



## **Board of Directors Meeting**

Wednesday, July 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:

- Clipper Club - 5 Captain Dr. Emeryville, CA 94608
- Dublin City Hall - 100 Civic Plaza, Dublin, CA 94568
- Conference Room - Irvington Community Center 41885 Blacow Rd. Fremont, CA 94538
- The Diplomat Beach Resort, Curio Collection by Hilton – 3555 South Ocean Drive, Hollywood, FL 33019
- 1755 Harvest Landing Lane, Tracy, CA 95376
- 33349 9<sup>th</sup> Street (back office) Union City, CA 94587

### 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**
- 2. 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.*

**CONSENT AGENDA**

**4. Approval of Minutes from June 12, 2024**

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

**6. Administrative Procurement Policy Update**

Update Ava's Administrative Procurement Policy to more correctly reflect Ava's management structure and to increase the threshold of spend that Vice Presidents and Senior Directors may approve.

**7. Corsac Station Amendment**

Amendment to Ava's contract with FEC Nevada 1 for Corsac Station geothermal project

**8. Thrive Mind Collaborative Contract**

Contract amendment to continue services in FY 24-25.

**9. Extension to Existing Consulting Service Agreement with Gridscape Solutions**

Extend Consulting Service Agreement with Gridscape Solutions for engineering services

**10. Consulting Service Agreement with Chen Design Associates**

New Consulting Service Agreement with Chen Design Associates for creative services

**11. Treasurer's Report**

A report on Ava's bank account balances and other treasury items

**12. "Exempt Surplus" 251 8<sup>th</sup> Street**

Approve a resolution declaring 251 8th Street to be "exempt surplus" property pursuant to Government Code Section 54221(f)(1)(B) and directing staff to take next steps, including exploring options for disposition of the property

**REGULAR AGENDA**

**13. CEO Report**

**14. CAC Chair Report.**

**15. Renewable 100 Cost Allocation Methodology (Informational Item)**

Review and discuss Renewable 100 and Bright Choice Cost Allocation Methodology

**16. Fremont R100 Default Request (Action Item)**

Request from the City of Fremont to opt up some or all customers to R100

**17. New Community Inclusion – San Joaquin County (Action Item)**

JPA membership request from San Joaquin County, and analysis

**18. E-Bike Program Implementation Contract (Action Item)**

Approve and execute a contract with APTIM

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

**20. Adjourn**

The next Board of Directors meeting will be held on Wednesday, September 18, 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 Meeting**

Wednesday, June 12, 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 (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 Diallo (Lathrop)** – Marriott Sacramento Rancho Cordova 11211 Point East Drive, Rancho Cordova, CA 95742
- **Member Bedolla (Tracy)** – 1755 Harvest Landing Lane, Tracy, CA 95376

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)

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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), Kaur (Emeryville), Cox (Fremont), Roche (Hayward), 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), Diallo (Lathrop), Kalb (Oakland), and Patino (Union City)

## 2. Pledge of Allegiance

**(6:58) Member Roche** led the body in reciting the Pledge of Allegiance.

**Chair Balch stated that the agenda would be reordered**

## 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.*

**(8:22) Public Comment – Jessica Tovar** asked Board members to refrain from considering the nuclear issue without full transparency and proper information.

**(10:44) Public Comment – Ayla Peters-Paz** spoke in support of Board-organized study sessions on resilience hubs and stated that Ava has a significant opportunity to support resilience hubs through funding and investment in climate and energy programs.

**(12:54) Public Comment – Audrey Ichinose** spoke in support of the Board's efforts regarding resilience hubs and stated that Ava should help low-income and disadvantaged communities to obtain solar systems, in addition to batteries.

**(14:50) Public Comment – Hernando Sanchez**, an energy democracy organizer, spoke about the crucial role of resilience hubs in providing services like food distribution, disaster preparedness, and support for immigrants, and urged Ava to increase funding for these services.

**(17:10) Public Comment – Carli Yoro**, representing Emerald City's Collaborative, urged the board to adopt a community-supported, comprehensive, and equitable resilience hub program that provides support for community's energy and non-energy needs.

**(18:56) Public Comment – John McKinna** recommended a recent webinar, "Code Red for Humanity: Clean Air Healthy Bay Area,"<sup>1</sup> held on May 9, 2024, the purpose of which

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<sup>1</sup> The Code Red for Humanity: Clean Air Healthy Bay Area webinar is available at <https://acterra.org/events/code-red-for-humanity-clean-air-healthy-bay-area/>

was to provide local governments with ideas and resources for electrification and the preparation for new air quality rules.

**(21:11) Public Comment – Bradley Cleveland**, an Oakland resident and consultant with IBEW Local 595, spoke in support of developing a critical municipal facilities program (CMFP), and about the need for the board to resolve questions around definitions, funding, and labor standards, while also ensuring that developers meet with labor representatives before approving a CMFP.

