



Draft Minutes
Board of Directors Meeting

Wednesday, April 17, 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 Bedolla – 1755 Harvest Landing Lane, Tracy, CA 95376
- Member Patino – Hyatt Regency Sacramento (Lobby), 1209 L St, Sacramento, CA 95814
- CAC Chair Hernandez – 1743 140th Avenue, San Leandro CA 94578

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

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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), Hu (Dublin), Cox (Fremont), Roche (Hayward), Diallo (Lathrop), Jorgens (Newark), Kalb (Oakland), Andersen (Piedmont), Wright (Stockton), Bedolla (Tracy), CAC Chair Hernandez (Community Advisory Committee), Vice-Chair Tiedemann (Albany) and Chair Balch (Pleasanton)

Not Present: Directors: Bartlett (Berkeley), Kaur (Emeryville), Barrientos (Livermore), Gonzalez (San Leandro) and Patino (Union City).

2. Pledge of Allegiance

Member Cox 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.

(4:44) Public Comment – Jessica Tovar, representing the local Clean Energy Alliance and East Bay Clean Power Alliance, requested that Ava Community Energy provide \$15 million towards resilience hub organizing. She spoke about the importance of planning for resilience in the face of climate change and urged Ava Community Energy to allocate resources to support community resilience efforts.

4. Closed Session Public Comment

There was no public comment for the closed session.

5. (7:15) Closed Session

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

6. General Report Out of Closed Session

There were no items to report out of closed session.

CONSENT AGENDA

7. Approval of Minutes from March 20, 2024

8. Contracts Entered into (Informational Item)

9. Alpaugh RA Agreement Amendment

Amendment to update the COD Date

10. Low Carbon Fuel Standard Credit Broker Contract

New CSA with LCFS Broker

11. Treasurer's Report

Report on Ava's Cash Position

12. Adapt2 Contract Extension

New CSA with current Deal Capture & Contract Management Software provider over \$100,000

(42:37) Member Marquez motioned to approve the consent agenda. Vice-Chair Tiedemann seconded the motion, which was approved 11/0/0/0/6:

Yes: Members Marquez, Hu, Cox, Roche, Jorgens, Kalb, Andersen, Wright, Bedolla, Vice-Chair Tiedemann and Chair Balch

No: none

Abstain: none

Recuse: none

Not Present: Members Bartlett, Kaur, Diallo, Barrientos, Gonzalez, and Patino

REGULAR AGENDA

13. (44:41) CEO Report

CEO Nick Chaset welcomed three new colleagues: Orest Sulak, the Distributed Energy Resources Associate, Christina Chuk, Ava's first in-house designer, and Gabriel Head, the CAISO Day Ahead Manager. CEO Chaset also mentioned that there was no Executive Committee meeting in April, and that the next Executive Committee will be held on May 1.

14. (46:46) CAC Chair Report

CAC Chair Hernandez welcomed the new CAC members:

Member Indira Balkissoon (North)

Alternate Member Peter Weiner (North)

Member Pete Stephenson (East)

Alternate Member Jill Gile (East)

Alternate Member Rachel DiFranco (Central)

Member Davis Harper (San Joaquin County)

CAC Chair Hernandez also discussed public comments regarding PG&E's nuclear allocation item, which will be discussed further in May. Chair Hernandez stated that with the CAC recommending delaying approval and expressed opposition to accepting the nuclear allocation. Chair Hernandez also stated that the CAC also expressed support for the Solar Billing Plan, the Direct Current Fast Charging initiative, and the Health-e Communities contract. He stated that the CAC had requested additional information about supplier diversity in relation to disadvantaged and diverse suppliers, and about incentives for rooftop solar to offset the detrimental effects of net billing tariffs.

15. Investment Policy (Action Item)

Approve the proposed investment policy for treasury management

(49:27) Jason Bartlett, Senior Finance Manager at Ava Community Energy, presented a resolution to adopt Ava's investment policy. He outlined the need for the policy due to Ava holding substantial cash and cash equivalents. Jason stated that these funds, totaling approximately \$331 million, are currently in low-interest accounts with strict governance. The proposed policy, developed with PFM Asset Managers, would allow Ava to invest prudently while prioritizing safety and liquidity.

(56:19) Member Kalb motioned to approve staff's recommendation. Member Roche seconded the motion, which was approved 11/0/0/0/6:

Yes: Members Marquez, Hu, Cox, Roche, Jorgens, Kalb, Andersen, Wright, Bedolla, Vice-Chair Tiedemann and Chair Balch

No: none

Abstain: none

Recuse: none

Not Present: Members Bartlett, Kaur, Diallo, Barrientos, Gonzalez, and Patino

Please note that the agenda has been reordered. Item 19, "Direct Current Fast Charging Marketing Partner Contract" was heard after Items 15, "Investment Policy".

