



**Community Advisory Committee Meeting**

Monday, April 15, 2024

6:00 pm

**In Person:**

The Lake Merritt Room  
Cal State East Bay - the Oakland Center  
In the Transpacific Centre  
1000 Broadway, Suite 109  
Oakland, CA 94607

**Or from the following remote locations:**

Member Stephenson – 1343 Fairview Ct, Livermore CA 94550  
Member Swaminathan – 4563 Meyer Park Circle, Fremont, CA 94536  
Member Lakshman – 3602 Thornton Ave. Fremont, CA 94536  
Member Kaur – Starbucks at 1857 11th St. Tracy, CA 95376  
Vice-Chair Souza – Starbucks at 2720 Castro Valley Blvd. Castro Valley, CA 94546

**Via Zoom:**

<https://us02web.zoom.us/j/84794506189>

**Or join by phone:**

Dial (for higher quality, dial a number based on your current location):  
US: +1 669 900 6833 or +1 346 248 7799 or +1 253 215 8782 or +1 929 205 6099 or +1 301 715 8592 or +1 312 626 6799 or 877 853 5257 (Toll Free)  
Webinar ID: 847 9450 6189

*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](mailto:cob@avaenergy.org).*

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

**C1. Welcome & Roll Call**

**C2. Public Comment**

*This item is reserved for persons wishing to address the 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 Committee Chair may increase or decrease the time allotted to each speaker.*

**C3. Approval of Minutes from March 18, 2024**

**C4. CAC Chair Report**

**C5. Ava Solar Billing Plan (Board Action Item)**

Vote on Ava's Solar Billing Plan proposal

**C6. Health-e Communities Contract (Board Action Item)**

New contract over \$100k for direct installation of induction stoves for first 200 homes in pilot

**C7. Direct Current Fast Charging Marketing Partner Contract (Board Action Item)**

New contract over \$100k for development and execution of DCFC Awareness and Demand Generating Campaigns

**C8. 2023 Supplier Diversity Report Overview (Board Informational Item)**

Overview of 2023 Supplier Diversity Report to the CPUC

**C10. CAC Member and Staff Announcements including requests to place items on future CAC agendas**

- **PG&E Nuclear Allocation (Board Informational Item)**
- **CAC Term Assignments (CAC Action Item)**

**C11. Adjourn**

The next Community Advisory Committee meeting will be held on Monday, May 13, 2024 at 6:00 pm.

The Lake Merritt Room  
Cal State East Bay - the Oakland Center  
In the Transpacific Centre  
1000 Broadway, Suite 109  
Oakland, CA 94607



**Draft Minutes**  
**Community Advisory Committee Meeting**  
Monday, March 18, 2024  
6:00 pm

**In Person:**  
The Lake Merritt Room  
Cal State East Bay - the Oakland Center  
In the Transpacific Centre  
1000 Broadway, Suite 109  
Oakland, CA 94607

**Or from the following remote locations:**  
4563 Meyer Park Circle, Fremont, CA 94536  
3602 Thornton Ave. Fremont, CA 94536  
Castro Valley Starbucks: 2720 Castro Valley Blvd. Castro Valley, CA 94546  
Starbucks at 1857 11th St. Tracy, CA 95376  
500 metros Este del Canopy, Calle, Montezuma-Delicias Rd, Provincia de  
Puntarenas, Montezuma, 60111, Costa Rica

**Via Zoom:**  
<https://us02web.zoom.us/j/84794506189>

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205 6099 or +1 301 715 8592 or +1 312 626 6799 or 877 853 5257 (Toll Free)  
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**C1. Welcome & Roll Call**

**Present: Members:** Landry, Swaminathan, Lakshman, Pacheco, Souza, Kaur, Lutz, Vice-Chair Hernandez and Chair Eldred

**Not Present: Members** Hu and Lakshman

Please note that Member Pacheco joined the meeting at

## **C2. Public Comment**

*This item is reserved for persons wishing to address the 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 Committee Chair may increase or decrease the time allotted to each speaker.*

**(2:38) Public Comment – Jessica Tovar** expressed optimism about a new era for Ava Community Energy. She spoke about the importance of collaboration to achieve local clean energy production, job creation, pollution reduction and energy resilience.

**(4:41) Public Comment – Davis Harper**, the newest member of the Community Advisory Committee representing San Joachin County, spoke about his advocacy for Stockton joining Ava, his interest in finding solutions to reduce air pollution, and his background in climate policy and community organizing.

## **C3. (5:48) Approval of Minutes from February 20, 2024**

**Member Landry motioned to approve the minutes. Member Lutz seconded the motion which was approved 6/0/0/0/4:**

**Yes: Members Landry, Eldred, Swaminathan, Lutz, Vice-Chair Souza and Chair Hernandez**

**No: none**

**Abstain: none**

**Recuse: none**

**Not Present: Hu, Lakshman, Pacheco and Kaur**

*(9:09) Member Pacheco joined the meeting.*

## **C4. (7:21) CAC Chair Report**

**Chair Hernandez and Vice-Chair Souza** provided brief summaries selected actions taken of the February 21, 2024 BOD meeting.

## **C5. (12:46) Ava Resilience Hubs Definition Discussion (CAC Informational Item)**

## Survey results and feedback on definition, use cases and potential sites for Resilience Hubs

**JP Ross** presented an overview of Ava's resilience hub program, which includes community grants, technical assistance, and solar and storage incentives to support resilience hub development. JP Ross discussed definitions of resilience hubs and talked about the need for clear program boundaries to ensure eligibility for incentives. He also summarized community feedback on expected services from resilience hubs, ranging from heating and cooling to health services and disaster response, and invited further discussion on these services and any additional ones that might be considered important.

**(32:32) Member Eldred** asked about the operational hours of resilience hubs. **JP Ross** acknowledged the importance of considering operational hours in the context of who and how community members are served by them.

**(33:53) Member Pacheco** asked about the minimum capacity or size for a resilience hub and whether specific services like heating or cooling are expected at each center. **JP Ross** stated that the services and capacity depend on community needs, with technical assistance aimed at supporting various use cases, such as cell phone charging or emergency services, and system sizing for energy needs. JP further explained that their funding supports the development of clean energy backup systems, specifically solar and storage.

**(38:06)** Drawing on experiences from past emergencies, **Vice-Chair Souza** suggested that resilience centers should be envisioned as short-term solutions to address immediate crises, such as wildfires and heatwaves, rather than long-term community centers.

**(39:41) Member Lutz** suggested that, in addition to solar and storage, resilience hubs might receive assistance for applying for grants to cover other operational needs like staffing. **JP Ross** agreed and stated that their current incentive program focuses only on solar and storage, technical assistance could include help with applying for additional grants.

**(41:07) Public Comment – Susan Silber**, Project Director for Collective Resilience, spoke about the importance of programming in resilience hubs and advocated for funding for social and educational programs that would be critical for community cohesion and support during emergencies. Susan Silber advocated for thinking holistically beyond infrastructure to include programming for food distribution, mutual aid, and education.

**(44:10) Public Comment – Ryan**, representing "Green the Church," spoke about the organization's mission to raise environmental awareness within faith communities. He talked about the importance of supporting places of worship as

essential hubs for community and faith during environmental and social crises and noted recent initiatives focused on climate resilience and infrastructure within California's faith communities.

**(45:31) Public Comment – Jessica Tovar** spoke in support of diversifying fund allocation beyond just solar and storage to also support grassroots organizing and the operational needs of small organizations working towards community resilience. She stated that resources should be provided for the disabled and those unable to access centralized services. She also stated that \$15 million should be provided to establish a comprehensive resilience hub program.

**(57:19) Member Swaminathan** asked about existing examples of resilience centers and whether Fremont's fire stations, equipped with solar storage, qualify as such. **JP Ross** affirmed that the fire stations in Fremont, which serve as a model for their Municipal critical facilities program, indeed qualify as resilience hubs.

**(1:00:50) Public Comment - Audrey Ichinose** asked how the generation from solar and storage will be managed financially, who benefits from it, and how it supports the installation and operation of the resilience hubs. **JP Ross** responded by explaining that installing solar and storage allows for reduced energy purchases from Ava, creating energy bill savings that can help offset the high upfront cost of these systems, but emphasized the need for incentive programs to reduce these initial costs. He further clarified that the long-term savings on energy bills from these installations help pay off the investment, with the incentive program designed to alleviate the financial burden of the upfront capital required.

**(1:04:00) Public Comment – Bradley Cleveland** spoke in support of additional funding for resilience hubs rather than an even split between individual homeowners and resilience hubs. He also spoke about the opportunity to leverage federal tax credits through the direct pay program for nonprofits and other organizations installing solar and storage.

**(1:06:23) Public Comment – Susan Silber** stated that the proposed funding for community-based organizations working on resilience hubs is insufficient. Instead, she spoke in support of supporting a network or coalition approach that would require significantly more investment. She stated that staff should collaborate with organizations like StopWaste and BayREN.

**(1:08:05) Public Comment – (name unavailable)**, a Climate Fellow with the City of Oakland, suggested considering local businesses, like cafes, as potential sites for resilience hubs, highlighting the Dog Cafe in Oakland as an example. She stated that these locations could effectively bring communities together and contribute to resilience efforts.

**(1:09:54) Member Eldred** asked if applicants for resilience center grants would be guided towards matching programs within Ava, like energy efficiency, and suggested a service to help community members identify applicable programs based on their specific situations.

**(1:15:13) Public Comment – Jessica Tovar** spoke about the urgency of distributing resilience hub funds promptly. She stated that preparation should be made to support vulnerable communities in future disasters, and she advocated for the inclusion of mutual aid efforts to meet current and anticipated needs.

**C6. (1:18:41) CAC Appointments (CAC Action Item)**

Appointment of new CAC Members and Alternates

**Cait Cady** presented about the appointment process for new members of the Community Advisory Committee (CAC). The process involved an open application period from late December through early March, targeting vacancies for both current and upcoming positions across various regions within Ava's service area. With a total of 21 applications received, recommendations for appointments were made by the board directors from the respective regions. Outreach was conducted through social media, newsletters, and coordination with community-based organizations (CBOs). However, it was noted that vacancies remained for the south jurisdiction and the San Joaquin county region.

**(1:25:17) Member Lutz** raised concerns about the selection process. He stated that the CAC had limited visibility into the full list of applicants, and he questioned the transparency of the appointment process.

**(1:36:59) Member Eldred** stated that the CAC should not directly recommend individual members. She argued that while the applicant names should be public to ensure a transparent selection process, the CAC should focus on the process and criteria for selection rather than endorsing specific individuals.

**(1:43:39) Public Comment – Jessica Tovar** stated that applicants who were not accepted this time should be placed on a waiting list for future openings.

**(1:49:03) Member Pacheco motioned to recommend to the board that stipends be provided to the alternate members of the Community Advisory Committee. Member Landry seconded the motion, which was approved 8/0/0/0/2:**

**Yes: Members Landry, Eldred, Swaminathan, Pacheco, Kaur, Lutz, Vice-Chair Souza and Chair Hernandez**

**No: none**

**Abstain: none**

**Recuse: none**

**Not Present: Members Hu and Lakshman**

**C7. (1:50:02) Legislative Update (CAC Informational Item)**

Informational update on the state bills Ava has been tracking this year

**Alec Ward**, the principal legislative manager at Ava, alongside **Feby Boediarso**, Ava's regulatory analyst, presented an overview of various bills that Ava is tracking, categorized by topics like affordability, the Brown Act, clean energy bonds, electric vehicles (EVs), renewable energy, transmission, and utility-specific bills. The discussion touched on the potential impact of these bills on energy policies, customer bills, and regulatory requirements, with specific attention to bills related to affordability concerns, streamlining processes for EV charging infrastructure, and enhancing transparency and restrictions on utility companies' political lobbying and post-employment opportunities.

One notable bill discussed was **AB 817**, which proposes changes to the Brown Act allowing members of advisory bodies, such as the CAC, to participate remotely without disclosing their location. Another point of interest was **AB 1999**, which aims to repeal income-graduated fixed charges and cap them to previous limits. Alec Ward also provided an update on legislative bills Ava is tracking, focusing on themes such as clean energy bonds, electric vehicles (EVs), renewable energy, transmission, and utility-specific regulations.

**(2:03:08) Member Landry** raised concerns about a proposed utility tax from AB 205, which she said could potentially impacting millions by increasing monthly bills significantly without public discussions. Member Landry recommended that Ava should closely monitor and consider supporting legislation like AB 1999 to counteract those charges.

**C8. (2:06:51) Load Management Standards (LMS) Compliance Plan (CAC Action Item)**

Compliance item for the CEC's Load Management Standards

**Todd Edmister**, the Director of Public Policy and Deputy General Counsel at Ava Community Energy, presented a comprehensive update on Ava's compliance plan for the California Energy Commission's Load Management Standards (LMS). The LMS, revised by the CEC in 2022, mandates that load-serving entities like Ava offer at least one retail electricity rate that changes hourly, provide updated rates to the CEC's Market Informed Demand Automation Server (MIDAS), develop a standard tool for third-party service access to rate information, and integrate time-dependent rate and automation technology information into customer education and outreach programs. The compliance plan, which must be submitted to Ava's rate-approving body (the board) by April 1, 2024, outlines Ava's approach to meeting these requirements.