**(22:31) Public Comment – Emily Ross**, from the Reclaim Our Power Utility Justice Campaign, asked the Board to reject PG&E's nuclear energy allocation and to invest in clean, local energy instead.

**(24:04) Public Comment – Alice Sung**, a climate justice advocate, urged the board to support climate resilience hubs and to oppose the purchase of nuclear energy.

**(26:03) Public Comment – Barbara Stebbins**, representing the California Alliance for Community Energy, urged the board to reject PG&E's nuclear allocation.

**(27:52) Public Comment – Dr. Robert Gould**, representing San Francisco Bay Physicians for Social Responsibility, urged the board to reject PG&E's nuclear allocation, citing safety hazards, the proliferation of nuclear weapons, and the stifling of alternative energy sources.

**(30:10) Public Comment – Beth Weinberger**, representing Kehilla Community Synagogue, spoke against accepting the nuclear allocation, stating that cities like Oakland, Berkeley, and Hayward have repeatedly rejected it.

#### 4. Closed Session Public Comment

**There were no speakers for public comment.**

#### 5. Closed Session

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

#### 6. General Report Out of Closed Session

**(1:10:03) There were no Items to report out of closed session.**

*(1:10:17) Chair Balch announced that the agenda would be reordered: Item 19 "Appointment of CEO and Approval of Employment Agreement (Action Item) would become Item 7b.*

### **REGULAR AGENDA**

#### 7. CEO Report

**(1:10:49) CEO Chaset** reported on the June 5th Executive Committee meeting where budget updates and Renewable 100 pricing dynamics were discussed. CEO Chaset

also reported that a Special Board Retreat for Power Resources was held on May 29th. **CEO Chaset** also introduced a new employee, Cassandra Dreer, a content strategist for the marketing team.

As it was his last CEO Report, **CEO Chaset** reflected on his seven years with Ava Community Energy, from its inception to serving nearly two million customers, and highlighted the upcoming expansion to Stockton in 2025.

**(1:18:37) Public Comment – Jessica Tovar** spoke about the Local Clean Energy Alliance’s long-standing commitment to ensuring that the right thing is done in local communities.

**7b. (1:19:56) Appointment of CEO and Approval of Employment Agreement (Action Item)**

**(1:19:56) Vice-Chair Tiedeman** introduced the CEO selection process and announced that Howard Chang was the unanimous choice for the position.

**(1:24:29) Public Comment – Jessica Tovar** congratulated Howard Chang on his new role.

**(1:25:23) Vice-Chair Tiedemann motioned to approve the CEO Agreement. Member Marquez seconded the motion, which was approved 12/0/0/0/5:**

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

**No: none**

**Abstain: none**

**Recuse: none**

**Not Present: Members: Bartlett, Hu, Diallo, Kalb and Patino**

**(1:27:21) CEO Chang** expressed his gratitude for the board's support, praised Nick Chaset for his leadership and mentorship, and committed to engaging with the board, community members and staff to achieve Ava's goals and priorities.

**(1:29:15) Chair Balch** expressed gratitude to the ad hoc selection committee and appreciation for both the outgoing and incoming CEOs.

**8. CAC Chair Report.**

**(1:29:59) CAC Chair Hernandez** provided the following updates from the June 10, 2024 CAC meeting:

- The CAC voted against utilizing the nuclear allotment;
- Howard Chang presented a budget showing a 65.5% decrease in net revenues; and
- Chair Hernandez spoke about three unanimously supported items: the Long Road Rosemary IPA projects, the DERMS OP Lunar presentation, and an incentive program for heat pumps.

**9. 2024-2025 Budget (Action Item)**

Consider approval the fiscal year budget for 2024-2025

**(1:31:39) CEO Chang** provided a detailed update on the budget, stating that softer energy prices between January and April 2024 led to lower rates in 2025 and a significant reduction in the net revenue. He recommended maintaining a 5% discount relative to PG&E rates, removing the \$50 CARE and FERA credits due to budget constraints, and adjusting the reserve allocation and budget surplus waterfall. CEO Chang emphasized the need to balance lower customer rates with budget impacts and outlined the changes in reserve allocation and financial strategies to address these new conditions.

**(1:46:46) Member Gonzalez** asked why revenues decreased by 10%. **CEO Chang** explained to that the revenue decrease was due to a PG&E Energy Resource Recovery Account (ERRA) forecast update, which incorporated significantly lower actual energy prices from January to April 2024. This resulted in a roughly 10% decrease in PG&E's rates for 2025. **CEO Chang** also stated the 10% rate decrease was due to the softer energy prices during a mild winter, although PG&E's transmission and distribution charges generally increased. **Member Gonzalez** noted the potential for customer confusion about the difference between energy prices and their overall bills.