Chair Balch noted that there is a clerical error in the agenda packet – Item 16 "Income Graduated Fixed Charge" is mis-labeled as Item 21 in the agenda packet.

Chair Balch further noted that Item 18, "Solar and Storage Incentive Program" would be heard prior to Item 17 "Ava Solar Billing Plan".

16. Income Graduated Fixed Charge (Informational Item)

Informational briefing on the Income Graduated Fixed Charge

(1:04:34) Todd Edmister introduced the Income Graduated Fixed Charge (IGFC), explaining its role in redistributing electricity costs based on income to promote fairer energy prices and potentially increase overall electricity usage as part of a shift toward cleaner energy sources. **Michael Quiroz** detailed how the IGFC would affect Ava's customers, showing that while the charge would not increase total utility costs, it would shift more financial responsibility to higher income consumers and potentially lower bills for lower income consumers.

(1:16:11) Member Andersen expressed concern that promoting higher electricity consumption could detract from energy conservation efforts. **Todd Edmister** responded that the aim of the policy is to promote beneficial electrification—increasing electricity use where it can replace more polluting forms of energy usage.

(1:19:56) Member Roche asked whether Ava could offer incentives to encourage continued energy efficiency among its customers. **Todd Edmister** explained that upcoming actions would likely be tied to legislative proposals such as AB 1999, and Ava's role would be to decide whether to support or oppose such measures. **CEO Chaset** added that Ava could also engage in outreach to ensure that programs like CARE and FERA are fully utilized by eligible customers.

(1:24:08) Chair Balch raised concerns about how the inclusion of more customers from hotter areas like San Joaquin County could affect the impact assessments of the IGFC. He also spoke about the sensitivity of his constituents to rate changes and stressed the need for clear communication about potential increases in customer bills.

17. Ava Solar Billing Plan (Action Item)

Vote on Ava's Solar Billing Plan proposal

(2:02:02) Kelly Brezovec presented the Ava Solar Billing Plan. She detailed how the plan adjusts compensation for exported energy to better reflect its market value. Kelly also outlined additional incentives under the plan for residential and low-income customers, and she discussed the need to educate customers about these changes through improved communications and customer service training.

(2:16:22) Public Comment – Emily Ross from the Reclaim Our Power Utility Justice Campaign urged Board members to postpone their decision on the proposed solar billing plan, stating that the plan would exacerbate clean energy access inequities for low-income communities of color. She argued that the funds could be better utilized directly for installations rather than through credits.

(2:18:15) Public Comment – Jessica Tovar suggested that the \$8.4 million allocated for solar incentives would be more beneficially used for direct installation of solar systems, especially for low-income individuals who currently lack such systems.

(2:20:03) Public Comment – Crystal Hong from People Power Cooperative spoke in favor of reallocating funds to direct solar installations for low-income residents to ensure they benefit from clean energy. Ms. Hong also advocated for combining Ava's solar billing plan with the Soma program.

(2:21:32) CAC Chair Hernandez stated that the Community Advisory Committee recommended that Ava reinvest the savings from the new solar billing plan into the community. He suggested using these funds to support the installation of solar systems for 500 homes at no cost to the homeowners.

(2:28:56) Member Roche motioned to approve staff's recommendation. Member Andersen seconded the motion, which was approved 11/0/0/0/6:

Yes: Members Marquez, Hu, Cox, Roche, Jorgens, Kalb, Andersen, Wright, Bedolla, Vice-Chair Tiedemann and Chair Balch

No: none

Abstain: none

Recuse: none

Not Present: Members Bartlett, Kaur, Diallo, Barrientos, Gonzalez, and Patino

18. Solar and Storage Incentive Program (Informational Item)

Plan for forecasted 2023-2024 surplus revenue previously allocated via Board Resolution toward solar and storage programs

(1:29:45) Andy McElroy introduced Ava Energy's Solar and Storage Incentive Program, which aims to allocate approximately \$20 million—40% of a budget surplus—towards

encouraging solar and battery installations among Ava's customers. The program plans to offer upfront incentives and ongoing performance payments over a ten-year period, with significant support targeted towards CARE/FERA customers and resilience hubs.

(1:42:09) Member Kalb asked why incentives are provided to people who already have batteries. **JP Ross** responded that the incentives are linked to the solar billing plan, not to previous net metering schemes. For those already with batteries, they could be eligible for ongoing incentives.

