



**Draft Minutes**  
**Board of Directors Meeting**

Wednesday, March 20, 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 Bartlett – Wells Fargo Building - 2140 Shattuck Avenue, Floor 6, Berkeley, CA 94704
- Member Kaur – Clipper Club - 5 Captain Dr. Emeryville, CA 94608
- Member Hu – Dublin City Hall - 100 Civic Plaza, Dublin, CA 94568
- Member Cox – Conference Room - Irvington Community Center 41885 Blacow Rd. Fremont, CA 94538
- Member Diallo – Lobby – Los Angeles Marriott Burbank Airport Hotel – 2500 North Hollywood Way Burbank, California, USA, 91505
- Member Wright – Stockton City Hall 425 N. El Dorado St. Stockton, CA 95202
- Member Bedolla – 1755 Harvest Landing Lane, Tracy, CA 95376
- Member Patino – Los Angeles Marriott Burbank Airport – Lobby 2500 N Hollywood Way, Burbank, CA 91505

Via Zoom:

<https://ebce-org.zoom.us/j/87023071843>

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 888 475 4499 (Toll Free) or 877 853 5257 (Toll Free)  
Webinar ID: 870 2307 1843

*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 Board of Directors, please email it to the clerk by 5:00 pm the day prior to the meeting.*

**1. Welcome & Roll Call**

**Present: Directors:** Marquez (Alameda County), Kaur (Emeryville), Cox (Fremont), Roche (Hayward), Diallo (Lathrop), Barrientos (Livermore), Jorgens (Newark), Andersen (Piedmont), Gonzalez (San Leandro), Wright (Stockton), Bedolla (Tracy), CAC Chair Hernandez (Community Advisory Committee), Vice-Chair Tiedemann (Albany) and Chair Balch (Pleasanton)

**Not Present:** Directors: Bartlett (Berkeley), Hu (Dublin), Kalb (Oakland) and Patino (Union City).

**2. Pledge of Allegiance**

**Chair Balch led the body in reciting the Pledge of Allegiance.**

**3. Public Comment**

*This item is reserved for persons wishing to address the Board 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 Board are customarily limited to two minutes per speaker and must complete an electronic speaker slip. The Board Chair may increase or decrease the time allotted to each speaker.*

**(5:12) Public Comment – Jessica Tovar** from the East Bay Clean Power Alliance spoke in favor of allocating \$15 million of Ava Community Energy's surplus funds towards building a resilience hub program. She stated that community-based organizations across Ava's service area are at various stages of readiness for resilience projects, and that Ava should think outside of the box to provide resources for these organizations.

**4. Closed Session Public Comment**

**There was no public comment for the closed session.**

**5. (7:31) Closed Session**

- A. Public Employee Appointment pursuant to Code § 54957(b)(1)): Chief Executive Officer.

**6. (58:22) General Report Out of Closed Session**

**There were no items to report out of Closed Session.**

**CONSENT AGENDA**

**7. Approval of Minutes from February 21, 2024**

**8. Contracts Entered into (Informational Item)**

**9. Ascend Analytics SaaS First Amendment**

First amendment for Ascend Analytics SaaS agreement for additional NTE

**10. Tulare Solar Center, LLC, Amendment**

Contract Amendment for Tulare Solar Center (aka Luciana) Solar project

**11. Consulting Services Agreement with PA Consulting Group, Inc.**

Approve a Resolution authorizing the CEO to negotiate and execute a CSA with PA Consulting Group, Inc. to provide market entry analysis and support services to Ava Direct-Current Fast Charging (DCFC) program.

**12. CAC Appointments**

Appointment of new CAC Members and Alternates

**B**

**13. Legislative Update**

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

**14. 2023 Supplier Diversity Report Overview**

Overview of 2023 Supplier Diversity Report to the CPUC

**15. Accounts Receivable Recovery Policy Amendment**

Update and amend the current Accounts Receivable Recovery Policy

**16. Write Off Policy**

Approve a policy to write off uncollectible aged accounts.

**17. Default Product Change Policy Update**

Updates to the policy

**18. Credit Rating Affirmation**

S&P Global re-affirms Ava's credit rating as "A-Stable"

**(59:28) Public Comment – Jessica Tovar** spoke in favor of creating a more transparent and inclusive process for Community Advisory Committee (CAC) appointments. Ms. Tovar stated that CAC members should participate in promoting and selecting new CAC members, and she advocated for the creation of a pool of applicants who would be available to fill future openings on the CAC committee.

**(1:01:51) CAC Chair Hernandez** recommended allowing CAC involvement in member selection and spoke in favor of providing stipends for CAC alternates. Additionally, Chair Hernandez relayed the CAC's unanimous support for the staff recommendation for the default product change policy. CAC Chair Hernandez also spoke in support of AB 817 (Pacheco) which would allow for remote attendance for advisory bodies, such as the CAC, without the need to disclose remote locations on the agenda.