**(1:49:40) Member Andersen** asked about Ava's reserve goal. **CEO Chang** responded that Ava's reserve policy aims for 50% of annual operating expenses with a range of 25% to 75%.

**(1:50:24) Member Roche** asked if Ava's fiscal stability could improve by setting its own energy rates instead of tying them to PG&E's rates. **CEO Chang** confirmed that Ava setting its own rates could reduce volatility but noted that customers would still face PCIA charges. **Member Roche** also asked if rate decoupling is a trend in the industry. **CEO Chang** acknowledged that while some CCAs have taken this route, most still index their rates to investor-owned utilities for cost competitiveness.

**(1:53:28) Public Comment – Jessica Tovar** spoke in support of the creation of a debt relief program for eligible but unenrolled individuals in CARE/FERA programs. Jessica Tovar also spoke regarding the need for more funding and support for grassroots resilience hubs.

**(1:55:41) Public Comment – Jim Lutz** asked if there is a way for Ava to predict PG&E's future purchase prices, and when the PCIA will expire. **CEO Chang** explained that the PCIA will start to decrease generally within 15 years, as it is based on PG&E's contracted resources, including utility-owned assets and long-term PPAs, with a significant portion still affecting current customers who departed from PG&E within the last seven years.



**(1:57:55) CAC Chair Hernandez** stated that the CAC had a detailed discussion about the budget focusing on the waterfall distribution. The CAC suggested reducing the reserve allocation from \$50 million to \$30 million, providing \$25 bill credits for CARE/FERA customers, and splitting the remaining funds between on-bill credits and the net billing tariff incentive. Additionally, the CAC proposed adding up to \$20 million for the local development business plan and allocating any extra revenue to reserves.

**(2:02:06) Member Gonzalez** spoke regarding the need to communicate clearly to the public about utility bill changes, as people see overall bill increases despite falling generation prices. He asked for CEO Chang's thoughts on the CAC's recommendation to reduce the reserve allocation to \$30 million. **CEO Chang** explained that maintaining a robust reserve is crucial given the agency's growing annual operating expenses and the policy target of a 50% reserve.

**(2:07:16) CAC Chair Hernandez** asked if the current year's increased revenue is benefiting CARE/FERA programs. **CEO Chang** confirmed, explaining that a healthy budget surplus this year means that an increased number of on-bill credits can be made available.

**(2:08:30) Member Cox** asked if the budget accounts for a phased-in approach to Fremont's potential opt-up to Renewable 100, or if it assumes all customers opt-up in one year. **CEO Chang** responded that the current budget doesn't include any opt-up by Fremont or other cities since nothing has been formally passed. **CEO Chang** explained further that even if opt-up decisions occur, they would take effect towards the end of the fiscal year, impacting only three months of the current budget year and having a more significant impact on the 2025-2026 budget year.

**(2:10:21) Member Gonzalez motioned to approve the staff recommendation. Member Andersen seconded the motion, which was approved 12/0/0/0/5:**

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

**No: none**

**Abstain: none**

**Recuse: none**

**Not Present: Members: Bartlett, Hu, Diallo, Kalb and Patino**

#### **10. Long-Term Offtake Agreements (Action Item)**

Consider approval and execution of the purchased power agreement for Rosemary Solar+Storage Contract and Aypa Storage Contract

**(2:11:35) Scott Harding**, Director of Origination for Ava, presented two new projects from the 2023 long-term RFO: a 70 MW solar and 70 MW storage project in Fresno County and a 100 MW standalone storage project in Los Angeles County. He highlighted the successful track records of the developers, Long Road Energy and Aypa Power,

noting their significant contributions to renewable energy projects and their commitment to using union labor and prevailing wages.

**(2:20:07) Member Cox motioned to approve the staff recommendation. Member Gonzalez seconded the motion, which was approved 12/0/0/5:**

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

**No: none**

**Abstain: none**

**Recuse: none**

**Not Present: Members: Bartlett, Hu, Diallo, Kalb and Patino**

### **CONSENT AGENDA**

- 11. Approval of Minutes from May 15, 2024 and May 29, 2024**
- 12. Contracts Entered into (Informational Item)**
- 13. Legal Vendor Approval**  
Allow spend on specific legal vendors up to budgeted amount
- 14. CSA with Celery Design Collaborative**  
New Consulting Services Agreement with Celery Design Collaborative
- 15. FY 2023-2024 Q3 Financial Statements**  
Present the third quarter financial statements for the current fiscal year
- 16. Managed Charging Program Scope under DERMS Contract**  
Action item to include a managed EV charging services scope under the existing authorization for the CEO to negotiate and execute Lunar Energy DERMS contract
- 17. Additional Funding to The Energy Council (“Stopwaste”) to Administer the Bay Area Regional Heat Pump Water Heater Contractor Incentive Program**  
Add funding to existing Heat pump water heater program
- 18. Aiqueous Contract Extension**  
Extension of Aiqueous contract with amendment to budget
- 19. (2:20:53) With regards to Consent Item 17 – “Additional Funding to The Energy Council (“Stopwaste”) to Administer the Bay Area Regional Heat Pump Water Heater Contractor Incentive Program”, Chair Balch disclosed that he sits on the Stopwaste Energy Council. Ava General Counsel Khalsa stated that Chair Balch is required to disclose that he sits on the Stopwaste Board, but he is not required recuse himself from the vote.**