(1:43:48) Chair Balch asked about using the DERMS (Distributed Energy Resource Management System) to control battery discharging and charging, particularly in emergency scenarios where parts of the grid might be down. **JP Ross** clarified that while it is indeed feasible to manage batteries this way, safety protocols strictly limit the ability to export power into the grid during outages to protect line workers. Batteries in homes would operate in "island mode" for the homeowner's use only during such events.

(1:50:44) Public Comment – Bradley Cleveland spoke in support of the Solar and Storage Incentive Program, stating that the program is needed to maintain a vibrant market for local clean energy.

(1:53:10) Public Comment – Ayla Peters Paz from Local Clean Energy Alliance spoke in support for a greater emphasis on direct solar installations rather than battery storage.

(1:54:50) Public Comment – Jessica Tovar argued that incentivizing battery storage when many don't have solar systems is inefficient and perpetuates barriers.

(1:57:17) Public Comment – Chris Wang, representing People Power Solar Cooperative, spoke in support of Jessica Tovar's public comment.

(1:58:11) Public Comment – Brad Heavner, the policy director of the California Solar and Storage Association, spoke in strong support for the incentive program for energy storage. He highlighted the program's importance to maintaining a robust market for local clean energy amid the challenges posed by the transition from net metering to net billing.

19. Direct Current Fast Charging Marketing Partner Contract (Action Item)

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

(59:18) CEO Chaset and **Theresa McDermit** discussed Ava's contract for marketing support related to its director current fast charging network. They outlined a plan to partner with True Nord to promote awareness and usage of upcoming charging stations, beginning with Oakland City Center.

(1:02:27) Member Wright motioned to approve the staff's recommendation.

Member Cox seconded the motion, which was approved 11/0/0/6:

Yes: Members Marquez, Hu, Cox, Roche, Jorgens, Kalb, Andersen, Wright,

Bedolla, Vice-Chair Tiedemann and Chair Balch

No: none

Abstain: none

Recuse: none

Not Present: Members Bartlett, Kaur, Diallo, Barrientos, Gonzalez, and Patino

20. Health-e Communities Contract (Action Item)

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

(2:38:38) Dan Bertoldi presented a proposal for the Health-e Communities program, focusing on the direct installation of induction stoves for income-qualified customers as part of a pilot program aimed at enhancing indoor air quality and health.

(2:45:23) Member Cox asked about the responsibilities for the installation of stoves, particularly around tenant permissions and landlord involvement. She also asked about the possibility of providing credits or reduced costs for installation. Staff confirmed that renters would need landlord approval, and most installation costs would be covered by the program, not the tenants. Staff also explained that the scale of the jobs did not necessarily require union labor but confirmed that prevailing wages would be paid.

(2:53:31) CAC Chair Hernandez expressed concerns about how participants for the induction stove installation program would be selected, including considerations for health reasons, location, and income level. He also asked about the details of the data collection regarding indoor air quality pre- and post-installation. Staff responded by detailing the process of data collection, which would involve installing air quality monitoring devices a week before and after the stove installation to measure air quality changes.

(2:56:39) Chair Balch questioned the scalability of the induction stove installation program, noting the high cost per home and its feasibility on a larger scale. Staff responded by indicating that the pilot would provide crucial learning about customer acquisition and actual installation costs.

(3:00:39) Public Comment – Aya Peters Paz from the Local Clean Energy Alliance expressed concern about the selection of an out-of-state company for the project and asked for more information about the selection criteria.

(3:02:48) In response, **CEO Chaset** explained that Franklin Energy was chosen because it was the only bidder capable of fully fulfilling the 200-project requirement, and while another local contractor was considered, they could not meet the full scope and opted not to participate further.

(3:04:22) Member Roche motioned to approve staff's recommendation. Member Marquez seconded the motion, which was approved 11/0/0/0/6:

Yes: Members Marquez, Hu, Cox, Roche, Jorgens, Kalb, Andersen, Wright, Bedolla, Vice-Chair Tiedemann and Chair Balch

No: none

Abstain: none

Recuse: none

Not Present: Members Bartlett, Kaur, Diallo, Barrientos, Gonzalez, and Patino

21. (3:07:15) Cedar 1 Long-Term Contract Approval (Action Item)

Approval of long-term solar+storage offtake agreement with Cedar 1.

(3:09:35) Member Tiedemann motioned to approve the staff's recommendation.