Todd detailed the rationale behind real-time pricing, which aims to reflect the hourly varying wholesale costs of electricity to encourage consumers to shift their energy use to less expensive hours. However, Ava's staff seeks to proceed cautiously. They propose participating in selected pilot programs to gain insights before fully committing. These programs include ones focused on vehicle-to-grid integration and battery electric vehicle charging. The board has the option to delegate authority to staff to engage in these pilots.

**(2:18:17) CAC Chair Hernandez** requested to motion that the board consider continuing the item to give time to discuss and review the relevant regulatory information.

**(2:23:17) Member Lutz** voiced concerns about the implementation of dynamic pricing based on past negative experiences in Texas. He urged caution with its implementation and suggested that more recent research and technology standards like CTA 2045 and its EcoPort product should be considered to optimize load shifting.

**(2:29:04) Member Pacheco** asked if Ava's approach to shaping customer usage differed from PG&E's, particularly in terms of rates. **Todd Edmister** responded that while Ava's rates closely mirror PG&E's, Ava does have unique demand-side programs, like those involving water heaters and residential EV charging, which are detailed in the Ava Community Energy Load Management Standards Compliance Plan (available on the public meetings page for this item).

**(2:31:30) Public Comment – Steve Scala**, a Fremont resident, spoke about the importance of addressing high costs during peak loads through load shifting. Mr. Scala advocated for time of use pricing over dynamic pricing and encouraged Ava to implement easy-to-use load shifting strategies, such as controlling major electric appliances, to provide economic incentives for consumers.

**(2:35:11) Member Lutz motioned that the board should consider continuing this item to the April meeting. Member Eldred made a friendly amendment that the CAC Chair provide the CAC with summarized comments of the discussion by the board so that the CAC can have a discussion about it. Member Lutz accepted the friendly amendment. Member Landry seconded the motion and the friendly amendment, which was approved 7/0/1/0/2: Yes: Members Landry, Swaminathan, Pacheco, Kaur, Lutz, Vice-Chair Souza and Chair Hernandez**  
**No: none**  
**Abstain: Member Eldred**  
**Recuse: none**  
**Not Present: Hu and Lakshman**

**C9. (2:40:31) Default Product Change Policy Update (CAC Action Item)**

## Updates to the policy

**Alex DiGiorgio** discussed proposed changes to the Default Rate Product Change Policy used by Ava Community Energy, which has facilitated several member jurisdictions in opting up to the Renewable 100 energy option. He explained that the current policy allows jurisdictions to opt into a default rate that changes the primary energy source to 100% renewable energy. Historically, the policy provided two annual opportunities for member jurisdictions to request default rate changes, which would then be implemented within a six-month timeframe.

The proposed amendment seeks to consolidate these opportunities into a single annual request window. This change aims to streamline the process, allowing the board to approve changes by May with implementation occurring in March of the following year.

**(2:51:12) Member Hernandez motioned to approve the staff's recommendation. Member Eldred seconded the motion, which was approved 8/0/0/0/2:**

**Yes: Members Landry, Eldred, Swaminathan, Pacheco, KaurLutz, Vice-Chair Souza and Chair Hernandez**

**No: none**

**Abstain: none**

**Recuse:**

**Not Present: Members Hu and Lakshman**

### **C10. (2:52:35) Term Assignments (CAC Action Item)**

**Member Eldred** asked that board members actively engage in outreach within their communities to help identify members of their communities who can be asked to participate on the Community Advisory Committee. She also sought clarification about a public comment regarding Davis Harper's appointment to the CAC from Stockton. **Cait Cady** explained that Davis's appointment was the result of a separate process directed by a board decision to create and then make permanent an interim seat for Stockton.

*The Term Assignments item was continued to a later meeting.*

### **C11. (2:55:41) CAC Member and Staff Announcements including requests to place items on future CAC agendas**

- In her farewell comments, **Member Eldred** expressed deep gratitude and fondness for the committee. **CAC Chair Hernandez, Member Landry, and Member Pacheco, along with Vice-Chair Souza**, acknowledged her contributions and mentorship, and wished her well.

- **Member Lutz** proposed a discussion on establishing a voluntary 100% local renewable rate.

**C12. Adjourned** at 9:01pm.

The next Community Advisory Committee meeting will be held on Monday, April 15, 2024 at 6:00 pm.

The Lake Merritt Room  
Cal State East Bay - the Oakland Center  
In the Transpacific Centre  
1000 Broadway, Suite 109  
Oakland, CA 94607

Adrian Bankhead <[abankhead@avaenergy.org](mailto:abankhead@avaenergy.org)>

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**Re: Wrong email address for JP: Thank you and apologies**

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**Adrian Bankhead** <[abankhead@avaenergy.org](mailto:abankhead@avaenergy.org)>  
To: Adrian Bankhead <[abankhead@avaenergy.org](mailto:abankhead@avaenergy.org)>

Tue, Mar 19, 2024 at 10:37 AM

On Tue, Mar 19, 2024 at 9:56 AM Susan Silber <[susansilber07@gmail.com](mailto:susansilber07@gmail.com)> wrote:

Thank you so much for the robust conversation about resilience hubs last night. I wanted to apologize for not mentioning that Ava Community Energy is a sponsor of our upcoming [resilience hub workshop series](#). We are very thankful to have Ava Community Energy as a sponsor and look forward to the participation of staff members.

If there is any way to add this sponsorship acknowledgment and gratitude to the meeting notes, that would be much appreciated.

I look forward to more conversations about this important topic and again my apologies.  
best,  
Susan Silber

**Susan Silber**

supporting resilience sites - hubs, spaces and neighborhoods - to evolve and flourish

Project Director: [www.collectiveresiliencenow.org](http://www.collectiveresiliencenow.org)Consultant: [www.plantingseedsconsulting.com](http://www.plantingseedsconsulting.com)[Calendly appointment link](#)



**Staff Report Item 17**

**TO:** Ava Community Energy Board of Directors

**FROM:** Kelly Brezovec, Senior Director of Account Services

**SUBJECT:** **Solar Billing Plan Tariff Policy recommendations**

**DATE:** **April 17, 2024**

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**Recommendation**

Approve a Resolution adopting a Solar Billing Plan (SBP) Tariff Policy for solar customers, also known as a Net Billing Tariff (NBT).

**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, and most recently the [November 2023 Executive Committee meeting](#) to introduce Ava's planned proposal.

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 Calculator (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 and adopted by PG&E includes an Avoided Cost Calculator Plus (ACC Plus) adder, in the form of a credit in cents per kilowatt-hour exported, which is available to residential SBP customers who interconnect from 2023 to 2027. The value for the ACC Plus adder will decrease by 20 percent annually over five years, as shown in the table

below, until the adder reaches zero in 2028. The ACC Plus value applicable to a given customer will be based on the customer’s first calendar year of interconnection and will remain constant for a customer for nine years from the customer’s Permission to Operate (PTO) date. The credit value is higher for low-income customers who are enrolled in the California Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA) programs or reside in a disadvantaged community or Indian Country. The ACC Plus does not apply to residential new construction that is required per State building code to install solar, as these are “involuntary” system installations. It also does not apply to non-residential customers. Note that the ACC Plus may also be referred to as the “Energy Export Bonus Credit.”

**Table 1: ACC Plus, or Energy Export Bonus Credits**

	<b>Residential \$/kWh</b>	<b>Low Income \$/kWh</b>
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**

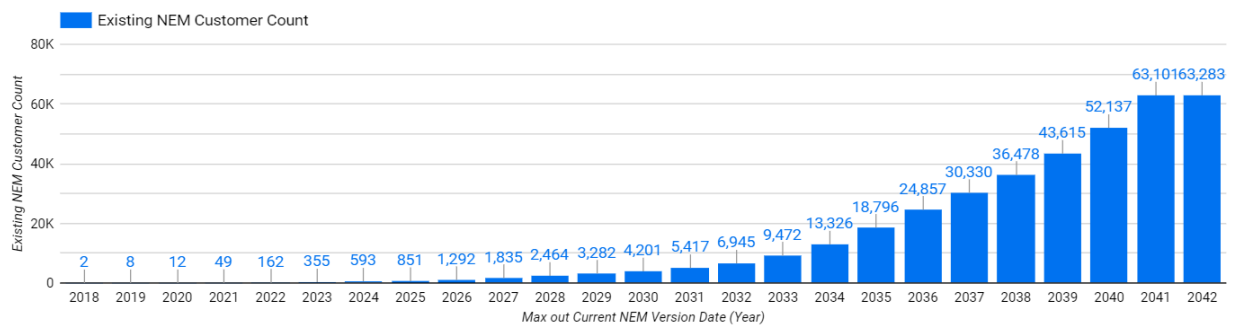
There are two groups of customers that will initially be eligible for SBP:

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 were not initially ready to bill on SBP, and SBP operations were delayed from an original start date of December 2023. PG&E just recently implemented SBP residential billing operations in April 2024 and plans to implement SBP commercial billing in June 2024. Ava will monitor PG&E’s implementation and begin transitioning customers to SBP for generation service when billing systems are ready. Ava staff will send notices to transitioning customers before their transition and host a webinar to review the new solar billing plan tariff policy before it is implemented. 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. The majority of Ava’s current NEM customers will not transition to SBP until 2037 or later.

**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. Staff expect to launch SBP when the billing operations are built and tested to ensure customers have a smooth transition.

1. Solar + Storage Incentive Program
2. CARE/FERA export bonus credit
3. Peak hours export bonus credit

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 provide customers with enhanced value from installing a battery to store their renewable, locally generated electricity based on the capacity of the battery installed. The program will provide benefits to Ava customers in the form of cost savings resulting from active battery management as well as upfront and ongoing capacity-based payments for use of battery storage. Program design is under development and is discussed in more detail in the April 17, 2024 staff report item “Solar and Storage Battery Program”.

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 bonus credit 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 bonus credit 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. In contrast with the IOU’s glidepath, this bonus structure is flat for five years, which allows Ava to learn more about customer installation patterns and behaviors under SBP and to develop our

robust battery storage capacity-based incentive program. After 2029, Ava may step down or remove this bonus credit.

**Table 2: Comparison between Energy Export Bonus and Ava Bonus Credit**

	<b>Energy Export Bonus Credit</b> (SBP base plan)	<b>Ava Bonus Credit - CARE/FERA</b> (Proposed)	<b>Ava Bonus Credit - Peak Hours</b> (Proposed)
<b>Implementer</b>	PG&E Ava	Ava	Ava
<b>Customer Segment</b>	Residential customers with new voluntary solar installation after April 14, 2023	<b>All CARE/FERA SBP customers</b> Residential, voluntary or involuntary install, new or transitioning from NEM 1.0/2.0	<b>All SBP customers, non-CARE/FERA</b> Residential, commercial, voluntary or involuntary install, new or transitioning from NEM 1.0/2.0
<b>Timeframe</b>	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	5 years (2024 – 2029); Ava tariff will include a provision to edit or remove after the 5-year period	5 years (2024 – 2029); Ava tariff will include a provision to edit or remove after the 5-year period
<b>Structure</b>	- 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	- <b>Flat credit for energy exports at all hours</b> - On top of Energy Export Bonus credit, if applicable	- <b>Flat credit for energy exports between Ava peak hours of 3-8 pm</b> - On top of Energy Export Bonus credit, if applicable
<b>Amount</b>	Varied, from \$0.004 to \$0.090 per kWh	\$0.01 per kWh	\$0.025 per kWh (3-8 pm)

**Fiscal Impact**

With the Ava Peak Hours Bonus Credit scenario outlined above, non-CARE/FERA customers will receive an additional \$20 in annual credits and CARE/FERA customers will receive an additional \$45 in annual credits through the Ava CARE/FERA Bonus Credit.



**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 Bonus Credit	\$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 Bonus Credits will mean an additional \$8.4M in customer credits provided to customers for solar production, with the bulk of those credits being applied to excess generation during the Ava peak demand period of 3-8 pm. The Ava Bonus Credits support agency interests in incentivizing peak energy reduction and helping our low-income customers.

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

	2024	2025	2026	2027	2028	Total
<b>Base SBP</b>	<b>\$4,579,619</b>	<b>\$7,824,747</b>	<b>\$12,228,903</b>	<b>\$16,572,929</b>	<b>\$20,394,958</b>	<b>\$61,601,157</b>
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
<b>SBP + Ava Bonus Credit</b>	<b>\$5,227,403</b>	<b>\$8,982,844</b>	<b>\$13,898,276</b>	<b>\$18,755,731</b>	<b>\$23,099,998</b>	<b>\$69,964,251</b>
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.

### **Next Steps**

Following approval by Ava's Board of Directors, staff will implement billing operations to issue customer bills on Solar Billing Plan, with the first bills expected in summer 2024. Customers that

transition to SBP will receive communications via direct mail and email from Ava describing the new billing methodology, including information about contacting our customer support team and referencing our website and updated Frequently Asked Questions. Ava staff will also host a webinar before the Solar Billing Plan is implemented to review the updated solar policy with customers.

**Attachments**

- A. A Resolution of the Board of Directors of Ava Community Energy Authority Authorizing the Adoption of the Solar Billing Plan Tariff Policy
- B. Solar Billing Plan Tariff Policy
- C. Presentation

**RESOLUTION NO. R-2024-XX**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF THE AVA COMMUNITY ENERGY AUTHORITY AUTHORIZING THE ADOPTION**  
**OF THE SOLAR BILLING PLAN TARIFF POLICY**

**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** Ava desires to implement a tariff called the Solar Billing Plan for new solar installations that align compensation for excess generation with market and grid needs; and

**WHEREAS** Ava desires to retain Ava customers through the positive financial incentives of an Ava Bonus Credit structure; and

**WHEREAS** PG&E started to serve customers on the Solar Billing Plan in April 2024, and Ava prefers to reduce customer confusion by billing customers on the same tariff.