**(2:21:28) General Counsel Khalsa noted that there is a typographic error in the Consent Item 13 —Legal Vendor Approval memo: There is an incorrect reference to fiscal year 2022-2023. The action is for the fiscal year 2024-2025.**

**(2:22:54) Member Marquez motioned to approve the Consent Agenda pending correction to Consent Item 13. Vice-Chair Tiedemann seconded the motion, which was approved 12/0/0/0/5:**

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

**No: none**

**Abstain: none**

**Recuse: none**

**Not Present: Members: Bartlett, Hu, Diallo, Kalb and Patino**

### **END OF CONSENT AGENDA**

#### **20. Board Member and Staff Announcements including requests to place items on future Board agendas**

**(2:23:41) Member Wright** thanked the staff for the opportunity to attend the Clean Energy Procurement Conference.

**(2:24:15) CAC Chair Hernandez** stated that CAC members are discussing the possibility of facilitating a study session on resilience hubs involving local community organizations such as the East Oak Collective, the Asian Pacific Environmental Network or the Lincoln Square Recreational Center.

#### **21. Adjourned at 8:25 pm.**

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



### Consent Item 5

<b>To:</b>	Ava Community Energy Authority
<b>From:</b>	Howard Chang, Chief Executive Officer
<b>Subject:</b>	<b>Contracts Entered Into</b>
<b>Date:</b>	July 17, 2024

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### **RECOMMENDATION**

Accept the CEO's report on contracts that Ava Community Energy has entered into, as required by the Administrative Procurement Policy, from June 12, 2024, through July 10, 2024;

C-2024-058 San Joaquin County Secured Property Characteristics File Invoice, for the purchase of a collection of parcel data, 239,000 parcels, from the San Joaquin County Tax Assessor's Office for a purchase price of \$21,800.

C-2024-059 True North, Inc. Consulting Services Agreement, (New York) provides marketing support services, effective June 1, 2024 through June 30, 2026, with a maximum compensation of \$2,000,000.

C-2024-060 FinalOption dba Pacific Printing Fifth Amendment to the Consulting Services Agreement, extends term through June 30, 2025.

C-2024-061 Bay Area News Group Advertising Agreement, advertising space in publications and digital ads for Fremont Argus, Hayward Daily Review, and Oakland Tribune for the term on July 1, 2024 to June 30, 2025, with a total contract spend not to exceed \$99,000.

C-2024-062 Sixth Dimension PMCM, Inc. Third Amendment to Consulting Services Agreement, extends the current terms through June 30, 2025.

C-2024-064 The Law Office of Joseph F. Wiedman Fourth Amendment to the Consulting Services Agreement, adds \$40,000 in additional compensation for a total amount not to exceed \$144,000, updates the hourly rate of compensation, and extends the term of the Agreement to June 30, 2025.

C-2024-065 Richards, Watson, and Gershon Fourth Amendment to the Consulting Services Agreement, adds \$500,000 in additional compensation for a total amount not to exceed \$2,075,000, and extends the term of the Agreement to June 30, 2025.

C-2024-066 Jason Blalock First Amendment to the Consulting Services Agreement, adds \$10,000 in compensation for a total amount not to exceed \$20,000 and extends the term of the Agreement to June 30, 2025.

C-2024-067 Oakland Venue Management First Amendment to the Consulting Services Agreement, adds \$44,194 in compensation for a total amount not to exceed \$79,194 and extends the term of the Agreement to June 30, 2025.

C-2024-068 City of Berkeley Amendment to Charging Station Master Site License Agreement, amends the Agreement to reflect Ava's name change, adds language regarding public disclosure under the California Public Records Act, updates Ava's address, adds language regarding modification and removal of properties, and updates specific requirements related to operation and maintenance.

C-2024-069 Celery Design Collaborative Consulting Services Agreement, (Berkeley, CA) provides graphic design and website maintenance services effective June 28, 2024 through June 30, 2025, with a maximum compensation of 200,000.

C-2024-070 Two Pitcher Brewing Company Advertising Agreement, for in-person meeting space for staff May 22, 2024 with a cost of \$22,793.75.

C-2024-071 Wilson, Sonsini, Goodrich, and Rosati Fifth Amendment to the Consulting Services Agreement, adds \$700,000 in additional compensation for a total amount not to exceed \$2,511,929 and extends the term of the Agreement to June 30, 2025.

