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To Ava Energy Board of Directors

Re Comments on Item #18, Solar and Storage Program

My name is Bradley Cleveland, an Oakland resident, and a consultant for IBEW Local 595.

I want to expand upon public comments I made during the March 6th Executive Committee meeting, where staff presented this proposal.

First, we ask the Board to allocate \$15 million, or 75% of the budget surplus, to CARE/FERA residential customers and community resiliency hubs, and the remaining \$5 million to "market rate" residential customers.

Such an allocation better advances Ava Energy's commitment to prioritize equity and investments in disadvantaged communities, and aligns with the recommendations of the East Bay Clean Power Alliance, which has long advocated for a community resiliency hub program.

In addition, such an allocation allows Ava Energy to maximize federal tax rebates available through the direct pay program, authorized under the Inflation Reduction Act. Under direct pay, tax-exempt entities—schools and churches, community centers and affordable housing developments—that invest in solar PV systems, battery storage, and other clean energy projects are eligible for tax rebates worth 30 to 70% of project costs. Direct pay provides "stackable" incentives:

- · Projects that pay prevailing wage and employ apprentices are eligible for a 30% credit;
- Projects located in a disadvantaged community or in an affordable housing complex may qualify for rebates of 10 to 20%;
- Ones using material with domestic content can receive another 10%.

By tapping these federal tax credits, Ava's \$15 million investment can result in a federal match of \$7.5 million, or more, which can be reinvested in additional local, clean energy projects.

Second, we want to argue against a cap on the size of battery storage systems at community resiliency hubs, which is under consideration. While we agree Ava should fund projects that vary in design, size, and location, the quality of the proposal, not its size should be paramount. Ava needs to consider the organization proposing a hub to ensure they are a trusted partner in their community, and have the capacity to increase that community's resilience, whether that means a church serving as a cooling center during a heat emergency; a senior housing complex providing air filtration during a wildfire smoke event; or a community health clinic providing urgent care during a power outage.

Thank you, and IBEW Local 595 stands ready to work with Ava staff as it finalizes this proposal.

Sincerely yours, Bradley Cleveland