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

Section 1. Adopt the Solar Billing Plan Tariff Policy, attached to the staff report associated with this resolution, establishing a new tariff for solar customers, subject to any minor revisions approved by Ava’s legal counsel.

ADOPTED AND APPROVED this 17<sup>th</sup> day of April, 2024.

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Jack Balch, Chair

ATTEST:

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Adrian Bankhead, Clerk of the Board



## Solar Billing Plan Tariff Policy

Policy Number:  
Approval Date:  
Agenda Item:  
Approved by Resolution:

**APPLICABILITY:** This Solar Billing Plan (SBP) tariff is applicable to a customer (hereinafter “eligible customer generator” or “customer”) who uses an eligible Renewable Electrical Generation Facility, as defined in PG&E’s Electric Schedule Net Billing Tariff (NBT) or Virtual Net Billing Tariff (NBTV) (<http://www.pge.com/tariffs>).

This rate schedule is available on a first-come, first-served basis to customers who provide PG&E with a completed PG&E NBT Application and comply with all PG&E NBT requirements as described in PG&E Electric Schedule NBT or NBTV, including load aggregation generating/ aggregated accounts. Residential SBP customers must take service on the E-ELEC (ELECTRIC HOME) rate schedule; customers that qualify for PG&E’s NBTV tariff may take service on any open applicable time-of-use rate schedule. Non-Residential SBP customers may take service on any open applicable time-of-use rate schedule.

### **TARIFF COMPONENTS:**

**RATES:** All rates charged under this schedule will be in accordance with the eligible customer generator’s otherwise-applicable Ava rate schedule and Ava service plan (i.e. Bright Choice, or Renewable 100).

Compensation for energy exported to the grid will be based on the Solar Billing Plan Energy Export Credit values and applicable bonus credit values in accordance with this tariff, as described in section “SUPPLEMENTARY CREDITS.”

**BILLING:** Customers with SBP service will be billed as follows:  
Energy the customer receives from Ava Community Energy will be billed at the retail rate of their otherwise-applicable Ava rate schedule and Ava service plan.

Overgeneration, or energy sent from the customer’s photovoltaic system to the grid, will be credited at the values indicated at <https://www.pge.com/energyexportcredit>, which are based on the

Avoided Cost Calculator, also known as the Energy Export Credit values. Supplementary credits for energy exports may apply, as explained below.

**ELIGIBLE RENEWABLE FACILITY:** An eligible Renewable Electrical Generation Facility must operate within the capacity limits described in PG&E’s Electric Schedule NBT or NBTV, and must be located on the customer’s owned, leased, or rented premises, must be interconnected and operate in parallel with PG&E’s transmission and distribution systems, and should be intended primarily to offset part or all of the customer’s own electrical requirements.

**SUPPLEMENTARY CREDITS:**

**ACC Plus, or Energy Export Bonus Credit**

An Avoided Cost Calculator Plus (ACC Plus) adder, in the form of a credit in cents per kilowatt-hour exported, is available to residential SBP customers who interconnect from 2023 to 2027. The values for the ACC Plus adder will decrease by 20 percent annually over five years, as shown in the table below, until the adder reaches zero in 2028. The credit value is higher for low-income customers who are enrolled in the California Alternate Rates for Energy (CARE) or Family Electric Rate Assistance (FERA) programs or reside in a disadvantaged community or Indian Country. The ACC Plus value applicable to a given customer will be based on the customer’s first calendar year of interconnection and will remain constant for a customer for nine years from the customer’s Permission to Operate (PTO) date. The ACC Plus may also be referred to as the “Energy Export Bonus Credit.”

The ACC Plus adder may be a discrete line on the customer’s utility bill. The ACC Plus adder will apply to all energy exports (kWh) to the grid. Unused credits will rollover to future bills.

Ava will receive customer ACC Plus eligibility characteristics from PG&E.

The ACC Plus is not available to:

- (i). Customers transitioning from the NEM/NEM2 tariff to NBT tariff at the end of their legacy period;
- (ii). Customers who have purchased a building with an existing system (Change of Party Customers);
- (iii). Non-Residential Customers; and
- (iv). Customers who are required to add solar (e.g., by California’s building code).

Table 1: ACC Plus, or **Energy Export Bonus Credits**

Interconnection Year	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 Bonus Credit

All Ava SBP customers (including non-residential SBP customers and residential customers who are not eligible for ACC Plus) will also receive the appropriate Ava bonus credit until their final billing cycle in 2029. Ava may modify or remove the supplementary credits starting with the first billing cycle in 2030 and will update this tariff by December 31, 2029.

Table 2: **Ava Bonus Credits**

	Non-CARE/FERA residential and non-residential	CARE/FERA residential
Credit Amount	\$0.025 per kWh	\$0.01 per kWh
Time of Day to Apply Credit	3-8pm everyday	24 hours a day, every day

The Ava Bonus Credit may be a discrete line on the customer's utility bill. The Ava Bonus Credit will apply to energy exports (kWh) to the grid during the applicable hours. Unused credits will roll over to the next bill.

### True-up and Cash-out

SBP customers will receive a statement in their monthly PG&E bills indicating any accrued charges for their usage during the current billing cycle. Customers who have accrued credits during previous billing cycles will see these credits applied against current charges.

#### a) Monthly Settlement of Ava Charges/Credits:

SBP customers will receive a statement in their monthly PG&E bills indicating any accrued charges for their usage during the current billing cycle. Customers who have accrued credits during previous billing cycles will see these credits applied against current charges. Any remaining balance is due and must be paid during each monthly billing cycle.

#### b) Ava Cash-Out:

During the April billing cycle of each year, all current Ava SBP customers with a cash-out credit balance of more than \$100 will be offered a direct payment by check for this balance. Any cash-out credit balance will be determined as of the final date of the customer's March- April billing cycle (i.e. the first bill period ending on or after April 1). Customers who participate in the Ava Cash-Out or transfer process will have an equivalent credit removed from their SBP account balance at the time of check issuance or transfer. In the event that a customer's credit balance is less than \$100, such credits will continue to be tracked by Ava and will remain on the customer's account for future use (i.e., reduction of future Ava charges).

### NSC Provision, Applied to Cash-out

NET SURPLUS COMPENSATION (NSC): Pursuant to P.U. Code Sections 2827 (h)(3), this Special Condition was established to provide a NEM customer having Net Surplus Electricity (defined as all electricity generated by an eligible customer measured in kilowatt-hours over a Relevant Period that exceeds the amount of electricity consumed by that eligible customer), with Net Surplus Compensation for the Net Surplus Electricity. This benefit is extended to SBP customers pursuant to Decision (D). 22-12-056.

A SBP customer who has Net Surplus Electricity will be known as a Net Surplus Generator.

a. NSC Applicability – All bundled Net Surplus Generators that satisfy the conditions in the Applicability Section of this tariff and take service under this rate schedule are eligible to receive NSC at the end of the Relevant Period, i.e. at the time of their true-up. This includes Net Surplus Generators on schedule NBTV and sub-schedules NBTA, NBT-S, NBT-EXP, NBT-PS and NBTEXP-OTR. An NBT-MT Net Surplus Generator is also eligible to receive NSC but only for the one or more generators at the same metered account eligible for billing treatment under Special Condition.

b. The NSC Rate – The NSC Rate is defined as the simple rolling average of PG&E's default load aggregation point (DLAP) price from 7 a.m. to 5 p.m., for a 12-month period. Ava shall use the NSC Rate as the value of the electricity portion of its net surplus compensation rate. PG&E will calculate the NSC Rate each month. It will be effective on the first day of that month and Ava will use it in the NSC Calculation for any Net Surplus Generators with a Relevant Period completed in that month (True-Up Month).

c. Compensation applied for surplus generation - If the customer has net surplus electricity, the kilowatt hours of net surplus electricity will be debited from the customer's account at a rate equal to PG&E's average real world retail export compensation rates for all NBT customers in their service territory over the past 12 months. This reduces the credit amount by the approximate value of export credits already provided for the same surplus energy. The customer will then be credited at the NSC rate described in (b) above for the same number of kilowatt hours of net surplus electricity. Customers will receive their NSC annually in April following the "Ava Cash-Out" process outlined above.

#### **Return to PG&E Bundled Service or Account Closure**

Ava customers with SBP service may opt out and return to PG&E bundled service at any time. Customers should be advised that PG&E will perform a true-up of their account at the time of return to PG&E bundled service, and that PG&E's standard terms for transitional rates apply to customer returns with less than a six-month advance notice if they have been an Ava customer for 60 days or more.

If an Ava SBP customer opts out of the Ava program and returns to PG&E bundled service, or closes their account with PG&E, Ava will cash-out any remaining generation credits on the account (using the approach detailed in the True-up and Cash-out section above) and mail a check to the billing address. The \$100 minimum for a check does not apply to closed or opted out customers.

#### **PG&E SBP Services**

Ava SBP customers are subject to the conditions and billing procedures of PG&E for their non-generation services, as described in PG&E's Electric Schedule NBT and related PG&E tariff options addressing SBP service. Customers should be advised that while Ava settles out balances for generation, PG&E will continue to assess charges for delivery, transmission and other services. Customers are encouraged to review PG&E's most up-to-date NBT tariffs, which are available from PG&E.





# Solar Billing Plan Policy Proposal

Board of Directors meeting  
April 17, 2024



1. Introduction
2. Base Solar Billing Plan
3. Proposed Ava SBP
4. Fiscal Impact - Customer
5. Fiscal Impact - Ava
6. Recommendation



# 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 operations for residential customers has been delayed.
  - It had been scheduled for release in December 2023 and now will be online in April 2024
  - Non-residential customer SBP release in June 2024
  - Until the billing system is ready, PG&E will continue to bill SBP-eligible customers on NEM
  - Ava will hold customers on NEM 2.0 until both PG&E and Ava billing is operational



# 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. Solar + Storage incentive program
2. CARE/FERA export bonus credit
3. Peak hours export bonus credit



# Solar + Storage Incentive Program: 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 upfront and ongoing capacity-based payments for use of battery storage

Program Proposal discussed in more detail in a separate item



# Proposed Ava Bonus Credits

## Recipients

- All SBP customers

## Structure

- Constant credit, applied through EOY 2028
  - Tariff written to allow for modification starting in 2029
- CARE/FERA customer bonus credit is applied on all exports
- Non-CARE/FERA bonus credit 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	Bonus Credit	Application
Residential CARE/FERA	\$0.01	All exports
Resi + non-Resi Non-CARE/FERA	\$0.025	Exports between 3-8pm



# Ava Bonus Credit Duration

The Ava Bonus Credits 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 Bonus Credit	\$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
<b>SBP + Ava Bonus Credit</b>	<b>\$5.2M</b>	<b>\$9.0M</b>	<b>\$13.9M</b>	<b>\$18.8M</b>	<b>\$23.1M</b>	<b>\$70.0M</b>
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
- A constant, five-year long Ava Bonus Credit 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



# Next Steps

- Following approval, staff will:
  - Implement billing operations for Solar Billing Plan
    - Summer 2024
  - Develop collateral to share with customers as they transition to SBP
    - Direct-to-customer pieces
    - AvaEnergy.org FAQ updates
    - AvaEnergy.org/NEM webpage updates



# Thank you!

Kelly Brezovec

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**CAC Item C6  
Staff Report Item 20**

**TO:** Ava Community Energy Authority

**FROM:** Dan Bertoldi, Electrification Program Manager

**SUBJECT:** **Authorize Chief Executive Officer to Enter into an Agreement with Franklin Energy Services**

**DATE:** April 17, 2024

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**Recommendation**

Adopt a Resolution authorizing the CEO to negotiate and execute an Agreement with Franklin Energy Services, LLC (“Franklin Energy Services”), with a not to exceed amount of \$1,500,000 over a term of three (3) years, for induction stove installation services to support the Health-e Communities pilot implementation.

**Background and Discussion**

On November 16, 2022, the Board of Directors provided direction to staff to develop the Health-e Communities Program (“Program”) to deliver home electrification to households, where one or more residents suffer from some form of pulmonary condition.

On October 4, 2023, the Executive Committee received an update on the Program, where staff presented on scope, roles and responsibilities of key stakeholders, program objectives, and timeline.

The Health-e Communities Program will enable Ava’s most vulnerable customers to improve their indoor air quality by replacing their gas stoves with all-electric induction stoves. The Program sets out to replace a total of 2,000-3,000 stoves. To inform upon program design and policy making, this Program will also serve as a research

opportunity to further understand the linkage between electrification and indoor air quality, exposure to natural gas, and human health.

### **Health-e Communities Program Update**

Staff is in process of designing the Health-e Communities pilot, which sets a goal to replace 200 gas burning stoves with induction units over one year. Utilizing an installation services vendor, Ava will administer the purchase and installation of the replacement stoves and conduct air quality monitoring to measure the impacts of pollution levels within each home, before and after each stove replacement. Ava has partnered with Berkeley Air Monitoring Group, a local air quality monitoring vendor, to provide the monitoring equipment, installer training, analysis, and reporting for each project under the pilot. The pilot will focus on income-qualified customers located in parts of Ava's service area with the highest Asthma rates<sup>1</sup>.