C-2024-072 Keyes and Fox Eighth Amendment to the Consulting Services Agreement, adds \$380,000 in additional compensation for a total amount not to exceed \$1,480,000 and extends the term of the Agreement to June 30, 2025.

C-2024-073 Hall Energy Law Fifth Amendment to the Consulting Services Agreement, adds \$375,000 in additional compensation for Fiscal Year 2024-2025 and extends the term of the Agreement to June 30, 2025.

C-2024-074 Nixon Peabody Third Amendment to the Consulting Services Agreement, adds \$100,000 in additional compensation for Fiscal Year 2024-2025 for a total amount not to exceed \$416,113.76 and extends the term of the Agreement to June 30, 2025.

C-2024-075 Sound of Hope Radio Network Consulting Services Agreement, (San Francisco, CA) provides Chinese language advertising services effective June 30, 2024 through June 30, 2025, with a maximum compensation of \$15,000.

C-2024-076 Calibrant California II, LLC Site Sublicense Agreement, provides Calibrant California II access to and use of Project Site at Livermore L Street Lot and L Street Garage, through City of Livermore license with Ava, to install, own, and operate EV Charging Systems at the Project Site.



## Consent Item 6

<b>To:</b>	Ava Community Energy Authority
<b>From:</b>	John Perkins, Legal Director
<b>Subject:</b>	Approving updates to Ava's Administrative Procurement Policy.
<b>Date:</b>	July 17, 2024

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### **Summary/Recommendation**

This memo proposes updating Ava's Administrative Procurement Policy in order to correctly reflect the current management structure of the agency and to adjust certain dollar-value thresholds accordingly.

### **Financial Impact**

N/A

### **Analysis and Context (with deadlines as applicable)**

Recently, Ava has changed in management structure, including bringing on a new CEO and creating the role of Chief Customer Officer (CCO), operating at the level of Senior Vice President. The existing Procurement Policy does not reflect these roles, and instead references roles that are obsolete, including Chief Information Officer and Chief Operating Officer.

The proposed update, attached as a redline, makes the following changes to the policy:

1. Removes references to the Chief Information Officer (CIO) and Chief Operating Officer (COO) as neither role is currently active in the agency.
2. Makes minor clarifications to dollar-value thresholds throughout to remove ambiguity.

3. Replaces the specific role of the Chief Operating Officer with the job level of Senior Vice President, the level of Ava's Chief Customer Officer.
4. Raises the threshold for purchases that Senior Directors or Vice Presidents can approve from \$10,000 to \$15,000 to respond to Staff input given that the thresholds have not been changed since their inception.

**Attachments:**

- A. Resolution
- B. Draft Administrative Procurement Policy with redlines, included.
- C. Draft Administrative Procurement Policy, clean



**RESOLUTION NO. R-2024-XX**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF THE AVA COMMUNITY ENERGY AUTHORITY FOR APPROVING UPDATES TO**  
**AVA’S ADMINISTRATIVE PROCUREMENT 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’s Administrative Procurement Policy is moderately out of alignment with the management structure of the agency due to recent organizational changes;

**WHEREAS** Ava proposes to align the Procurement Policy with Ava’s structure to remove ambiguity or the potential for confusion;

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

Section 1. The Board adopts the changes to the Administrative Procurement Policy attached hereto, effective immediately.

ADOPTED AND APPROVED this 17th day of July, 2024.

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Jack Balch, Chair

ATTEST:

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Adrian Bankhead, Clerk of the Board



~~EIGHTH AMENDED AND RESTATED~~ ADMINISTRATIVE PROCUREMENT POLICY

Policy Number 1.4011

~~December~~ July 2017, 2023

Agenda Item # 9

Resolution Number #R-2023-62

**I. PURPOSE**

It is in the interest of Ava Community Energy (“Ava”) to establish administrative procurement practices that facilitate efficient business operations and provide fair compensation and local workforce opportunities whenever possible within a framework of high quality, competitive service offerings.

**II. TYPES OF CONTRACTS**

1. Contracts for Goods and Non-Professional Services. As used in this policy, “General Contractual Services” means:

- 1.1. Any and all supplies, articles, equipment, or personal property furnished to or used by an organizational unit of Ava; and
- 1.2. Most types of services, excluding professional services as defined below, under which the contractor provides services which are required by Ava, but not furnished by the Ava’s own employees.

2. Contracts for Professional Services. As used in this policy, “Professional Services” means:

- 2.1. The services of attorneys, physicians, architects, engineers, consultants, auditors, or other individuals or organizations possessing a high degree of professional, unique specialized technical skill or expertise, not always adaptable to competitive bidding. Professional Services are not considered General Contractual Services for the purpose of these procurement procedures.

3. Power Procurement Contracts

- 3.1. Contracts for energy (also known as Power Purchase Agreements or PPAs) or energy related products are addressed in the Risk Management Policy.

