



Draft Minutes
Board of Directors Meeting

Wednesday, May 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:

- **Alternate Member Tam (Alameda County)** – 1221 Oak Street, Oakland, CA 94612
- **Member Bartlett (Berkeley)** – Wells Fargo Building - 2140 Shattuck Avenue, Floor 6, Berkeley, CA 94704
- **Member Kaur (Emeryville)** – Clipper Club - 5 Captain Dr. Emeryville, CA 94608
- **Member Hu (Dublin)** – Dublin City Hall - 100 Civic Plaza, Dublin, CA 94568
- **Member Cox (Fremont)** – Conference Room - Irvington Community Center 41885 Blacow Rd. Fremont, CA 94538
- **Member Bedolla (Tracy)** – 1755 Harvest Landing Lane, Tracy, CA 95376
- **Alternate Member Sakakihara (Union City)** – Business Center, Courtyard Fort Worth 1-30 West Near NAS JRB, 6530 West Freeway, Fort Worth, TX 76116
- **CAC Chair Hernandez** – 1743 140th Avenue, San Leandro CA
- **CAC Vice-Chair Souza** – 24027 Wilcox Ln, Hayward, CA 94541

Via Zoom:

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

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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.

Member Sakahihara (Union City) was sworn in prior to roll-call.

1. Welcome & Roll Call

Present: Directors: Tam (Alameda County), Hu (Dublin), Kaur (Emeryville), Cox (Fremont), Roche (Hayward), Barrientos (Livermore), Jorgens (Newark), Kalb (Oakland), Andersen (Piedmont), Gonzalez (San Leandro), Bedolla (Tracy), Sakahihara (Union City), CAC Chair Hernandez (Community Advisory Committee), Vice-Chair Tiedemann (Albany) and Chair Balch (Pleasanton)

Not Present: Directors: Bartlett (Berkeley), Diallo (Lathrop) and Wright (Stockton)

*Director Tam served as the alternate for Director Marquez (Alameda County)
Director Sakahihara served as the alternate for Member Patino (Union City).*

2. Pledge of Allegiance

Member Gonzalez led the body in the Pledge of Allegiance.

(8:31) Chair Balch announced that Items 17, 18 and 19 - the Closed Session items, would be heard after the Consent Agenda and immediately prior to Item 10 – the CEO Report.

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.

(10:22) Public Comment: Tom Kelly expressed concern over escalating global temperatures and urged the board to enforce rapid reductions in GHG emissions from Ava's operations.

(13:55) Public Comment: Jessica Tovar urged the board to expand the definition of a resilience hub to include a broader range of services that community-based organizations need, such as refrigeration and air filtration. She spoke about the importance of planning for disasters and asked for more resources to be allocated to help community-based organizations prepare to operate microgrids.

(15:29) Public Comment: Audrey Ichinose advocated for a significant investment in resilience hubs to address the climate crisis and to counteract the reduction in incentives for rooftop solar.

(18:04) Public Comment: Susan Silber from Collective Resilience described resilience hubs as holistic, community-led centers that serve as learning labs for climate solutions, gathering spaces during emergencies, and places to build community trust. She spoke in support of expanded funding for resilience hubs and for smaller grants for local initiatives.

(20:01) Public Comment: Jordan Ackerman, representing the Construction Trades Workforce Initiative and the Building Trades of East Bay, spoke in support of the Critical Municipal Facilities program. He requested a meeting with the developer to ensure the inclusion of skilled union workers and local apprentices. He also spoke in support of increased investment in community resilience hubs.

(21:35) Public Comment: Larry Gosselin, co-chair of the Sierra Club's Bay Area chapter, advocated for the investment of at least \$15 million in community resilience hubs to provide employment in impacted communities. He also urged the board to work with the building trades to develop project labor agreements that would guarantee good job and training opportunities for local residents before microgrid projects are finalized.

(25:54) Public Comment: Jesse Gutierrez, a public health student at CSU Eastbay and member of the Local Clean Energy Alliance, urged the board to increase investment in resilience hubs. He stated that resilience hubs should provide resources like information, jobs, and clean energy to underserved communities, so that these communities will be prepared to respond to inevitable climate-related challenges.