Member Cox seconded the motion, which was approved 11/0/0/6:

Yes: Members Marquez, Hu, Cox, Roche, Jorgens, Kalb, Andersen, Wright, Bedolla, Vice-Chair Tiedemann and Chair Balch

No: none

Abstain: none

Recuse: none

Not Present: Members Bartlett, Kaur, Diallo, Barrientos, Gonzalez, and Patino

22. PG&E Nuclear Allocation (Informational Item)

Informational item on 2025-2030 PG&E Nuclear allocation

(3:10:36) CEO Chaset discussed revisiting the decision to accept a nuclear allocation from Diablo Canyon, which has had its operation extended to 2030. He explained that nuclear power is a zero-carbon resource that could help meet clean energy goals more cost-effectively, given the rising costs of renewable energy credits and hydroelectric power. CEO Chaset presented three scenarios, emphasizing that accepting the nuclear allocation would not alter the plant's operation or increase liabilities but would impact how emissions are accounted for and potentially reduce costs.

(3:23:54) Member Roche asked if the goal to reach 0% unspecified sources by 2030 in scenario one and by 2025 in scenario two would still allow for adequate procurement of other resources once Diablo Canyon closes in 2030. She also asked if there would be an extension beyond 2030 if the plant's operation continued.

(3:24:28) CEO Chaset responded affirming that regardless of accepting the nuclear allocation, Ava Community Energy would continue progressing towards 100% carbon-free by 2030. He noted that accepting the nuclear allocation would not affect their plans for acquiring new clean energy resources.

(3:25:36) Member Marquez sought clarification on whether staff needed consensus on which scenario to pursue or if they could bring multiple scenarios for decision at the next meeting. **CEO Chaset** clarified that consensus was not necessary at this stage; the objective is to decide whether to bring the item back for action..

(3:30:12) Member Andersen asked if the mix of unspecified sources in Ava's current power content label could include natural gas or nuclear. **CEO Chaset** explained that the unspecified sources primarily carry the emission profile of natural gas and are not

specifically tied to any one source of power. This category is a default classification for power that is not otherwise specified by any particular generating facility.

(3:31:25) Member Cox asked if there would be any responsibility on Ava's part regarding maintenance or potential health risks associated with nuclear power. **CEO Chaset** reassured that there would be no responsibility or costs related to maintenance as Ava would only be accepting an allocation of power, not taking over any operational duties. He acknowledged the need for further information on potential radiation and health risks and committed to providing detailed safety assessments.

(3:36:10) Public Comment – Cynthia Landry spoke in opposition to accepting the nuclear allocation and urged Ava Community Energy to continue to focus on procuring renewable energy sources like wind and solar.

(3:38:40) Public Comment – Jessica Tovar spoke in opposition to accepting the nuclear allocation, citing the community's historical opposition to accepting nuclear energy from PG&E.

(3:40:51) Public Comment – Emi Yoko-Young, speaking for the Reclaim Our Power Utility Justice Campaign, spoke in opposition to extending the operation of Diablo Canyon Nuclear Power Plant due to the discovery of nearby earthquake faults and the risks they pose.

(3:41:44) Public Comment – Crystal Wong, representing People Power Solar Cooperative, urged the board to reject nuclear energy, recalling the community's opposition to including nuclear energy in Ava's resource mix.

(3:43:02) CAC Chair Hernandez stated that the CAC had not heard the nuclear item yet, but that the body recommended that the Board engage in further discussion prior to approving the procurement of nuclear power.

(3:44:04) Vice-Chair Tiedemann spoke in support of reevaluating the use of nuclear energy, citing its benefits for achieving renewable goals and reducing emissions without cost or operational impact to Ava.

(3:47:38) Member Kalb spoke in opposition to accepting nuclear energy. He requested that when the issue is revisited, that staff should include updated information on the positions and actions of other community choice aggregators in Northern California..

(3:50:04) Chair Balch spoke about the importance of considering all options due to the current price sensitivity in the energy market. He expressed an open-minded approach to the decision-making process regarding nuclear energy.

23. Update of CEO Search Process (Informational Item)

Approve job description and provide direction on recruitment process

(3:50:47) Vice-Chair Tiedemann provided an update on the CEO search process. He stated that John Tedesco and Associates had been hired as the executive search firm, with a timeline set for having applications by early May and beginning interviews by early June, targeting a start date for the new CEO on July 15th.

24. (3:53:36) Board Member and Staff Announcements including requests to place items on future Board agendas

- **Member Marquez** asked for the Executive Committee to consider developing metrics for how to measure and address equity concerns effectively.
- **Member Kalb** asked for staff to provide advance notice of their participation in events and fairs so that board members can publicize these activities in their respective cities.

25. Adjourned at 9:55 pm.

The next Board of Directors meeting will be held on Wednesday, May 15, 2024 at 6:00 pm.

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