4. All Contracts

- 4.1. When procuring goods and services utilizing federal funds (e.g. grant funds), Ava shall comply with all federal project requirements and Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. (See 2 CFR § 200)
- 4.2. No Ava employee, official, or director shall split purchases into more than one purchase in order to avoid the procurement requirements in this policy. Splitting purchases does not allow for a competitive marketplace, increases administrative workflow, and may create ethical issues.
- 4.3. No Ava employee, officer, or Director shall accept, directly or indirectly, any gift, rebate, money or anything else of value from any person or entity if such gift, rebate, money or anything of value is intended, or appears, to reward or be an inducement for conducting business, placing

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orders with, or otherwise using the employee’s position to secure an agreement with Ava.

4.4. Prior to signing any agreement for General Contractual Services or Professional Services, the individual signing shall ensure all of the following:

- 4.4.1. The contract compensation has been budgeted for in the current Ava budget;
- 4.4.2. That adequate funds have been appropriated by the Board;
- 4.4.3. That such funds are unexpended and unencumbered sufficient to pay the expense of the contract; and
- 4.4.4. That any agreement for General Contractual Services or Professional Services for an amount of \$5,000 or more in one calendar year has been approved as to form and content by the General Counsel or his/her designee, except when the CEO, ~~COO/CCO, -CIO~~, or designee may, in his or her discretion, authorize the execution of standard form consumer agreements, where Ava is in a similar position as other consumers in the market, related to widely marketed products and where the vendor has stated they are not open to negotiation, including, but not limited to, credit card agreements, and standard consumer license agreements for widely marketed software such as Microsoft Office, or other similar agreements.

4.5. Ava shall report on all new contracts, regardless of scope or contract value, at each Board meeting, except non-disclosure agreements, personnel contracts, and Power Purchase Agreements. Unless subject to the attorney client privilege or some other legal protection, as a public agency, Ava shall release all public records, including contracts, as required by the Public Records Act.

4.6. Agreements with existing vendors may be amended and/or extended to allow for the continuation of services for no more than a total term of five (5) years. Such amendments/extensions are subject to the applicable signing authority identified in Tables 1-4 based on the total dollar amount of the agreement.

4.7. The CEO may suspend the requirements of Section III (General Contractual Services Procurement) or Section V (Professional Services Procurement) for any agreement. Furthermore, the ~~COO/CCO~~ may suspend the requirements of Section III or Section V for any agreement they would otherwise have the authority to sign. However, all agreements for which the required procurement procedures have been suspended pursuant to this Section II. 4.7 must be approved by the Chair and Vice Chair of the Board of Directors and must comply with signing authority restrictions identified in Section III, Table 2, and Section V, Table 4.

5. Promotional Items and Bulk Purchases

5.1. The purchase of office supplies, promotional items, and similarly low risk goods bought in bulk online or otherwise are subject to the relevant procurement methods identified in Section III, but do not require a Consulting Services Agreement or other agreement.

5.1.1. For the purpose of defining “office supplies” as it relates to procurement, the meaning is understood to be “a consumable item/product used regularly in an office environment to perform departmental personnel’s daily work assignments.” Office Supplies to include but are not limited to: Pens, Pencils, Markers, Note Pads, Composition/Theme Books, Post-It-



Notes, Paper (other than for copier.), Index Cards, Labels, File Folders, File Organizers, Envelopes, Staplers, Scissors, Tape, Pushpins, Binders, Binder Index Systems, Paper Clips, Rubber bands, and Computer Hardware (excluding any software or subscription services).

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6. Combined Services and Purchases.

6.1. Where an agreement combines services with the purchase of supplies as defined in Section 5 above, the expenditure related to purchase of supplies shall be calculated separately from the expenditure related to the services provided for the purpose of determining approval authority under this Policy.

**III. GENERAL CONTRACTUAL SERVICES PROCUREMENT**

1. Procurement Method

- 1.1. Table 1 indicates the appropriate procurement method for the purchase of General Contractual Services of certain dollar amounts.
- 1.2. Where applicable, California state law requirements for competitive bidding or public works contracting shall be followed. Such requirements may include, but are not limited to competitive bidding or informal requirements for public works construction projects and prevailing wages requirements.
- 1.3. Nothing in this section prohibits the use of a more stringent procurement method than the one indicated by Table 1. At his or her discretion, the CEO may direct that an agreement for General Contractual Services is awarded through the Formal Bidding Procedures described herein.