After an initial pilot phase, Ava will scale the Program to perform higher numbers of stove replacements and refine participant eligibility by targeting customers suffering from pulmonary health conditions. To achieve this, Ava plans to collaborate with one or more health care providers to identify and facilitate enrollment of eligible residents. A health care partner or a separate research institution will also perform a longitudinal health study to better understand the linkage between electrification and health. In addition to eliminating between 2,000-3,000 gas stoves and replacing them with induction stoves, the Program is intended to inform long-term policymaking and electrification program design, through the longitudinal health study.

### **Installation Services Vendor Selection**

In January 2024, Ava released a Request for Proposals ("RFP") seeking bids for induction stove installation services to support the Health-e Communities Program. Ava received and evaluated three (3) responses. After a competitive process, Franklin Energy Services ranked highest based on the RFP evaluation criteria. Franklin Energy Services brings a breadth of experience in residential building electrification programs, including working with other CCAs on direct install programs.

Franklin's proposal includes partnership with three subcontractors that would perform the electrical work, utilizing approximately 20 technicians residing within the Ava service area. Franklin will be providing the following services to support the Health-e Communities Program:

- Site and project assessment
- Customer support
- Electric-ready work

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<sup>1</sup> Areas of high asthma rates will be defined through CalEnviroScreen 4.0

- Installation, removal and data transfer of air monitoring equipment
- Stove procurement
- Project administration

Staff is in the process of negotiating and finalizing an Installation Services Agreement with Franklin Energy Services, for a period of three years and a not to exceed amount of \$1.5 million, for the pilot phase of the Health-e Communities Program. The total not to exceed amount is inclusive of equipment (i.e. stoves), materials, and labor costs.

### **Fiscal Impact**

The total budget allocation to support the Health-e Communities Program over a three-year period is \$15,000,0000, which has been identified in the approved Local Development Programs Fund. The total not to exceed amount of the Agreement with Franklin Energy is \$1.5 million over a three-year term. This Agreement is a component of the overall program allocation, and it does not require additional funding.

### **Committee Recommendation**

On March 21, 2024, the Investment Committee received a presentation and provided feedback to staff regarding this item.

### **Attachments**

- A. Draft Resolution
- B. Presentation



**RESOLUTION NO. R-2024-XX**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF AVA COMMUNITY ENERGY AUTHORITY TO AUTHORIZE THE CEO TO**  
**NEGOTIATE AND EXECUTE AN AGREEMENT WITH FRANKLIN ENERGY**  
**SERVICES, LLC FOR THE HEALTH-E COMMUNITIES PROGRAM**

**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** Ava aims to promote healthier, more sustainable communities by reducing greenhouse gas emissions and air pollutants through Local Development Programs; and

**WHEREAS** Ava’s Health-e Communities Program will enable Ava’s most vulnerable customers to improve their indoor air quality, by replacing gas stoves with all-electric induction stoves; and

**WHEREAS** Ava seeks third-party support to provide induction stove installation services for the implementation of the Health-e Communities Program; and

**WHEREAS** Ava issued a Request for Proposals (“RFP”) for induction stove installation services in January 2024, and after a competitive selection process, Franklin Energy Services, LLC (“Franklin Energy Services”) was selected, as the most competitive bidder; and

**WHEREAS** Franklin Energy Services’ proposed scope of work will enable Ava to launch and implement the pilot phase of the Health-e Communities Program; and

**WHEREAS** Ava seeks to execute an Induction Stove Installation Services Agreement with Franklin Energy Services.

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

Section 1. THE CEO is hereby authorized to negotiate and execute an Agreement with Franklin Energy Services for induction stove installation services with total compensation not to exceed \$1,500,000, over a term of three (3) years, subject to the approval of the General Counsel.

ADOPTED AND APPROVED this 17<sup>th</sup> day of April, 2024.

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Jack Balch, Chair

ATTEST:

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Adrian Bankhead, Clerk of the Board

# Authorize Chief Executive Officer to Enter into Agreement with Franklin Energy Services to Support Health-e Communities



April 17, 2024  
Ava Board of Directors



# Health-E Communities Pilot Objectives

## Pilot

- Complete up to 200 induction stove retrofit projects
- Study concentration of indoor air pollutants and impacts of electrification
- Develop effective program recruitment and enrollment tactics
- Streamline and simplify induction retrofits for impact, scale, speed and cost
- Better define larger health research effort
- Determine average project cost and installation timelines

## Program

- Complete up to 2000-3000 induction cooktop retrofit projects (based on available budget)
- Work with healthcare partner to streamline participant enrollment
- Draft and publish longitudinal health study



# Installation Services Agreement

- Ava conducted Induction Stove Installation Services RFP to support Health-e Communities Program
- Franklin Energy Services was selected as winning bid
- Agreement not to exceed \$1.5 million to support pilot phase of program
- Complies with Ava prevailing wage policies
- Three-year term



## About the Vendor

- Program implementor with relevant program experience
  - Includes direct install program implementation for other CCAs
- Vertically integrated energy services co.
- Subcontractors:
  - Fuse, Enzo2, and Electrify my Home
  - Approx. 20 electricians residing in Ava service area



# Scope of Work

- Site and project assessment
- Customer support
- Electric-ready work
- Installation, removal, and data transfer of air monitoring equipment
- Stove procurement
- Project administration









CAC Item C7

**Staff Report Item 19**

**TO:** Ava Community Energy Authority

**FROM:** Theresa McDermit, Head of Marketing

**SUBJECT:** **Consulting Services Agreement with True North, Inc.**

**DATE:** April 17, 2024

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**Recommendation**

Approve a Resolution authorizing the CEO to negotiate and execute a Consulting Services Agreement with True North, Inc., to provide integrated campaign planning and execution services to the Ava Direct Current Fast Charging (DCFC) program, including generating consumer insights through research, developing and executing awareness and demand generating integrated campaigns, and designing and implementing a loyalty program strategy. The term of the Agreement will be through June 30, 2026, with compensation and pass through payments not-to-exceed an amount of \$2,000,000.

**Background and Discussion**

As previously reported to the Board, Ava Community Energy is building a network of 24/7 publicly accessible electric vehicle (EV) fast charging stations to:

- Enable the transition to EVs for all residents, especially renters;
- Support JPA member cities' Climate Action Plan targets around transportation-related emissions reductions;
- Enable our service area to reach CA state mandates for zero-emissions vehicles.

In anticipation of the launch of the first tranche of stations, on November 30, 2023, Ava issued a Request for Proposal for Go-to-Market Strategy and Marketing Plan Development & Execution for Ava's DC Fast Charging Network. The RFP specified two

distinct phases of work. Respondents were invited to bid on either the first phase (“Go-to-Market Strategy”) or second phase (“Marketing Plan Development and Execution”) of work, or on the full scope. Seven firms or consortiums of firms responded with proposals, which were reviewed and scored by a team of Ava Marketing and Local Development staff. Five respondents were interviewed. Ultimately, True North, Inc. was selected for the second phase of work, for their thoughtful approach to the work, innovative digital advertising practices, and relevant reference campaigns. On a related note, the Board approved a request to contract with PA Consulting Group for phase one of this program during the meeting held on March 20, 2024.

**Fiscal Impact**

This project was included in the current Fiscal Year budget and planned current year expenditures are within the approved budget. Work extending beyond the current fiscal year will be included in future budget requests.

As our intention is to bring True North on as our partner in the launch and promotion of our DCFC network, their ultimate compensation, and the variable costs associated with launching and promoting each charging location, will be driven largely by the speed with which we bring those new charging locations online. Following is a summary of how the estimated two-year costs breakdown across categories:

	1 site	10 sites			
	Year 1	Year 2	Total		
Fees and one-time costs	\$181,885	\$157,968	\$339,853		Fixed Costs
Research	\$56,000	\$50,000	\$106,000		
Contingency	\$56,000	\$30,000	\$86,000		
<b>Sub-Total Fixed Costs</b>	<b>\$293,885</b>	<b>\$237,968</b>	<b>\$531,853</b>		
				Per Site / Year Two	
Per-site creative / media costs		\$173,650	\$173,650	\$17,365	Variable Costs
Paid Media	\$85,000	\$650,000	\$735,000	\$65,000	
PR / Launch Event(s)	\$30,000	\$200,000	\$230,000	\$20,000	
Production Estimate	\$67,450	\$245,500	\$312,950	\$24,550	
<b>Sub-Total Variable Costs</b>	<b>\$182,450</b>	<b>\$1,269,150</b>	<b>\$1,451,600</b>		
<b>TOTAL</b>	<b>\$476,335</b>	<b>\$1,507,118</b>	<b>\$1,983,453</b>		

## **Attachments**

A. Resolution

**RESOLUTION NO. R-2024-xx**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF AVA COMMUNITY ENERGY AUTHORITY TO NEGOTIATE A CONSULTING**  
**SERVICES AGREEMENT WITH TRUE NORTH, INC.**

**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** Ava Community Energy is building a network of 24/7 publicly accessible electric vehicle fast charging stations; and

**WHEREAS** the launch of the station network is scheduled to begin before the end of the calendar year; and

**WHEREAS** Ava staff seek timely support in developing and executing a comprehensive awareness and demand generating program to drive utilization of the network.

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

Section 1. The CEO is hereby authorized to negotiate and execute a Consulting Services Agreement with True North, Inc., to provide network launch and promotion services to the Ava Direct-Current Fast Charging (DCFC) program, generating consumer insights through research, developing and executing awareness and demand generating integrated campaigns, and designing and supporting the implementation of a loyalty program. The term of the Agreement will be through June 30, 2026, with compensation and pass through costs not-to-exceed an amount of \$2,000,000. The Agreement shall be subject to review and approval by General Counsel.

ADOPTED AND APPROVED this 17<sup>th</sup> day of April, 2024.

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Jack Balch, Chair

ATTEST:

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Adrian Bankhead, Clerk of the Board



**TO:** Ava Community Energy Authority

**FROM:** Joseph Sit, Finance & Operations Associate

**SUBJECT:** **Supplier Diversity Overview & 2023 Report (Informational)**

**DATE:** March 20, 2024

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### **Recommendation**

Receive an overview of the California Public Utilities Commission General Order 156 requirements and Supplier Diversity Program, and review of Ava's report results, planned activities, successes, and challenges.

### **Background and Discussion**

The purpose of CPUC General Order 156 (GO 156), originally adopted in April 1988, is to promote and increase contracting opportunities for diverse suppliers with California utilities. GO 156 defines the Utility Supplier Diversity Program, its definitions, objectives, and reporting requirements. GO 156 requires utilities to submit annual detailed and verifiable plans for increasing woman, minority, disabled veteran, LGBT, and/or persons with disabilities-owned business enterprises procurement in all categories.

Until the 2020 reporting year, utilities with gross annual revenues exceeding \$25,000,000 were the only ones required to report. Now, pursuant to California Senate Bill 255 (2019, Bradford), Community Choice Aggregators (CCAs) are explicitly required to report to the California Public Utilities Commission on their procurements with certified diverse suppliers.

The 2023 Annual Report and 2024 Annual Plan filing was due and submitted to the CPUC on March 1, 2024.

### *Prop 209*

As a California local government entity bound by California Prop 209 (1996), Ava is prohibited from considering race, sex, color, ethnicity, or national origin in its contracting. Accordingly, and in contrast to California's electrical corporations, Ava does not consider Supplier Clearinghouse certification status, nor eligibility, in procurement decisions of any kind, nor does Ava set supplier diversity targets or goals.

To comply with GO 156 and promote the statewide Supplier Diversity program, Ava approaches our Supplier Diversity activities in an innovative way that drives the program forward, while staying within the legal bounds that constrain CCAs from setting targets and expressing preference for diverse suppliers. Staff engaged with numerous CCAs in preparation for the report to ensure alignment on reporting requirements and narrative language surrounding the Prop 209 limitations. Staff also discussed opportunities to collaborate with other CCAs on programmatic outreach and education efforts on GO 156.

### *Local Procurement*

Ava holds a strong commitment to investing directly in our service territory to the greatest degree possible. This takes the form of maximizing our direct purchasing from companies and organizations based in Alameda County and/or the City of Tracy, as well as through deploying clean energy assets and customer programs that create local jobs and provide economic benefit to our customers. These are the types of actions CCAs can directly take relative to GO 156 objectives and were highlighted in Ava's report.

### *2023 Results*

In calendar year 2023, Ava made procurements from four certified suppliers for a total of \$224,835. Ava's total procurement with certified vendors captures spend with small and local business services within our community as well as bespoke technical consulting services. These services supported our innovative, new clean energy programs and power portfolio management. Their diversity certification status is coincidental and is realized after contracting. All four certified vendors supported in 2023 are California-based businesses; one is based in Ava's service territory, and the additional three are in other Bay Area counties.

### *2024 Plan and Next Steps*

Ava's 2024 Annual Plan highlights continued commitment to local procurement, grants and sponsorships, and workforce development, as well as supplier outreach and

education efforts. Ava's report will be made public on the CPUC Utility Supplier Diversity Program website.

**Fiscal Impact**

There is no financial impact associated with this item.