**(1:04:43) Public Comment – Cynthia Landry** expressed concern about the significant utility tax increase proposed by AB 205, which, she noted, would be the highest in the country, and would affect seniors, people with disabilities, and working to middle-class Californians. Cynthia Landry spoke for support of AB 1999 (Irvin), which would cap this increase.

**(1:07:54) Member Gonzalez motioned to approve the consent agenda. Member Marquez seconded the motion, which was approved 13/0/0/0/4:**  
**Yes: Members Marquez, Kaur, Cox, Roche, Diallo, Barrientos, Jorgens, Andersen, Gonzalez, Wright, Bedolla, Vice-Chair Tiedemann and Chair Balch**  
**No: none**  
**Abstain: none**  
**Recuse: none**  
**Not Present: Members Bartlett, Hu, Kalb and Patino**

### **REGULAR AGENDA**

**19. (1:09:17) CEO Report CEO Chaset** provided updates on recent activities and developments within Ava Community Energy. Highlights included discussions from:

- A.** the March 7th Executive Committee meeting, including:
  - i.** customer enrollment timing for Stockton and Lathrop,
  - ii.** updates on the default rate product change policy, and
  - iii.** discussions on resilience hubs and solar storage incentives.
  - iv.** The next executive meeting scheduled for April 3, 2024.
- B.** The finance, administration, and procurement subcommittee meeting on March 13 focused on:
  - i.** updates related to the budget timeline,
  - ii.** credit rating affirmation,
  - iii.** policies on accounts receivable recovery and write-offs,
  - iv.** renewable surplus allocation,
  - v.** GASB 62 methodology, treasury manager selection, and
  - vi.** investment policy,
  - vii.** The next FAP subcommittee meeting is scheduled for May 8, 2024.

Additionally, CEO Chaset welcomed two new colleagues: **Janelle Fiore** as the Salesforce and IT lead, and **John Perkins** for transactional legal work and risk management, both of whom join Ava from Salesforce.

**20. (1:13:01) CAC Chair Report – CAC Chair Hernandez** highlighted feedback from the Community Advisory Committee's discussion about resilience hubs, including:

- A.** the need for Ava to collaborate with multiple Community Based Organizations (CBOs) to provide resilience hubs across Ava's large service territory,
- B.** the need for Ava to provide technical assistance for CBOs, and
- C.** pairing incentive programs with resilience hubs – for example, by providing information about incentive programs in the resilience hubs.

**21. (1:15:57) Load Management Standards (LMS) Compliance Plan (Action Item)**  
Compliance item for the CEC's Load Management Standards

**Todd Edmister** detailed Ava's plan to comply with the California Energy Commission's (CEC) updated load management standards, which mandate providing customers with hourly changing electricity rates. He discussed Ava's strategy to meet these requirements by participating in various PG&E dynamic rate pilots.

**(1:26:48) Member Gonzalez** expressed concern about the risks associated with dynamic pricing and the potential for extremely high costs to consumers. **CEO Chaset** clarified that Ava's plan aims to comply with the California Energy Commission's mandates through limited, opt-in pilots focused on specific customer segments like electric vehicle owners. CEO Chaset also stated that Ava's approach is intended to minimize risk to residents and is structured to understand the practical challenges of real-time rates without broadly implementing them across all customer classes.

**(1:36:21)** Following the recommendation from the March 18, 2024 CAC meeting, **CAC Chair Hernandez** suggested delaying the decision on the Load Management Standards Compliance Plan to allow more time for review.

**(1:45:42) Public Comment – Jim Lutz** expressed concern that Ava Community Energy's report on dynamic rates references older studies from Lawrence Berkeley National Lab (LBNL) and suggested consulting with LBNL for their extensive research and expertise in dynamic rates and related technologies.

**(1:487:48) Public Comment – Cynthia Landry** spoke about the need for public education and workshops to inform customers about the potential risks and impacts of dynamic pricing.

**(1:51:18) Member Roche motioned to approve the staff recommendation. Member Gonzalez seconded the motion which was approved 11/0/0/0/5.**

**Yes: Members Marquez, Kaur, Cox, Roche, Barrientos, Jorgens, Andersen, Gonzalez, Wright, Vice-Chair Tiedemann and Chair Balch**

**No: none**

**Abstain: none**

**Recuse: none**

**Not Present: Members Bartlett, Hu, Kalb, Bedolla and Patino.**

- 22. (1:52:29) Renewable Surplus Allocation and GASB 62 Methodology (Action Item)**  
Approve FY22-23 surplus funds for long-term renewable energy investments.