Table 1

PROCUREMENT METHOD	DOLLAR AMOUNT <del>per</del> PER FISCAL YEAR	ADDITIONAL REQUIREMENTS
Formal Bidding Procedure	> \$100,000	RFP/RFQ
Solicit 3 written quotes; may be in electronic format	<del>&gt; \$50,000</del> <del>— \$100,000</del>	Quotes must include provider’s name, address, phone number, professional license number, if applicable
Solicit 3 verbal quotes	<del>≥ \$10,000</del> <del>— \$49,999.99</del>	Staff shall note quotes by including the providers’ name, address, phone number and amount of the verbal proposal in Ava’s records
No solicitation necessary	<del>&lt;</del> Up to \$10,000	Seek the lowest price for the highest quality
Purchase Order Can Be Used	<del>&lt;</del> Up to \$5,000	* A contract is not required for the purchase of goods or low-risk off- site services under \$5,000



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2. Signing Authority

- 2.1. Table 2 indicates the appropriate signing authority for the purchase of General Contractual Services of certain dollar amounts.
- 2.2. Nothing in this section prohibits Ava staff from seeking approval of a more senior signing authority than is permitted by this policy.

Table 2

SIGNING AUTHORITY	DOLLAR AMOUNT <del>per</del> PER FISCAL YEAR	CONTRACT TYPE
Board Approval	> \$100,000	All contracts
Chief Executive Officer, or his/her designee	<del>\$0</del> Up to \$100,000	All contracts
General Counsel	<del>\$0</del> Up to \$50,000	All contracts related to the activities or functions of the Office of the General Counsel
<del>Chief Operating Officer</del> Senior Vice President	<del>\$0</del> Up to \$25,000	All contracts <del>related to the activities or functions of the Office of the COO.</del>
<del>Chief Information Officer</del>	<del>\$0</del> \$15,000	All contracts <del>related to the activities or functions of the Office of the Chief Information Officer</del>
Senior Director or Vice President	<del>\$0</del> Up to <del>\$10</del> \$15,000	All contracts whose object or purpose is related to the activities or functions of that Senior Director or Vice President
Director	<del>\$0</del> Up to \$5,000	All contracts whose object or purpose is related to the activities or functions of that Director

IV. FORMAL RFP/RFQ PROCEDURES

Except as otherwise specifically directed in writing by the CEO, agreements for the purchase of General Contractual Services for a total amount that exceeds \$100,000 per fiscal year shall be procured as follows:

- 1. Formal RFP/RFQ Invitations. Invitations to participate in the Request for Proposal/Request for



Qualifications (RFP/RFQ) process shall include a general description of the supplies or services sought by Ava, and shall specify the time, place and date for opening responses.

2. Evaluation. Proposals received through a competitive solicitation shall be subject to a set of criteria and a scoring system, reviewed and evaluated by relevant Ava staff and an evaluation committee selected by the relevant staff, CEO, ~~COO~~ or General Counsel, or at the discretion of the Board, members of a designated Board subcommittee.
3. Selected Respondent. "Selected Respondent" as used in this policy shall mean that respondent who best responds in price, quality, service, fitness, or capacity to the particular requirements of Ava. Price alone shall not be the determining factor but shall be considered along with other factors, including but not limited to the following:
  - 3.1. Ava seeks to support companies and contractors that reflect its values and has identified four vendor/contractor categories that shall be given special consideration during bid evaluation and selection. In competitive solicitations, these categories shall receive bonus percentages/points ranging from 2.5% - 5% for a maximum bonus total of 12.5% in a bid scoring process:
    - 3.1.1. Businesses within Service Territory: Ava desires to support business within its service territory. Businesses with office(s) located in Ava's service territory and businesses that have at least 25% of their workforce who reside in Ava's service territory shall receive a bonus equal to 5% or 5 points out of a 100-point scoring system in competitive solicitations.
    - 3.1.2. Union Labor: Ava desires to support the use of union labor where possible. Ava shall make its best effort to work with unionized contractors and subcontractors in the provision of goods and services to Ava. Businesses who use union labor and/or unionized contractors shall receive a bonus equal to 2.5% or 2.5 points out of a 100-point scoring system in competitive solicitations.
    - 3.1.3. Disabled Veteran Business Enterprises: Ava desires to support Disabled Veteran Business Enterprises (DVBEs). Businesses that are registered with the California Department of General Services as a DVBE shall receive a bonus equal to 2.5% or 2.5 points out of a 100-point scoring system in competitive solicitations.
    - 3.1.4. Disadvantaged Communities: Ava desires to support businesses located in a Disadvantaged Community (DAC) as identified by the California Environmental Protection Agency's (CalEPA) CalEnviroScreen Tool. Businesses with a primary office (i.e. where work is primarily conducted for Ava) located in a DAC, as determined by the latest version of the Tool at the time, shall receive a bonus equal to 2.5% or 2.5 points out of a 100-point scoring system in competitive solicitations.
  - 3.2. Ava is committed to the highest standards of responsible behavior and integrity in all of its business relationships. Ava will consider a company's business practices, environmental track record, and commitment to fair employment practices and compensation in its procurement decisions.
  - 3.3. Award of Contract. Ava shall award the contract to purchase goods or services to the Selected Respondent, unless such an award would be prohibited by California law.