(28:04) Public Comment: Navreet Purewal, an intern with Physicians for Social Responsibility, advocated for Ava to commit \$15 million towards a community resilience hub program. She stressed that these hubs should provide equitable access to services, particularly in bipo communities that are disproportionately impacted by climate change.

(29:51) Public Comment: Nyah Tisdell, an Oakland resident and community organizer with Communities for a Better Environment, spoke about the importance of situating resilience hubs in locations trusted by the community, away from police and fire stations which may not be perceived as safe by local residents. She also spoke about the community's needs for basic resources like sustainable jobs, food security, and healthcare access, and urged Ava to consider these factors holistically when planning for resilience hubs.

(32:18) Public Comment: Elsa Potter, an Oakland resident and participant in Laney College's electrician program, advocated for increased funding for distributed energy resources that are accessible within communities, rather than being located remotely. She spoke about the need for energy resources to support everyday needs like food refrigeration and medical equipment charging and stated that energy development should prioritize community safety and direct benefits over commercial uses like powering Amazon vehicles.

CONSENT AGENDA

4. **Approval of Minutes from April 17, 2024**
5. **Contracts Entered into (Informational Item)**
6. **Auditor Contract Amendment**
Approve an amendment to extend the auditor contract
7. **Community Innovation Grant Agreements**
Authorize CEO to negotiate and execute grant agreements with Rising Sun and AGAPE for early workforce training
8. **BlocPower Loan Amendment**
Approve a First Amendment to the Amended and Restated Loan Agreement
9. **Approval of reimbursement for scheduling coordinator function in the MRP Pacifica Marketing, LLC agreement**
Approval for Ava to reimburse contract counterparty

(39:04) Member Gonzalez motioned to approve the consent agenda. Vice-Chair Tiedemann seconded the motion, which was approved 14/0/0/0/3:

Yes: Directors: Tam, Hu, Kaur, Cox, Roche, Barrientos, Jorgens, Kalb, Andersen, Gonzelez, Bedolla, Sakakihara, Vice-Chair Tiedemann and Chair Balch

No: none

Abstain: none

Recuse: none

Not Present: Directors: Bartlett, Diallo and Wright

(8:31) Chair Balch announced that Items 17, 18 and 19 - the Closed Session items, would be heard after the Consent Agenda and immediately prior to Item 10 – the CEO Report.

17. **Closed Session Public Comment**
(40:49) Public Comment: Jessica Tovar asked the board to utilize the Community Advisory Committee in the CEO hiring process in order to ensure that the selected candidate effectively interacts with the community.
18. (41:49) Closed Session
 - A. Public Employee Appointment pursuant to Code § 54957(b)(1)): Chief Executive Officer.
19. **General Report Out of Closed Session**
(1:15: 46) There were no items to report out of closed session

REGULAR AGENDA

10. **CEO Report**

(1:16:09) CEO Nick Chaset provided a brief overview of Ava's recent and upcoming activities, including the hiring of Sebastian Fotouhi as an Outreach consultant for live events, and approval of \$600,000 in community investment grants for youth training in clean energy careers. He also spoke about the allocation of \$14.9 million from the current budget towards resilience, and noted ongoing incentive programs for solar and storage, totaling an estimated \$2.6 million for resilience hubs.

(1:19:50) Public Comment: Jessica Tovar expressed concern about the slow and fragmented distribution of allocated funds for resilience hubs and technical assistance. She spoke about the need for Ava to provide more substantial and readily accessible support for community-based organizations - such as mobile solar solutions for example, and advocated for expanded and flexible funding to ensure that organizations are equipped for energy resilience.

(1:22:17) Public Comment: Jennifer Loveli, representing the Emerald Cities Collaborative, echoed previous speakers in speaking in support of increased funds and an expanded definition for community resilience hubs. She also spoke about the importance of involving and compensating community-based organizations for their roles in resource distribution.