**Attachments**

- A. Supplier Diversity Overview & 2023 Report to CPUC Presentation
- B. Supplier Diversity 2023 Annual Report & 2024 Plan



# Supplier Diversity Overview



# Agenda

- Supplier Diversity and Why It Matters
- GO156 and CPUC Supplier Diversity Program
- Prop 209 and Ava Contracting Restrictions
- 2023 Supplier Diversity Report Findings
- 2024 Supplier Diversity Plan
- CPUC Recognition of CCA Progress
- Conclusions



# Supplier Diversity and Why It Matters

- Supplier diversity is simply providing business opportunities to people from a variety of backgrounds whether its women-owned, LGBTQ, disabled veterans, minorities, or disabilities-owned among other backgrounds.
- Supplier Diversity increases workforce diversity and provides more opportunities to vendors that reflect Ava's community.
- An additional benefit is that through encouraging diverse businesses to participate in the CPUC supplier clearinghouse program, it helps increase visibility to private companies that have voluntary procurement goals. As businesses gain contracting opportunities with said private companies, it strengthens diverse businesses' own capabilities, which in turn will make them more marketable to Ava solicitations.



# Supplier Diversity and Why It Matters



# GO156 and CPUC Supplier Diversity Program

## CPUC Utility Supplier Diversity Program

- History: compliance requirement, first adopted April 1988
- Purpose: increase procurement *BY* utilities, *FROM* diverse suppliers
- Diverse Suppliers: woman, minority, disabled veteran, LGBT, and/or disabilities-owned business entities (diverse businesses) that are certified in the Supplier Clearinghouse
- Requirement:
  - Backward-looking annual report regarding procurement from diverse businesses
  - Forward-looking annual plan to achieve program purpose

## Expanding to CCAs

- History: GO 156 expanded to include CCAs
- Purpose: increase procurement *BY* utilities, *FROM* diverse suppliers
- Requirement: similar reporting requirements to IOUs



# Prop 209

## What is Prop 209?

- Prop 209 prohibits California public agencies and institutions from considering race, sex, color, ethnicity, or national origin in selections for contracting, employment, or education.

## What does it mean for Ava contracting decisions?

- We CANNOT make vendor selections based on these considerations, ever.

## What can we do for Supplier Diversity within bounds of Prop 209?

- Education and awareness
- Solicitation outreach to increasingly diverse groups
- Support diversity certification of vendors
- Support existing contractors' search for subcontractors in Supplier Clearinghouse



# 2023 Supplier Diversity Report Findings

## Diverse Spending

- Four certified suppliers; \$225,000 spending

## Companies we spent with

- *(Women-Owned)* Blaisdell's Business Products is an Oakland-based office goods vendor that supplies Ava with various office amenities.
- *(Women/Minority-Owned)* Clean Energy Regulatory Research, LLC is a San Francisco-based regulatory consulting firm providing services to the utility sector on clean energy programs.
- *(Minority-Owned)* Pacific Printing produced various mailers and printed collateral.
- *(LGBT-Owned)* The Law Office of Joseph F. Wiedman is a Cloverdale-based firm providing legal services in the realm of cleantech law, policy, and energy markets.

## Local Spending

- Ava local spend tripled spending in its jurisdictions from 2022 to 2023 to \$4.7m
- Small and local spending increased from 18% to nearly 40% of net-procurement spending from 2022 to 2023



# 2023 Supplier Diversity Report Findings

## 2023 Program Activities

- Board and Ava Staff engagement
- CCA and CPUC Collaboration
- CPUC 21st Annual Supplier Diversity En Banc and Small Business Expo
- Chamber of Commerce Membership and Education
- Marketing of Supplier Clearinghouse through Ava Solicitations
- Labor & Workforce Development
- Community Sponsorships
- Community Investment Grants
- Support and Technical Assistance to Small and Diverse Businesses
- Utility Bill Assistance Programs Supporting Diverse Communities





# 2024 Supplier Diversity Plan

- Community Grants & Sponsorships
- Labor & Workforce Development
  - Execute on Workforce and Environmental Justice Evaluation Criteria in power procurement
  - Youth Training Education (for high school-aged or recent college grads)
- CCA Collaboration & Diversified Outreach
- Data Capture and Improved Processes
- Promote CPUC Supplier Diversity Program
  - Solicitations and Solicitation Webinars
  - Non-Power and Power Solicitations



# CPUC Recognition of CCA Progress

## Highlights in CPUC Report on Supplier Diversity (Sept 2023)\*

- The CPUC commends the CCAs for their ongoing commitment to supplier diversity, acknowledging their continued progress they have made despite various challenges.
- Currently, the CPUC is collaborating with CCAs and organizations in the energy industry to discover solutions, offer guidance, identify best practices, foster engagement with diverse suppliers, and cultivate relationships with ethnic chambers of commerce and various local business organizations.
- The CCA quarterly meetings with the CPUC have also greatly improved the relationship between CPUC/CCA/CalCCA staff, and the report details that collaborative relationship.

\* <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/news-and-outreach/documents/bco/go-156-annual-reports/2023-go-156-report-to-the-legislature.pdf>



# Conclusions

- CPUC has supplier diversity program that Ava executes through reporting and programmatic business activities
- Ava cannot choose contractors based on diversity
- 2023 findings:
  - Four certified suppliers; \$225,000 spending
  - Ava local spend tripled spending in its jurisdictions from 2022 to 2023
- All resources, including past reports can be found on our Supplier Diversity website: <https://avaenergy.org/supplier-diversity/>



March 1, 2024

# Supplier Diversity 2023 Annual Report & 2024 Plan



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# Message from Ava CEO Nick Chaset

On a day-to-day basis, it is a continuous battle to make progress on the clean energy front. There are the headlines about heatwaves and on-going impacts of climate change, the rules that govern energy markets are continually shifting, and the challenge of working with multiple stakeholders with competing interests to reach a common goal. However, I am encouraged that after five years of serving customers, Ava Community Energy continues to find a path forward in our core mission of providing Northern California residents, businesses and municipalities with greener electricity at lower rates.

Ava had many achievements to be proud of in the past year. First, you'll notice our new name: formerly East Bay Community Energy, we are now Ava Community Energy. The name change and rebrand signal Ava's expansion beyond the East Bay to encompass Alameda County and parts of the San Joaquin Valley, as well as the agency's growing commitment to driving electrification across its service territory. Part of our rebrand is also to cast a vision of being a trusted resource to our customers and provide simple guidance toward better, clean-powered living.

On the transportation electrification front, Ava partnered with EV Realty to build the largest public EV fast-charging hub with 33-stalls in Oakland, centrally located and next to a disadvantaged community. We also committed to a new financing program to support the transition to zero-emission heavy-duty trucks. Working with Forum Mobility, Ava will support the development of the Greenville Community Charging Depot, a 4.4-acre site capable of charging up to 96 trucks in Livermore. Furthermore, Ava celebrated reaching commercial operations on two solar + storage projects: Intersect's 679 MW solar and 250 MW storage in Riverside County and Daggett with 482 MW solar and 280 MW energy storage in San Bernardino County, one of the largest in the country. Ava staff was also pleased to announce the investment of \$16 million back into the community through our expanded bill credits and savings program.

While we feel our work speaks for itself, we had the honor of not only winning Environment + Energy Leader's 2023 Top Project of the Year Award for our Resilient Critical Municipal Facilities Program, but we were also recognized as one of the U.S.'s top green power providers by the National Renewable Energy Laboratory's Utility Green Pricing Program.

Our work demonstrates the unwavering commitment to the customers we are charged to serve. Ava will continue reinvesting our excess revenues into customer programs, clean power projects, local grants, and local procurement efforts all in the spirit of supporting our local communities. We are excited to highlight 2023's outcomes in this year's supplier diversity report.

Nick Chaset  
CEO, Ava Community Energy



# Executive Summary

Ava Community Energy (“Ava”) hereby submits its fourth Supplier Diversity Annual Report in accordance with the requirements of SB 255 (2019, Bradford).

Ava is a Joint Powers Authority (“JPA”) formed on December 1, 2016 pursuant to California Government Code §§ 6500 et. seq. to provide community choice energy to its member jurisdictions: the County of Alameda and each of the following cities incorporated therein: Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Oakland, Piedmont, San Leandro, and Union City. Ava started serving Alameda County businesses and municipalities in June 2018 and began serving residential customers in November 2018. In 2020, Ava added the Alameda County cities of Newark and Pleasanton, as well as the city of Tracy in San Joaquin County, to the JPA, and began serving customers in those new jurisdictions in April 2021. In 2022 and 2023, respectively, Stockton and Lathrop were accepted as Ava’s latest jurisdictions, with service tentatively scheduled for 2025.

As a California local government entity bound by California Prop 209, Ava is prohibited from considering race, sex, color, ethnicity, or national origin in its contracting. Accordingly, in contrast to California’s electrical corporations, Ava does not set supplier diversity targets or goals. Ava has, however, developed programming for outreach and education around General Order 156 (“GO 156”) to ensure that Ava’s current suppliers and potential future suppliers are aware of the California Public Utilities Commission (“CPUC”)-supervised Supplier Clearinghouse and the opportunities that may come along with certification. Ava also offers technical assistance to suppliers who are interested in applying to the Supplier Clearinghouse for certification as a Women, Minority, Service-Disabled Veteran, LGBT, and/or Persons with Disabilities-owned business enterprise (diverse businesses).

Ava’s contracting process is not influenced by the Supplier Clearinghouse certification status of its potential suppliers. Ava does not collect data from its suppliers on their status as a diverse business or certified vendor until after the contract with Ava is executed. To provide the state with data on Ava’s annual spend with diverse suppliers, Ava asks its suppliers to provide information on their diverse status after contract execution through a Supplier Diversity questionnaire.

Educating suppliers about the Supplier Clearinghouse and providing technical support should increase certification levels of diverse firms over time. Certification brings those vendors greater promotion and visibility to the non-government utility companies that do utilize the Clearinghouse database in their search for suppliers. Furthermore, if certified vendors gain additional contracts with the utility companies, they broaden their value as potential suppliers to entities such as Ava based on their additional experience and expertise. In other words, encouraging greater participation in the Supplier Clearinghouse can strengthen and broaden the pool of experienced diverse suppliers available in the marketplace in the future.

In accordance with California law, Ava does not exhibit preference for woman-owned (“WBE”), minority-owned (“MBE”), or LGBT-owned (“LGBTBE”) suppliers in its solicitations or procurement selections. However, Ava does employ four procurement preferences, incorporated into Ava’s Administrative Procurement Policy. In 2021 Ava added a preference for Disabled Veteran-owned businesses

("DVBE"), as well as a preference for businesses located in a Disadvantaged Community ("DAC") as identified by the California Environmental Protection Agency's ("CalEPA") CalEnviroScreen Tool. These two preferences join the existing preferences for Union labor and local suppliers located in the Alameda County and City of Tracy service territory. Ava's commitment to local investments is laid out in its Local Development Business Plan<sup>1</sup> ("LDBP"). The LDBP is intended to develop a comprehensive framework for accelerating the development of clean energy assets within Alameda County. The LDBP explores how Ava can contribute to fostering local economic benefits, such as job creation, customer cost-savings, and community resilience. The LDBP also identifies opportunities for development of local clean energy resources, explains how to achieve Ava's community benefits goals, and provides strategies for local workforce development for adoption by the Ava Board of Directors.

<sup>1</sup> [AvaEnergy.org/local-development-business-plan](https://www.avaenergy.org/local-development-business-plan)



# 2023 Annual Report



## 9.1.1 Description of Supplier Diversity Program Activities During the Previous Calendar Year Attachment Consent Item 14B

Ava recognizes its responsibility and opportunity as a local public agency, investing millions of dollars into the community and state every year. As such, Ava holds a strong commitment to investing directly in its service territory to the greatest degree possible. This takes the form of maximizing direct purchasing from companies and organizations with their home in Alameda County and/or the City of Tracy. It also takes the form of deploying clean energy assets and customer programs that create local jobs and provide economic benefit and community resilience to customers.

In 2023, Ava had a Net Procurement of \$11,960,645,<sup>2</sup> spent on professional services, administrative spend, and community grants and sponsorships. As acknowledged in the CPUC Proposed Decision released on February 9, 2021,<sup>3</sup> Ava – and all CCAs for that matter – face different total purchasing needs, along with restrictions on supplier selection criteria relative to the investor-owned utilities. As such, Ava's Net Procurement amount is limited in size and scope compared to the Net Procurements of the investor-owned utilities, and the diverse supplier spend is only a small portion of annual Net Procurement, as is further detailed in Section 9.1.2 and Section 9.1.9. To promote and grow the statewide Supplier Diversity program, Ava continues to approach and grow Supplier Diversity activities in an innovative way that drives the program forward, while staying within the legal bounds that constrain CCAs from setting targets and expressing preference for diverse suppliers. Below are the activities undertaken in 2023 to that end.

### Internal Activities

#### Board of Directors Engagement

- In April 2023, staff provided an informational report to the Board of Directors on GO 156, SB 255, and Ava's third annual Supplier Diversity report.<sup>4</sup>
- In the Fall of 2023, Ava worked with CCA Workforce & Environmental Justice Standards Alliance to formalize evaluation criteria as it pertains to Ava's energy offtake agreements. The criteria are focused on strengthening hiring of local and equitable workforces, as well as addressing environmental justice priorities. The criteria were formalized in Ava policy in January 2024. This work is elaborated on in 9.1.9.

#### Staff Engagement

- All Ava staff attended an internal training about GO 156 and the Supplier Diversity program, including requirements and resources, and the implications it has for Ava's solicitations.

#### CCA Collaboration

- Ava staff engaged in numerous multi-CCA meetings to share program actions and updates and discuss potential collaborations.

