incentive for batteries w/ ongoing monitoring through DERMS platform
- Residential & Non-Residential
- Higher incentives for CARE/Resilience Hubs

Issue RFPs in March, Initiate work in June/July

April BOD Approval



Community Feedback

Reviewed Resilience Hub Program outline with City Sustainability Staff and Community Advisory Committee at February meeting

Issued Survey for additional feedback on definition, use cases and potential sites for Resilience Hubs to City Sustainability Staff, CAC, Local Community Based Organizations for further discussion at March CAC. Feedback will be incorporated into Resilience Grant and Technical Assistance RFP.

Working with Solar Industry, California Solar and Storage Association, individual installers and Ava Independent Engineers to evaluate incentive levels and customer impacts of proposed solar and storage upfront and ongoing incentive levels.



Solar and Storage Incentive Program design

Upfront Incentive

Allocated from 2023 40% of Budget Surplus
\$40M dollars based on current surplus forecast

Upfront Incentive paid on storage \$/kWh:

- 50% (\$20M / ~4MWh) for CARE/Resilience Hubs
- 50% (\$20M / ~20MWh) for Market Rate
- Higher incentive level for CARE/Resilience Hubs
- Ava will revisit upfront incentive levels each year and adjust based on run rate

Ongoing Incentives

Ongoing incentives paid for Solar paired storage systems that are connected to Ava DERMS (Distributed Energy Resource Management System)

Incentives will be paid over 5 years and will require energy to be dispatched during higher cost evening hours with opportunity to dispatch during peak events



Next Steps

Ongoing Feedback:

- ExCom feedback on proposed use of Surplus Funds
- Community feedback on Resilience Hub definition and requirements
- Follow-up with solar community to determine appropriate solar incentives

Additional Resources to manage program:

- Selecting a DERMS provider to monitor system connectivity and enable dispatch
- Currently interviewing for a new staff person to manage program

April Board Meeting:

- Action item on NEM 2.0 – Solar Billing Tariff Policy
- Action item on Solar + Storage Incentive Program
- Action item to approve DERMS provider selection