(1:24:26) Member Barrientos asked about the pace of funds disbursement for resilience hubs. **CEO Chaset** responded by discussing Ava's strategy of building resilience hubs in partnership with local governments by utilizing municipal facilities such as libraries and community centers

(1:26:54) Member Roche suggested the need for a broader discussion about the definition of resilience hubs. **Chair Balch** responded that the discussion could be addressed in future budget discussions or a dedicated study session.

(1:28:03) Member Kalb suggested organizing a study session involving staff, outside experts and public input to better define and understand the potential scope of resilience hubs.

11. CAC Chair Report.

(1:30:40) CAC Vice-Chair Souza provided the CAC Chair Report.

12. Legislative Update (Action Item)

Update on recommended bill positions and Ava's Legislative Program, and vote on bill positions

(1:33:19) Alec Ward and Feby Boediarto provided a review of current legislative developments impacting Ava Community Energy. They detailed the status and content of 11 bills that Ava supports, which align with the Ava's goals of decarbonization, local development, and community choice energy stabilization. Key legislative themes discussed included energy affordability, reliability, and the integration of clean energy technologies.

(1:57:02) CAC Vice-Chair Souza stated that the Legislative Update was approved unanimously by the CAC.

(1:58:00) Member Gonzalez motioned to approve the staff recommendation.

Member Roche seconded the motion, which was approved 14/0/0/3:

Yes: Directors: Tam, Hu, Kaur, Cox, Roche, Barrientos, Jorgens, Kalb, Andersen, Gonzelez, Bedolla, Sakakihara, Vice-Chair Tiedemann and Chair Balch

No: none

Abstain: none

Recuse: none

Not Present: Directors: Bartlett, Diallo and Wright

13. Draft Budget Review (Informational Item)

Review the draft budget for the 2024-2025 fiscal year

(2:00:07) CEO Nick Chaset outlined Ava Community Energy's financial plans for the upcoming year. CEO Chaset spoke about increased investments in local development and renewable energy sources and discussed rate setting and the impact of the PCIA on pricing strategy. CEO Chaset proposed increased funding for clean energy initiatives and resilience hubs alongside a planned rise in Ava's workforce capacity.

(2:27:32) Member Gonzalez asked if the \$5 million stove top program targeted CARE/FERA customers exclusively and sought clarification on the geographical criteria for the \$7 million allocated for critical municipal facilities microgrids. **CEO Chaset** responded that in order to test assumptions and delivery models, the initial phase of the stove top program would specifically target 200 CARE/FERA households. He explained that the selection of facilities for microgrids is city-driven, with no specific geographical criteria from Ava.

(2:30:08) Member Andersen asked about the efficacy of aligning the pricing of the Renewable 100 program with PG&E's rates, given the proposal to increase the "Bright Choice" discount. **CEO Chaset** responded by explaining that the pricing difference between the two plans reflects their differing costs and customer bases. He cautioned that increasing Renewable 100 enrollments significantly could raise R100 service costs due to the need to purchase energy at higher market prices. He also stated that the goal of making Bright Choice 100% carbon-free would involve different resources as compared to Renewable 100.

(2:36:02) Member Roche asked why a significant discount for Bright Choice was considered without a corresponding reduction for Renewable 100 to achieve parity with PG&E rates. **CEO Chaset** explained that the cost of serving Renewable 100 has increased relative to Bright Choice. These costs necessitated careful consideration to avoid one customer group subsidizing the other.

(2:42:10) Member Kalb asked if the premium for the Renewable 100 plan could be

reduced in order to increase incentives for opting up. He also asked if municipal accounts could be phased into Renewable 100 by 2026-2027. **CEO Chaset** cautioned about the financial implications of a sudden increase in demand for R100 if many cities opted up.

Additionally, **Member Kalb** asked about the effectiveness of outreach for the CARE/FERA programs. **CEO Chaset** detailed Ava's targeted marketing strategies using demographic data to improve outreach effectiveness, confirming that these efforts were fully supported by the budget. **Member Kalb** asked for a report on the success of these outreach efforts when the item is returned to the Board or Executive Committee.

(2:48:15) Alternate Member Tam asked if the \$230 million reserve functioned as a rate stabilization fund. **CEO Chaset** clarified that it is not used as such; instead, it supports Ava's credit rating and manages rate fluctuations.