#### CPUC Collaboration

- In June 2023, Ava staff participated in a call with CPUC staff to debrief on Ava's 2022 Supplier Diversity Report.
- In June 2023, Ava on-boarded new CPUC staff to help them with understanding of Ava's work and path forward
- Ava staff participated in a quarterly call series with CPUC staff and representatives from other CCAs to discuss GO 156 and SB 255 challenges and opportunities.

<sup>2</sup>Net Procurement number as defined by the CPUC GO 156 table templates (i.e. includes purchase order, non-purchase order, and credit card dollars) and CPUC guidance not to include staff salaries and benefits. Net Procurement also excludes all power procurement spend, which is reported on in the Power Procurement Annual Report section.

<sup>3</sup>[R-21-03-010 Proposed Decision; Proposed changes to General Order 156 under R-21-03-010](#)

<sup>4</sup>[Ava Staff Report](#). April 19, 2023.

## 2024 Planning

- Through the fourth year of Ava's Supplier Diversity program, staff has continued to refine ideas and offerings, as well as generate new ideas for additional components that Ava can add or develop to further increase vendors' awareness of the CPUC program.
- Ava staff has also continued to improve internal processes and data capture to make reporting even more thorough and robust.

## External Activities

### CPUC 21st Annual Supplier Diversity En Banc

- Ava staff attended the annual En Banc in September 2023 to understand challenges and opportunities and share information and resources.

### CPUC's Small and Diverse Business Expo

- Ava staff attended the event where they promoted business opportunities and solicitation channels to small businesses that attended the event. Ava staff also sought to understand small and diverse service offerings. 53 businesses were added to the solicitation distribution list.

### Chamber Memberships

- Ava continued its membership in the chambers of commerce for all JPA member cities.<sup>5</sup> Ava also continued membership with ethnic chambers of commerce including Black Business Roundtable of Hayward's Chamber of Commerce, Latino Business Roundtable of Hayward's Chamber of Commerce, Oakland African American Chamber of Commerce, Oakland Chinatown Chamber of Commerce, and Oakland Latino Chamber of Commerce.
- Ava staff has sent out monthly resources such as customer services and rebate programs, local sponsorship opportunities, rate information, and other agency news, to Oakland African American Chamber of Commerce, Oakland Latino Chamber of Commerce, and Oakland Chinatown Chamber of Commerce.
- Ava hosted a booth at Oakland Chinatown Chamber of Commerce's annual Lunar New Year Event in January 2023.

### Certify & Amplify

- Ava leveraged outreach to chambers and business organizations to promote MCE's "Certify & Amplify" event held in June 2023.

### Solicitations

- Ava uses standard language pertaining to supplier diversity in all goods, services, and power solicitations. Ava provides background on GO 156, on Ava's legal inability to exhibit preference to diverse suppliers, and supports certification of eligible contractors.
- Ava has also developed standard slides on GO 156 and certification resources to be used in all solicitation webinars.

### Local Purchasing

- Ava purchases goods and services from small and local businesses to the greatest degree possible. Ava's Administrative Procurement Policy provides that procurements of goods, non-professional services, and professional services under \$10,000 in contract value may be made without a formal solicitation; these types of procurements are more likely to be sourced from small and/or local

<sup>5</sup>Except for the City of Emeryville, which does not have a Chamber of Commerce.

businesses, for which Ava predominantly uses the Alameda County Small, Local, and Emerging Business (“SLEB”) Directory to source potential vendors. For larger procurements, and particularly those for which a formal competitive solicitation is issued, potential suppliers may receive points for their small or local business status, but Ava does not make decisions solely based off these classifications.

### Labor & Workforce Development

- Ava expresses a strong preference (i.e., 2.5% bonus, as detailed and codified in the Administrative Procurement Policy), and in many cases a contractual requirement, for the use of local and Union labor.<sup>6</sup> As prime contractors source subcontractors within these requirements they are more likely to contract with small and diverse businesses.
- Ava also has growing partnerships to support local workforce development opportunities for community members. Some of this work is in direct relation to the deployment of Ava’s local clean energy programs, and some is more generally dedicated to advancing clean energy jobs training, workforce development, and career pathways for young people.
- As mentioned in Board of Directors engagement, Ava has worked to incorporate evaluation criteria regarding the hiring of local and equitable workforces, in the spirit of workforce development. The criteria was approved by the Board of Directors in January 2024.

### Community Sponsorships

- Ava is dedicated to reinvesting in its communities through a series of ongoing financial sponsorships and grants to local community-based organizations and programs. Community Sponsorships are awarded three times per year. The maximum award amount is \$2,500 per organization per award round. Community Sponsorships go to all sorts of incredible local organizations in categories spanning from STEM education to arts & music to addressing food insecurity. In 2023, 20 unique organizations received a Community Sponsorship.<sup>7</sup>
- Ava continued to be an official Climate Justice partner of the Oakland Roots Sports Club (“Oakland Roots”), a professional soccer club on a mission to be a model community partner. This sponsorship involves \$125,000 per year for three years (2023 being Ava’s third year), supporting the Oakland Roots in their efforts to become climate positive<sup>8</sup> and to continue building a diverse and inclusive community of fans from across Northern California. In turn, Ava hosts a booth at all home games to engage fans of all ages in learning more about the agency.

### 2023 Community Investment Grants

- Ava began awarding grants this funding cycle (2023–2026), with the objective of investing in the community, educating and empowering Ava customers for the energy transition. Three RFPs out of the five grants were posted as of December 2023.<sup>9</sup>
- One grant awarded \$150,000 in grant funds in December 2023 (another \$150k will be paid, for a total of \$300,000, over 2 years) to Channing St. Co. in support of Induction Cooking Education and Awareness.<sup>10</sup> This grant will support Ava Customers in replacing gas use. Specifically, Channing St. will provide electrification education and awareness at community events, prioritizing outreach to and enrollment from residents in Equity Priority Communities.<sup>11</sup>
- The other two RFPs were in support of Environmental and Renewable Energy Education grant (for elementary and middle schools)<sup>12</sup> and a Youth Training Education (for high school-aged or recent college grads).<sup>13</sup> These were posted in December 2023 with proposals arriving by the end of February 2024.

<sup>6</sup> A bonus equal to 2.5% in competitive solicitations is awarded to bidders utilizing Union labor, as detailed and codified in the Administrative Procurement Policy.

<sup>7</sup> List of Community Sponsorships: [AvaEnergy.org/community-sponsorships](https://AvaEnergy.org/community-sponsorships)

<sup>8</sup> Oakland Roots press release and Ava partnership video, September 2021.

<sup>9</sup> [AvaEnergy.org/solicitations](https://AvaEnergy.org/solicitations)

<sup>10</sup> Induction Cooking Education and Awareness Grant. August 15, 2023.

<sup>11</sup> [mtc.ca.gov/planning/transportation/access-equity-mobility/equity-priority-communities](https://mtc.ca.gov/planning/transportation/access-equity-mobility/equity-priority-communities)

<sup>12</sup> Climate, Renewable Energy and Electrification Education Grant. December 22, 2023.

<sup>13</sup> Clean Energy Jobs and Training for Youth Awareness Grant. December 22, 2023.

- As part of the RFO, Ava advertised the CPUC's Supplier Diversity Program including Ava's GO 156 reporting requirements and encouraged eligible parties to consider certification.

### Supplier Diversity Questionnaire

- Ava sent requests to prospective respondents from the Ava Supplier Diversity email address—[supplier-diversity@avaenergy.org](mailto:supplier-diversity@avaenergy.org)—and attached the GO 156 Certification Benefits & FAQs document,<sup>15</sup> to help garner vendor attention and participation in both the questionnaire, and the GO 156 program overall.
- Given the unique set of vendors Ava works with, many do not hold contracts with the investor-owned utilities and were unaware of GO 156. When Ava distributed the questionnaire, Ava again received feedback that the socialization of the program and the Supplier Clearinghouse were highly informative to many of its vendors. Several eligible vendors noted their status and interest in pursuing certification as a result of learning about GO 156 and the Supplier Clearinghouse. Ava will support their pursuit of certification.
- In addition to collecting required data for this Annual Report, Ava staff also took the opportunity to gather details and feedback relative to local job creation and workforce development opportunities that stem directly from Ava contracts.

### Support and Technical Assistance to Small and Diverse Businesses

- Ava is committed to assisting existing GO 156-eligible prime contractors in pursuing certification. Ava offers technical assistance directly to vendors, as well as publicly on Ava's website. In 2023 Ava did not receive any requests for support in the certification application process but did actively extend the offer to the eight 2022 vendors who self-identified as 'eligible but not yet certified' through last year's questionnaire. In outreach to diverse and ethnic chambers of commerce, Ava also included information on GO 156 certification, along with the offer for technical assistance to any of the organizations' members.
- Ava also evaluated avenues to actively support Ava's existing prime contractors in identifying certified subcontractors from the Supplier Clearinghouse where they have the need and interest. Given low interest from vendors, Ava did not pursue developing a formal platform to enable prime contractors to review and engage with certified subcontractors more easily. Ava has, however, continued to promote the Supplier Clearinghouse as a robust database to source subcontractor leads, including highlighting this point on Ava's Supplier Diversity webpage and linking to the Supplier Clearinghouse directly.
- Through Ava's advertising of the certification, Pivotal Talent Search certified with CPUC. In addition two other businesses are finalizing their CPUC certification.

### Assistance Programs Supporting Diverse Communities

In addition to the work in supporting diverse businesses, it is important to highlight Ava's efforts to support diverse communities.

- Ava currently participates in several CPUC regulated programs aimed at assisting customers with their utility bill including the Disadvantaged Communities-Green Tariff ("DAC-GT") and the Percentage of Income Payment Plan ("PIPP"). Ava's DAC-GT program, known as the "Ava Solar Discount" program, offers customers access to 100% renewable energy supply and a 20% discount on their electricity bills. DAC-GT is for groups who are California Alternate Rates for Energy/Family Electric Rate Assistance Program (CARE/

<sup>14</sup> [AvaEnergy.org/ebce-sjce-2023-rfo/](https://www.avaenergy.org/ebce-sjce-2023-rfo/)

<sup>15</sup> [GO 156 Certification Benefits & FAQs, Ava PDF](#)

FERA) enrolled and living in a designated disadvantaged community,<sup>16</sup> i.e. groups who have high barriers to accessing low-cost, renewable energy. By the end of 2023, Ava's Solar Discount program was enrolled up to its program cap of ~2,600 customers. In 2023, the program provided customers a total of \$467,031 in electric bill savings. Participants received an average of \$17.30 off their monthly electricity bill.

- Ava also participated in the Percentage of Income Payment Plan (PIPP), a 4-year pilot program for customers who are CARE-enrolled and located in one of Ava's top 20 zip codes with the highest rate of recurring disconnections. Customers' energy charges are capped at a fixed amount, plus taxes and fees. There are two standardized bill caps that can apply to the customer's bill and are based on the customer's income level. Ava customers were first enrolled in the program starting in March 2023. By the end of 2023, Ava's PIPP program had ~630 enrolled customers. Ava's program size is capped at 708 spots. In 2023, the program provided customers a total of \$165,635 in electric generation bill savings. Participants received an average of \$33.46 off their monthly electric bill on the generation side.
- In November 2023, every household on an income-qualifying rate under the CARE/ FERA programs automatically received a one-time \$50 bill credit. With about 115,000 qualifying accounts, Ava is putting approximately \$6 million back in customers' wallets. Furthermore, in November and continuing on a rolling basis, all Ava residential customers (including those on CARE or FERA) will receive a \$7.74 bill credit, and all Ava commercial customers will receive volumetric savings on their bills based on their electricity usage. These two tranches total \$10.5 million across residential and commercial bills.

### **Ava's Supplier Diversity Website and Contact Information**

Ava's Supplier Diversity webpage can be found at:

[AvaEnergy.org/supplier-diversity](https://AvaEnergy.org/supplier-diversity)

Ava's Supplier Diversity Program Manager, Joseph Sit can be reached at:

[jsit@AvaEnergy.org](mailto:jsit@AvaEnergy.org) or 510.904.1032.

<sup>16</sup> A "disadvantaged community" is a community that appears among the top 25% of census tracts identified by CalEnviroScreen 3.0 or CalEnviroScreen 4.0. CalEnviroScreen is an analytical tool created by the California Environmental Agency (CalEPA) that measures a combination of economic, health, and environmental factors by census tract.

## 9.1.2 Supplier Diversity Results of Goods and Services (non-power purchases) if Procured

In Ava's fourth year Ava contracted with four confirmed GO 156 certified suppliers, for a total Diverse spend of \$224,835. In 2023 Ava supported nine eligible suppliers, and one additional diverse supplier based outside of California. The eligible but not yet certified suppliers have identified as Minority-Owned and/or Women-Owned Business Entities. Ava will work with the other interested suppliers to support their pursuit of certification by the Supplier Clearinghouse. If all eligible suppliers were certified in 2023, Ava's total Diverse spend would have increased by \$48,660 for a would-be total of \$273,495.

As detailed in Section 9.1.1, given that CCAs' supplier selection process does not take account of diverse supplier status for any procurement, Ava's diverse supplier spend is a small portion of annual Net Procurement. Ava's total procurement with certified vendors captures spend with small and local business services within communities that Ava serves, and also bespoke technical consulting services utilized to support innovative new clean energy programs, power portfolio management, and regulatory analysis and compliance. All four certified diverse vendors highlighted in this 2023 Annual Report are California-based businesses. All four businesses are located in Bay Area counties—including one in Ava's service area.