**Howard Chang** presented a proposal to allocate Ava Community Energy's fiscal year 2022-2023 surplus funds of approximately \$10.5 million towards long-term renewable energy investments, utilizing GASB 62 methodology for flexible revenue recognition. This allocation is intended to support contracts emerging from the 2023 request for offers, targeting up to a thousand megawatts of generation capacity and up to five hundred megawatts of storage capacity. The decision to allocate funds will depend on the finalization of ongoing contract negotiations, with the possibility of deferring surplus to future projects if agreeable terms are not reached.

**(1:58:37) Member Roche** asked about the allocation of Ava Community Energy's surplus funds, clarifying whether these funds would only support projects already approved or those to be approved. **Howard Chang** explained that the funds would be allocated to a portfolio of incremental projects pending negotiation closure, without singling out individual projects to avoid impacting negotiations.

**(1:59:31) Member Marquez** asked about the timeline for the release of funds for projects in preconstruction, specifically if the wait until 2027 is to ensure projects are fully operational. **Howard Chang** clarified that, upon today's approval, the funds would be applied on a portfolio basis when at least one additional project is approved. **CEO Chaset** explained that 2027 marks the broad operational start of the project portfolio, allowing the surplus to defray costs on a portfolio basis rather than being tied to specific project completions.

**(2:01:39) Member Cox motioned to approve the staff recommendation. Member Jorgens seconded the motion which was approved 11/0/0/0/5.**

**Yes: Members Marquez, Kaur, Cox, Roche, Barrientos, Jorgens, Andersen, Gonzalez, Wright, Vice-Chair Tiedemann and Chair Balch**

**No: none**

**Abstain: none**

**Recuse: none**

**Not Present: Members Bartlett, Hu, Kalb, Bedolla and Patino.**

**23. (2:02:41) Treasury Manager Selection (Action Item)**

Approve the RFP selected Treasury Manager

**Jason Bartlett** presented a proposal for the board to authorize the CEO to negotiate and execute an agreement with PFM Asset Managers for treasury management consulting services for Ava Community Energy. **Monique Spyke**, PFM Asset Manager, spoke about PFM's role as a fiduciary to ensure safety, liquidity, and a good rate of return on investments.

**(2:12:54) Member Marquez motioned to approve the staff recommendation.**

**Member Gonzalez seconded the motion which was approved 11/0/0/0/5.**

**Yes: Members Marquez, Kaur, Cox, Roche, Barrientos, Jorgens, Andersen, Gonzalez, Wright, Vice-Chair Tiedemann and Chair Balch**

**No: none**

**Abstain: none**

**Recuse: none**

**Not Present: Members Bartlett, Hu, Kalb, Bedolla and Patino.**

**24. Investment Policy (Action Item)**

*Please note: This item will be continued to the April 17, 2024 Board of Directors meeting.*

**25. (2:13:59) Approval of a Short-Term Extension of Employment Agreement with Chief Executive Officer and Discussion of Succession Plan/Recruitment of new CEO (Action Item)**

**Inder Khalsa** presented a proposal for an extension agreement allowing CEO Chaset to remain in his position until July 15, with the inclusion of a \$68,800 performance bonus at the end of the extension term, in addition to his regular salary. The agreement also permits Chaset to seek outside employment after June 15 and potentially continue with the agency as a consultant or part-time employee, subject to a future agreement.

**(2:16:13) Member Tiedemann motioned to approve the staff recommendation.**

**Member Roche seconded the motion which was approved 11/0/0/5.**

**Yes: Members Marquez, Kaur, Cox, Roche, Barrientos, Jorgens, Andersen, Gonzalez, Wright, Vice-Chair Tiedemann and Chair Balch**

**No: none**

**Abstain: none**

**Recuse: none**

**Not Present: Members Bartlett, Hu, Kalb, Bedolla and Patino.**

**26. (2:18:46) Board Member and Staff Announcements including requests to place items on future Board agendas**

- **Member Roche** requested a discussion about decoupling Ava Community Energy's rates from PG&E. CEO Chaset stated that this topic would be addressed during the rate setting process.
- **CAC Chair Hernandez** asked for a discussion about how to increase participation by CAC alternates.
- **Member Marquez** requested to revisit the recruitment process, engagement, and stipends for CAC members.

**27. Closed Session Public Comment**

**There was no public comment for the closed session.**

**28. (2:23:08) Closed Session**

- B. Conference with Real Property Negotiators pursuant to Government Code § 54956.8: 251 8th Street (Negotiators: CEO Nick Chaset, COO Howard Chang, General Counsel Inder Khalsa) (price and terms of payment).

**29. (3:03:48) General Report Out of Closed Session**

**There were no items to report out of closed session.**

**30. Adjourned at 9:04 pm.**

The next Board of Directors meeting will be held on Wednesday, April 17, 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