(2:51:01) Alternate Member Sakakihara asked about the challenge of maintaining the cost difference between the Renewable 100 and Bright Choice programs while trying to achieve parity with PG&E's rates for Renewable 100. **CEO Chaset** stated that the focus is on making Bright Choice 100% carbon-free while also planning to increase the long-term capacity for Renewable 100 in a cost-effective manner.

(2:54:59) Public Comment: Jessica Tovar asked the board to modify the Community Innovation Grant program to include smaller grants for emerging organizations without extensive track records. She also recommended the establishment of ongoing resilience hub and disconnection prevention programs, including sustained support for the Low-Income Home Energy Assistance Program (LIHEAP).

(2:57:09) Public Comment: Dave Shukla expressed surprise at the allocation of just one full-time equivalent (FTE) for community outreach, given the extent of the potential new additions anticipated in Ava's service territory. Additionally, he discussed environmental concerns about large hydro facilities in Northern California. He noted their significant methane emissions and compared their environmental impact to coal.

(2:59:08) Public Comment: Emily Ross, affiliated with the Reclaim Our Power Utility Justice Campaign, urged the board to significantly increase funding for resilience hubs. She stated that Ava's strong financial surplus and reserve levels should enable a balance between saving for the future and addressing current community needs through resilience hubs.

(3:01:19) Public Comment: Cynthia Landry spoke in support of increased investment in resilience hubs and the LIHEAP program. She also spoke about the need for reliable electricity access for all, especially those who are dependent on medical devices.

(3:03:40) Public Comment: Tom Kelly asked the board to consider adopting a cost-of-service pricing model. He also expressed concern that the proposed 7% discount on

Bright Choice might incentivize cities currently on Renewable 100 to switch back, and recommending instead that smaller discounts for Bright Choice and larger discounts for Renewable 100 might better support the transition to 100% renewable energy. Tom Kelly also requested a report on Ava's actual energy costs to verify claims of increasing prices.

(3:05:55) Public Comment: Emi Yoko-Young from the Reclaim Our Power Utility Justice Campaign asked for Ava Community Energy to allocate at least \$15 million annually to resilience hubs to ensure that funding reaches smaller, less-resourced community organizations and low-income and BIPOC communities.

(3:09:04) Public Comment: Selina Feliciano, a community member from West Oakland, spoke in support of greater investment in resilience hubs as a local solution to meet community energy needs. She also stated that Ava should collaborate with community-based organizations to define and fund these hubs.

(3:11:18) Public Comment: Timothy Smith expressed disappointment that the budget discussion did not address PG&E's report of achieving zero carbon emissions across all categories, as stated in their 10K annual report to the SEC. He stated that this information should have been considered in discussions about the pricing of Renewable 100.

(3:13:25) Public Comment: Colin Cook-Miller, representing the Reclaim Our Power Utility Justice Campaign, urged the board to commit at least \$15 million annually to support grassroots and BIPOC-led organizations through the funding of community resilience hubs.

(3:16:25) CAC Vice-Chair Souza reported that the budget was unanimously approved by the CAC but noted ongoing concerns expressed by members and from the public about funding for resiliency hubs and community grants.

(3:18:37) Member Barrientos asked if more funds could be allocated for resilience efforts. **CEO Chaset** explained that the size of the reserves is crucial due to the volatile costs associated with Ava's commodity-based operations, which could lead to significant financial fluctuations.

(3:27:10) Member Roche asked about the preference for larger grants over smaller ones. **CEO Chaset** responded by explaining that the decision to focus on larger grants was based on feedback from the board, and that smaller grants often lead to excessive administrative costs related to reporting. He noted that larger grants allow for partnering with smaller entities, ensuring broader distribution of resources and accountability.

(3:33:32) Chair Balch confirmed the continuation of a 60/40 budget allocation and discussed the complications of microgrants, emphasizing the need for a balance between oversight and the administrative burden of compliance. He also touched on disconnection policies, noting that while they don't disconnect customers for non-payment, significant

funds are allocated in the budget to assist customers at risk of disconnection. Additionally, he expressed concerns about potential disincentives for opting into Renewable 100 if discounts on Bright Choice were increased.