### Women-Owned Business Entity Procurement

Of Ava's four certified diverse suppliers, two are certified as a Woman-Owned Business Entity ("WBE"), with one certified as both a Minority-Owned and Woman-Owned Business Entity ("WMBE"). In the tables within this Section 9.1.2, the WMBE-certified vendor was counted under the Total Minority-Owned Business Entity ("MBE") column; this vendor was still counted under the appropriate Minority Female portions of the various tables but was not double counted towards total diverse spend.

- **Blaisdell's Business Products** is an Oakland-based office goods vendor that supplies Ava with various office amenities.
- **Clean Energy Regulatory Research, LLC** is a San Francisco-based regulatory consulting firm providing services to the utility sector on clean energy programs.

### Minority-Owned Business Entity Procurement

Of Ava's four certified diverse suppliers, two are certified as a Minority-Owned Business Entity ("MBE"), with one certified as both a Minority-Owned and Woman-Owned Business Entity ("WMBE"). As noted above, the WMBE-certified vendor was counted under the Total Minority-Owned Business Entity ("MBE") column, and they were not double counted towards total diverse spend.

- **Clean Energy Regulatory Research, LLC** is a San Francisco-based regulatory consulting firm providing services to the electric and gas utility sector on clean energy programs.
- **Pacific Printing** produced various mailers and printed collateral for Ava.

### LGBT-Owned Business Entity Procurement

Of Ava's four certified diverse suppliers, one is certified as a Lesbian, Gay, Bisexual, or Transgender-Owned Business Entity ("LGBTBE").

- **The Law Office of Joseph F. Wiedman** is a Cloverdale-based firm providing legal services in the realm of cleantech law, policy, and energy markets.

## 9.1.2: Supplier Diversity Results of Goods and Services (non-power purchases) by Direct and Subcontractor Spending

	Direct	Sub	Total \$	%	
<b>Minority Male</b>	African American	-	-	-	
	Asian Pacific American	-	-	-	
	Hispanic American	\$145,648	-	\$145,648	1.22%
	Native American	-	-	-	-
	<b>Total Minority Male</b>	<b>\$145,648</b>	<b>-</b>	<b>\$145,648</b>	<b>1.22%</b>
<b>Minority Female</b>	African American	-	-	-	
	Asian Pacific American	\$45,135	-	\$45,135	0.38%
	Hispanic American	-	-	-	-
	Native American	-	-	-	-
	<b>Total Minority Female</b>	<b>\$45,135</b>	<b>-</b>	<b>\$45,135</b>	<b>0.38%</b>
<b>Total Minority Business Enterprise (MBE)</b>	<b>\$190,783</b>	<b>-</b>	<b>\$190,783</b>	<b>1.60%</b>	
<b>Women Business Enterprise (WBE)</b>	<b>\$21,130</b>	<b>-</b>	<b>\$21,130</b>	<b>0.18%</b>	
<b>Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)</b>	<b>\$12,923</b>	<b>-</b>	<b>\$12,923</b>	<b>0.11%</b>	
<b>Disabled Veteran Business Enterprise (DVBE)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Persons with Disabilities Business Enterprise (DBE)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Other 8(a)*</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total Supplier Diversity Spend</b>	<b>\$224,835</b>	<b>-</b>	<b>\$224,835</b>	<b>1.88%</b>	

<b>Net Procurement**</b>	\$11,960,645
<b>Net Product Procurement</b>	\$309,305
<b>Net Service Procurement</b>	\$11,651,339
<b>Total Number of Diverse Suppliers that Received Direct Spend</b>	4

**Ava Notes:**

One firm is certified as a WMBE. This firm's procurement cost was counted once under the Total MBE. Ava did not collect sufficient data in 2023 to have visibility into certified subcontractor spend by prime contractors.

**CPUC Notes:**

\* 8(a) - Businesses owned and controlled by persons found to be disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637 (a)) or the U.S. Secretary of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Section 1.3.13).

\*\* Net Procurement includes purchase orders, non-purchase orders, and credit card dollars

Direct - Means Direct Procurement: when a CCA directly procures from a supplier

Sub - Means Subcontractor Procurement: when a prime contractor, in contract with a CCA, procures from a subcontractor to fulfill its contractual obligation(s)

% - Percentage of Net Procurement



## 9.1.2: Supplier Diversity Results of Goods and Services (non-power purchases) by Product and Service Spending

	Product	Service	Total \$	%	
<b>Minority Male</b>	African American	-	-	-	
	Asian Pacific American	-	-	-	
	Hispanic American	\$1,583	\$144,065	\$145,648	1.22%
	Native American	-	-	-	-
	<b>Total Minority Male</b>	<b>\$1,583</b>	<b>\$144,065</b>	<b>\$145,648</b>	<b>1.22%</b>
<b>Minority Female</b>	African American	-	-	-	
	Asian Pacific American	-	\$45,135	\$45,135	0.38%
	Hispanic American	-	-	-	-
	Native American	-	-	-	-
	<b>Total Minority Female</b>	<b>-</b>	<b>\$45,135</b>	<b>\$45,135</b>	<b>0.38%</b>
<b>Total Minority Business Enterprise (MBE)</b>	<b>\$1,583</b>	<b>\$189,200</b>	<b>\$190,783</b>	<b>1.60%</b>	
<b>Women Business Enterprise (WBE)</b>	<b>\$21,130</b>	<b>\$0</b>	<b>\$21,130</b>	<b>0.18%</b>	
<b>Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)</b>	<b>-</b>	<b>\$12,923</b>	<b>\$12,923</b>	<b>0.11%</b>	
<b>Disabled Veteran Business Enterprise (DVBE)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Persons with Disabilities Business Enterprise (DBE)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Other 8(a)*</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total Supplier Diversity Spend</b>	<b>\$22,712</b>	<b>\$202,123</b>	<b>\$224,835</b>	<b>1.88%</b>	

<b>Net Procurement**</b>	\$11,960,645
<b>Net Product Procurement</b>	\$309,305
<b>Net Service Procurement</b>	\$11,651,339
<b>Total Number of Diverse Suppliers that Received Direct Spend</b>	4

**Ava Notes:**

One firm is certified as a WMBE. This firm's procurement cost was counted once under the Total MBE. Ava did not collect sufficient data in 2023 to have visibility into certified subcontractor spend by prime contractors.

**CPUC Notes:**

\* 8(a) - Businesses owned and controlled by persons found to be disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637 (a)) or the U.S. Secretary of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Section 1.3.13).

\*\* Net Procurement includes purchase orders, non-purchase orders, and credit card dollars

Direct - Means Direct Procurement: when a CCA directly procures from a supplier

Sub - Means Subcontractor Procurement: when a prime contractor, in contract with a CCA, procures from a subcontractor to fulfill its contractual obligation(s)

% - Percentage of Net Procurement

## 9.1.2: Small & Local Spend

Ava is also including an optional table to the CCAs to highlight local, California, and certified small business spend. Local is constituted by a business' location within Ava's service area, and small businesses are those certified by the California Department of General Services ("DGS"). These values do not influence diverse supplier spend values reported elsewhere in this report. As the table shows, Ava spends with the highest number of local businesses, and spends roughly 75% of its Net Procurement within California. In terms of absolute dollars compared to 2022, Ava small & local spend tripled, and overall spending in California increased by more than 50%.

	Small Business*		Local Business (exclude Small Business*)		Combined	
	Procurement (\$)	# of Suppliers	Procurement (\$)	# of Suppliers	Small & Local Combined Spend (\$)	Small & Local Combined Spend (% of Net Procurement)
<b>Ava Local</b>	\$25,310	2	\$4,686,173	101	<b>\$4,711,483</b>	<b>39.39%</b>
<b>In State (excludes Ava local)</b>	\$10,410	1	\$4,160,830	168	<b>\$4,171,240</b>	<b>34.87%</b>
<b>Out of State</b>	-	-	\$3,077,922	65	<b>\$3,077,922</b>	<b>25.73%</b>
<b>TOTAL</b>	<b>\$35,720</b>	<b>3</b>				

### Ava Notes:

Ava Local is constituted by a business' location within Ava's service area. Companies that are both certified small and local are not double counted. All certified small businesses hold a Small Business (micro) certification from the DGS.

### CPUC Notes:

\* Firms classified as small businesses by DGS include non-diverse businesses

\*\* Net procurement includes purchase order, non-purchase order, and credit card dollars

Direct - Direct procurement

Sub - Subcontractor procurement

% - Percentage of net procurement

<b>Net Procurement**</b>	<b>\$11,960,645</b>
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### 9.1.3 Supplier Diversity Program Expenses

Ava's Supplier Diversity program expenses include staff and consulting time in the development of internal and external activities, as well as the preparation of the 2022 Report that occurred at the beginning of calendar year 2023. This included multiple sessions focused on collaboration and preparation with other CCAs as well as staff-wide training time.

Expense Category	Year (Actual)
Wages	\$6,851
Other Employee Expenses	\$0
Program Expenses	\$0
Reporting Expenses	\$0
Training	\$0
Consultants	\$825
Other	\$0
<b>TOTAL</b>	<b>\$7,676</b>

### 9.1.5 Description of Prime Contractor Utilization of Diverse Subcontractors

Understanding the certification status of subcontracted business entities continues to be a blind spot for Ava. Though Ava staff requested information from our prime contractors in the Supplier Diversity questionnaire, Ava's current data collection processes do not capture the necessary information on subcontractors to have certainty on certification status or potential eligibility.

In Ava's 2023 Supplier Diversity questionnaire, Ava again asked vendors to detail their subcontracting with certified and/or eligible subcontractors. 86% of the questionnaire respondents do not utilize subcontractors for their work for Ava, and the rest of the prime contractors who required subcontractors utilized businesses that were not GO 156 certified or did not know the status of their subcontractor businesses. Heightened awareness of the Supplier Diversity program and Clearinghouse did not translate to better prime knowledge of subcontractor status. In addition, much of the work for which Ava contracts is not subcontracted out, nor does Ava give preference to bidders with diverse suppliers. In sum, there is little reason or opportunity for Ava prime contractors to engage diverse subcontractors.

Additionally, as committed to in Ava's 2023 Annual Plan, Ava surveyed prime contractors in 2023 to gather feedback regarding the value of a platform to connecting them to certified subcontractors as a way of supporting existing prime contractors' own supplier diversity efforts. Vendors expressed low interest in such a platform, and Ava did not pursue developing a formal platform.

With all that said, Ava continues to promote the Supplier Clearinghouse as a robust database to source subcontractor leads, including highlighting this point on Ava's Supplier Diversity webpage and linking to the Supplier Clearinghouse directly.

### 9.1.6 List of Supplier Diversity Complaints Received and Current Status

Ava did not receive any complaints in regard to Ava’s Supplier Diversity program or procurement methodologies. On the contrary, for a fourth year in a row Ava received positive feedback from various vendors grateful for the opportunity to not only share their status relative to Ava’s compliance needs—i.e. which ‘boxes they tick’—but to also share the active programs and initiatives they have developed and/or are maintaining relative to their own supplier diversity and workforce development efforts.

### 9.1.9 Description of Supplier Diversity Activities and Progress in Power (Energy) Procurement

#### 2023 Long Term RFO

In the Spring of 2023, Ava released a request for offers (“RFO”) to procure additional long-term renewable energy resources, energy storage, and clean energy hedges.<sup>17</sup> In written materials describing the solicitation, Ava provided background resources on GO 156 and specifically encouraged eligible suppliers to pursue certification. Negotiations in that RFO are still underway.

Furthermore, standard contracts in Ava procurement now include a section defining prime counterparties’ responsibility to perform annual reporting to Ava of their status as a certified vendor, if applicable, and their spend with eligible and/or certified subcontractors or other businesses. In addition to highlighting GO 156 and the Supplier Diversity program in written materials, Ava describes the program and its importance in solicitation webinars. Ava is committed to educating counterparties about the GO 156 program and its value to the business landscape, supporting the certification process for eligible contractors, and directing vendors to the Supplier Clearinghouse Certified Directory as an additional resource for hiring subcontractors. Ava places a high value on diversity and continues to support the mission of GO 156 while experiencing the same challenges as investor-owned utilities in its application to the power procurement space as well as additional challenges unique to Ava.

As explained by the utilities in previous reports, the wholesale electric marketplace is comprised of large, long-term assets primarily owned and operated by large corporations and financial institutions. The generating resources that provide electricity to California customers are capital-intensive to construct and operate, limiting the opportunities for small to medium-sized businesses to enter the market as primary developers, owners, or operators. In the limited instances where small and medium-sized businesses do achieve contracts with load serving entities, these small businesses typically sell their assets to larger institutions; thus, the small businesses ultimately perform the role of an agent to develop and execute contracts for generating resources rather than the long-term owner or operator of the resource. This eliminates the opportunity for load serving entities to make ongoing payments to these small businesses.

As a local government entity, Ava is further challenged in its ability to engage in transactions with certified vendors in the power procurement space as Ava is legally prohibited under Prop 209 from granting preferential treatment to businesses solely because of its designation as a diverse business enterprise.

<sup>17</sup> [Ava Spring 2023 RFO](#)

Ava is limited in procuring from a diverse supplier base due to barriers to the wholesale market and because of Prop 209 cannot grant preferential treatment to diverse businesses in the contracting process. In addition, as a load serving entity, Ava does not typically make payments on contracts during the development process, only paying generating resource occurs when it is operational.

However, Ava continues to make strides in advocating for its priorities, strengthening workforces that are local, equitable, and comprised of union employees, as well as addressing environmental justice priorities. Using recently Board-approved evaluation criteria consistent with these priorities, Ava can more effectively select power projects and impress Ava's priorities on the project development process.

Over the latter half of 2023, Ava worked in establishing these criteria. Ava staff engaged with the CCA Workforce & Environmental Justice Standards Alliance, a large stakeholder group made up of over 40 organizations that represent the interests of labor, climate, and environmental justice. The Alliance includes representatives from the Building and Construction Trades Council of Alameda County, Let's Green CA!, SLO Climate Coalition, and a number of other workforce, environmental justice, and community based organizations. Through these discussions, Ava built out these criteria into the overall evaluation of energy offtake agreements.

Historically, evaluation of energy offtake agreements has been consistent with these project selection criteria, but the discussions and the evaluation standards that came out of that dialogue, formalize policy that outlines Ava's priorities for board approval in an official and public manner.

Ava staff presented and discussed a working draft of the Criteria at the November 8, 2023 Finance, Administrative, and Procurement subcommittee meeting. Policy was finalized in coordination with stakeholders and received approval on January 17, 2024.<sup>18</sup>

### **Ava Energy Portfolio through 2023**

Of Ava's executed contracts for more than 900MW of long-term renewables and approximately 550MW of utility-scale storage, six achieved commercial operation by the end of 2023 all of which generated invoices that were requested or paid during the calendar year.

GO 156 tracks load serving entities' physical power procurement in the form of (1) renewable and non-renewable physical power, and (2) fuels procured for generation (typically diesel or natural gas). Ava aspires to achieve an emissions-free portfolio of generating resources by 2030. By the end of 2023, other than the six long-term contracts for renewable energy that had achieved commercial operation, the remainder of Ava's physical power needs were filled through short-term hedges to minimize exposure to price volatility; Ava's portfolio also includes a long-term standalone battery energy storage contract that came online in 2021. GO 156 reporting explicitly excludes financial hedges, Inter-SC Trades, and purchases from the CAISO in the report. As such, the table here in 9.1.9 only reflects Ava procurement from five long-term renewables contracts that generated invoices in 2023, Renewable Energy Credits ("RECs"), Carbon-Free Energy, and Resource Adequacy.<sup>19</sup> Ava does not contract with fossil-fired generators for electricity; as a result, the organization has no cause to procure diesel or natural gas used to generate electricity. Additionally, as Ava only provides electric service, Ava does not contract for any fuels for non-generation. Thus, Ava has no ability to engage in transactions with certified vendors for fuels.

As referenced in the Executive Summary, Ava's Local Development Business Plan ("LDBP") provides a blueprint for how Ava can increase local jobs, reduce pollution, and accelerate a just transition in Alameda County. Ava is implementing the LDBP across the agency's functions.

<sup>18</sup> *Staff Report. January 17, 2024.*

<sup>19</sup> *All 2023 Resource Adequacy was counted as 'non-renewable power products' for the purposes and interpretations of the definitions for this report, despite some capacity coming from renewable resources*

## 9.1.9: Supplier Diversity Results in Power (Energy) Procurement

		Direct Power Purchases \$	Direct Fuels for Generation \$			Totals \$ <sup>20</sup>			% <sup>21</sup>
		Renewable and Non-Renewable Power Products	Diesel	Nuclear	Natural Gas	Direct <sup>22</sup>	Sub <sup>23</sup>	Total \$ <sup>24</sup>	
Minority Male	African American	\$0	\$0	\$0	\$0	\$0	\$0	0%	0%
	Asian Pacific American	\$0	\$0	\$0	\$0	\$0	\$0	0%	0%
	Hispanic American	\$0	\$0	\$0	\$0	\$0	\$0	0%	0%
	Native American	\$0	\$0	\$0	\$0	\$0	\$0	0%	0%
	<b>Total Minority Male</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>	<b>0%</b>
Minority Female	African American	\$0	\$0	\$0	\$0	\$0	\$0	0%	0%
	Asian Pacific American	\$0	\$0	\$0	\$0	\$0	\$0	0%	0%
	Hispanic American	\$0	\$0	\$0	\$0	\$0	\$0	0%	0%
	Native American	\$0	\$0	\$0	\$0	\$0	\$0	0%	0%
	<b>Total Minority Female</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>	<b>0%</b>
Total Minority Business Enterprise (MBE)		\$0	\$0	\$0	\$0	\$0	\$0	0%	0%
Women Business Enterprise (WBE)		\$0	\$0	\$0	\$0	\$0	\$0	0%	0%
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		\$0	\$0	\$0	\$0	\$0	\$0	0%	0%
Disabled Veteran Business Enterprise (DVBE)		\$0	\$0	\$0	\$0	\$0	\$0	0%	0%
Persons with Disabilities Business Enterprise (DBE)		\$0	\$0	\$0	\$0	\$0	\$0	0%	0%
Other 8(a) <sup>25</sup>		\$0	\$0	\$0	\$0	\$0	\$0	0%	0%
<b>Total Supplier Diversity Spend</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>	<b>0%</b>

**Ava Notes:**

Ava also excluded any purchases from any other CCAs. Non-Renewable Power Products Direct includes 2023 purchases Carbon-Free Energy (large hydro and ACS), and Resource Adequacy (all resources). Renewable Power Products Direct includes 2023 long-term renewables contracts payments, as well as Renewable Energy Credit (REC) purchases. Dollar figures in this table are standard; entered in \$MMs in supplemental Excel template submitted to CPUC.

**CPUC Notes:**

<sup>20</sup> Excludes purchases from the California Independent System Operator (CAISO), utilities, federal entities, state entities, municipalities and cooperatives.

<sup>21</sup> % - Percentage of Net Procurement.

<sup>22</sup> Includes Direct Power Purchases and Direct Fuels for Generation. Direct - Means Direct Procurement: when a CCA directly procures from a supplier.

<sup>23</sup> Sub - Means Subcontractor Procurement: when a prime contractor, in contract with a CCA, procures from a subcontractor to fulfill its contractual obligation(s).

<sup>24</sup> "Total" does not include pre-commercial development (COD) subcontracting values.

<sup>25</sup> 8(a) - Businesses owned and controlled by persons found to be disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637 (a)) or the U.S. Secretary of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Section 1.3.13).

# 2024 Annual Plan



## 10.2 Description of Supplier Diversity Program Activities Planned for the Next Calendar Year

Prop 209 bars Ava from adopting specific goals or targets in terms of contracting with diverse suppliers. Accordingly, Ava focuses on engagement of existing prime contractors with the Supplier Diversity program. This takes the form of: 1) identifying and encouraging eligible vendors to complete the certification process—Ava already has a number of vendors in this stage after the 2023 questionnaire was completed—as well as 2) ensuring prime contractors are aware of the Supplier Clearinghouse as they go out to source subcontractors, and 3) continued efforts to reach the business community with educational materials around Ava’s contracting opportunities and GO 156 certification information.

In addition to continued commitments to local purchasing and community grants and scholarships, Ava has also committed to the below activities to include and or continue in 2024.

### Internal Activities

#### Website and Supplier Resources

- Ava will continue to add relevant updates and resources to its Supplier Diversity webpage and promote it to businesses and their networks.

#### Staff Engagement

- All Ava staff will attend an annual internal training on GO 156, covering program overview, requirements, and responsibilities.

#### Data Capture and Improved Processes

- Ava staff implemented improved internal processes and data capture to make future reports even more thorough and robust. These initiatives will continue across the organization.

### External Activities

#### Solicitations

- Ava will continue including information on the CPUC Supplier Diversity program in all solicitations and solicitation webinars.

#### Diversifying Outreach

- Ava will continue to expand outreach efforts in addition to Ava’s existing network of local community environmental groups, trade organizations, and chambers of commerce. Ava staff will continue outreach and partnership efforts with other local networks to communicate its solicitations and contracting opportunities more directly with these groups and their members.

#### CCA Collaboration

- Ava will continue to explore the potential to collaborate with other CCAs in outreach and education efforts to their supplier ecosystems.

#### Power Procurement—Future Long-Term Resource Request for Offers

- Similar to Ava’s 2023 Long-Term Request for Offers, Ava staff will advertise the CPUC’s Supplier Diversity Program including Ava’s GO 156 reporting requirements and encouraged eligible parties to consider certification in future procurement solicitations



## 10.2 Plans to Encourage Prime Contractors to Subcontract Small, Local, and Diverse Businesses

Ava will continue to promote the Supplier Clearinghouse as a valuable database to source subcontractors, highlighting this on Ava's Supplier Diversity webpage and providing a link to CPUC's Supplier Clearinghouse. In addition to providing a network of vendors to its prime contractors, staff also emphasize its value to help businesses pursue their own small, local, and diverse business procurement goals.

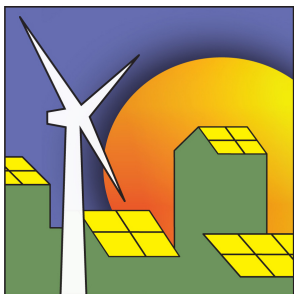
Staff also follow a 'local first' approach with contracting opportunities when possible. As noted in the LDBP,<sup>20</sup> it stresses the importance of supplier diversity, particularly from vendors located in Ava's service territory. For procurements that require a solicitation, potential suppliers may receive points for their small or local business status (but Ava does not make decisions solely based off these classifications). Ava's emphasis will naturally lead prime contractors to pursue small and local subcontractors, as it meets business needs.

<sup>20</sup> [AvaEnergy.org/local-development-business-plan](https://www.avaenergy.org/local-development-business-plan)



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April 15, 2024

Subject: [Item 17. Ava Solar Billing Plan - Action Item](#) (Net Energy Metering)

Dear Board of Directors of Ava Community Energy,

We, the undersigned allies of East Bay Clean Power Alliance, ask you to **postpone a decision** on the staff proposal that allocates \$8.4 Million over the next 5 years on adders to the PG&E Solar Billing Plan (SBP). By matching PG&E's Base SBP developed from the CPUC decision to devalue the export price of solar from the retail to wholesale cost per kWh, Ava Community Energy will save millions of dollars that would normally have been paid to customers under NEM 2.0. We are grateful that Ava Community Energy is considering creative ways to best use these now available funds in ways that provide equal value while addressing the particular needs of its customers. However, we have some concerns regarding accessibility and prioritization of the current adder program.

While it is unclear from the staff presentation how much the Capacity-Based Battery Storage program would cost and we are encouraged to hear that the program will include multipliers for CARE/FERA and other low income customers, the proposed adders, particularly for CARE/FERA customers are so minimal (10% reduction on bill) that they would not significantly reduce the payback time and therefore not increase accessibility of solar. Furthermore, the larger of the two adders, for exports between 3-8pm requires customers to have storage in addition to solar to take advantage of it. These conditions render the adders completely unusable for most low income communities. Unfortunately, Ava Community Energy has a history of creating partial incentive and rebate programs that require disposable income and, as such, are non-starters for low income people. We ask the agency to think more creatively and equitably.

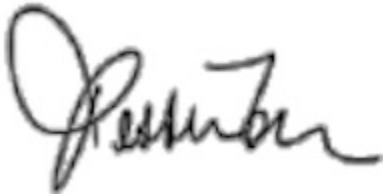
Given Ava Community Energy's mandate from the Local Development Business Plan to prioritize equity and disadvantaged communities, the agency should be considering not only how to best incentivize rooftop solar and storage for customers but also how to do so in a way that also advances equity and access. As a public agency, Ava Community Energy should make use of the flexibility it has gained to design an accessible and equitable allocation of \$8.4 Million that would previously have been paid out to solar customers via NEM 2.0. By rough estimate, this could pay for direct installation of completely paid for solar on 500 homes in Ava Community Energy service territory.<sup>1</sup>

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<sup>1</sup> Using public works adjusted rates of \$3.50/W, \$8.4 million can pay for 2400 kW of installed solar. Standard 400W per panel, 12 panel solar systems would mean 500 homes could be outfitted with solar at no cost to customers.

Comments made by Board Members and the public at the executive board meeting on November 1, 2023, indicate interest in a grant or financing direct install program for both solar and storage with priority for low income customers. Considering staff's existing proposal for a Capacity-Based Battery Storage Program, we suggest that Ava Community Energy staff reallocate funds slated for adders to a completely paid for solar direct install program targeted towards those for whom statewide and federal rebate, incentive or subsidy programs are inaccessible. Furthermore, this incentive program should specifically target solar to low income customers that have significant daytime use, to ensure maximum value from the solar installation. We argue such a program would be a more impactful allocation of available funds and will be more effective in providing equity. We would also welcome a program that provides working-class and middle-class customers the opportunity to stack incentives that enhance the monetization pathway available for multiple distributed energy resource types, including a robust pathway toward microgrid adoption. This could strengthen existing solar systems for low-income people like the SOMAH program (Solar on Multi-Affordable Housing) which is currently solar without battery storage. Finally, we recommend that Ava Community Energy roll out the Base SBP on the same timeline as PG&E to avoid any potential confusion and develop both the Capacity-Based Battery Storage Program and a Low Income High-Daytime Use Direct Install Solar Program within the second quarter of 2024.

Thank you very much for considering this needed adjustment to advance equity and accessibility to bring, "Clean Power to the People."

A handwritten signature in black ink, appearing to read "Jessica Tovar". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

Jessica Guadalupe Tovar, East Bay Clean Power Alliance