14. DERMS + Battery Program Administration (Action Item)

Action Item authorizing CEO to negotiate contract for Distributed Energy Resource Management System (DERMS) + Battery Program Administration Support

(3:39:36) Feliz Ventura presented the DERMS (Distributed Energy Resource Management System) + Battery Program Administration, stating that DERMS is a software platform that integrates with various distributed energy resources (DERs) like electric vehicles and smart thermostats to optimize the use of clean energy. She discussed the need for such a system to handle the complexities of managing clean energy sources efficiently.. Feliz also discussed the selection of Lunar Energy as DERMS provider.

(3:50:31) CAC Vice-Chair Souza stated that the CAC expressed support for the staff recommendation but that members had raised concerns about communication protocols, privacy issues, and the preference for broadband over wireless.

(3:51:25) Chair Balch asked about cybersecurity risks associated with a new DERMS provider and questioned if the security measures of the new system could potentially lead to issues like cars not being charged. **Feliz Ventura** responded by noting that global cybersecurity standards and "white hat" penetration testing methods are used to ensure system security, though complete security cannot be guaranteed. **Chair Balch** also asked if the contractor would indemnify Ava in case of a security breach.

(3:54:14) Public Comment: Brendon Pittman mentioned the Department of Energy's Pathways to Virtual Power Plants - Commercial Liftoff (<https://liftoff.energy.gov/vpp/>), and asked the board to consider the information contained in this report. He also asked about tracking mechanisms to evaluate the program's success and financial outcomes after implementation.

(4:00:29) Member Cox motioned to approve the staff recommendation. Member Barrientos seconded the motion, which was approved 13/0/0/0/4:

Yes: Directors: Hu, Kaur, Cox, Roche, Barrientos, Jorgens, Kalb, Andersen, Gonzelez, Bedolla, Sakakihara, Vice-Chair Tiedemann and Chair Balch

No: none

Abstain: none

Recuse: none

Not Present: Directors: Tam, Bartlett, Diallo and Wright

15. PG&E Nuclear Allocation (Action Item)

Action item on 2025-2030 PG&E Nuclear allocation

(3:18:11) The PG&E Nuclear Allocation item was continued to the June 12, 2024 BOD meeting.

16. Board Member and Staff Announcements including requests to place items on future Board agendas

- **(1:26:54) Member Roche** suggested the need for a broader discussion about the definition of resilience hubs. **Chair Balch** responded that the discussion could be addressed in future budget discussions or a dedicated study session.
- **(1:28:03) Member Kalb** suggested organizing a study session involving staff, outside experts and public input to better define and understand the potential scope of resilience hubs.
- **(2:42:10) Member Kalb** asked for a report on the success of outreach efforts outreach for the CARE/FERA programs when the item is returned to the Board or Executive Committee.

17. Adjourned at 10:02 pm.

The next Board of Directors meeting will be held on Wednesday, June 12, 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

Board of Directors Special Board Retreat – Power Resources

Wednesday, May 29, 2024

12:00 pm

In Person

The Montclair 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:

- 24301 Southland Drive Suite 101 Hayward, CA 94545
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- 1755 Harvest Landing Lane, Tracy, CA 95376
- 33349 9th Street (Back office), Union City, CA 94587
- City of Pleasanton, City Council Conference Room 200 Old Bernal Ave. Pleasanton, CA 94566

Via Zoom:

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1. Welcome & Roll Call

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Not Present: Members: Bartlett (Berkeley), Diallo (Lathrop), Barrientos (Livermore), Jorgens (Newark), Andersen (Piedmont) and Gonzalez (San Leandro)

2. Pledge of Allegiance

Member Balch led the body in reciting the Pledge of Allegiance

3. Public Comment

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There was no public comment.

4. Power Resources Update (Informational Item)

Receive update on Power Resources activities.

5. Board Member and Staff Announcements including requests to place items on future Board agendas

There were no Board Member or Staff announcements.

6. Adjourned at 1:46 pm

The next Board of Directors meeting will be held on Wednesday, June 12, 2024 at 6:00 pm.

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