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**V. PROFESSIONAL SERVICES PROCUREMENT**

1. Procurement Method

- 1.1. Table 3 indicates the appropriate procurement method for the purchase of Professional Services of certain dollar amounts.
- 1.2. Nothing in this section prohibits the use of a more stringent procurement method than the one indicated by Table 3. At his or her discretion, the CEO may direct that an agreement for Professional Services is awarded through the Formal Bidding Procedures described herein.

Table 3

PROCUREMENT METHOD	DOLLAR AMOUNT <del>per-</del> <u>PER</u> FISCAL YEAR	ADDITIONAL REQUIREMENTS
Solicit 3 written quotes; may be in electronic format	<del>Over \$50,000 and above</del>	Proposal must include provider’s name, address, phone number, professional license number, if applicable
Solicit 3 verbal quotes	<del>Over \$1015,000— \$49,999.99</del>	Staff shall note quotes by including the providers’ name, address, phone number and amount of the verbal proposal in Ava’s records
No solicitation is necessary	<del>\$0—\$10,000</del> <u>Up to \$15,000</u>	Seek the lowest price for the highest quality

2. Signing Authority

- 2.1. Table 4 indicates the appropriate signing authority for an agreement for Professional Services of certain dollar amounts.
- 2.2. Nothing in this section prohibits Ava staff from seeking approval of a more senior signing authority than is permitted by this policy.

Table 4

SIGNING AUTHORITY	DOLLAR AMOUNT <del>per-</del> <u>PER</u> Fiscal Year	CONTRACT TYPE
Board Approval	> \$100,000	All contracts
Chief Executive Officer, or	<del>\$0—</del> <u>Up to \$100,000</u>	All contracts





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SIGNING AUTHORITY	DOLLAR AMOUNT <del>per</del> PER Fiscal Year	CONTRACT TYPE
his/her designee		
General Counsel	<del>\$0</del> Up to \$50,000	All contracts related to the activities or functions of the Office of the General Counsel
<del>Chief Operating Officer</del> <del>Senior Vice President</del>	<del>\$0</del> Up to \$25,000	All contracts <del>related to the activities or functions of the Office of the COO.</del>
<del>Chief Information Officer</del>	<del>\$0</del> \$15,000	<del>All contracts related to the activities or functions of the Office of the Chief Information Officer</del>
Senior Director or Vice President	<del>\$0</del> Up to <del>\$10</del> \$15,000	All contracts whose object or purpose is related to the activities or functions of that Senior Director or Vice President
Director	<del>\$0</del> Up to \$5,000	All contracts whose object or purpose is related to the activities or functions of that Director

**VI. SOLE SOURCE PROCUREMENT**

1. Under some circumstances, Ava competitive solicitation requirements may be dispensed with when the goods or services are only available from one source either because the brand or trade name article, goods, or product or proprietary service is the only one which will properly meet the needs of the Ava or the item or service is unique and available only from a sole source.
2. Sole source purchasing, whereby the procurement methods identified in Tables 1-4 are not required, is authorized when the goods or services contemplated are only able to be performed by a sole provider, such as the holder of an exclusive patent or franchise, for the purchase of unique or innovative goods or services including but not limited to computer software and technology, or for purchases of goods or services when there is a demonstrated need for compatibility with an existing item or service used by Ava.
3. A sole source may be designated when it is apparent that a needed product or service is uniquely available from the source, or for all practical purposes, it is justifiably in the best interest of Ava.
4. The following factors are not sufficient to justify a sole source procurement:
  - Personal preference for product or vendor
  - Cost
  - Vendor performance
  - Local service (this may be considered an award factor in competitive bidding)



- Features that exceed the minimum requirements for the goods or services

## VII. EMERGENCY PROCUREMENT

1. In the event of an emergency, the CEO may suspend the normal purchasing and procurement requirements for goods and services related to abatement of the impacts or effects of the emergency.
2. An emergency is deemed to exist in the following circumstances:
  - 2.1. There is an unexpected occurrence requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services, including the provision of energy or power to Ava customers; or
  - 2.2. There is immediate need to prepare for national or local defense; or
  - 2.3. There is a breakdown in infrastructure or an essential service which requires the immediate purchase of supplies or contractual services to protect the public health, or safety or property; or
  - 2.4. A local emergency or disaster has been declared.

## VIII. COOPERATIVE PURCHASING

1. The procurement methods identified in Table 1 -4 shall not be required when the contract for goods or services will be provided by another governmental agency.
2. Consistent with state law, Ava may adopt another governmental agency's agreement with a contractor ("Piggyback Agreement") as its own without adhering to the procurement methods identified in Table 1-4 if that Piggyback Agreement is the product of the respective governmental agency's formal competitive solicitation process, provided that that agency's procurement is not in conflict with California law.

## IX. PUBLIC PROJECTS

1. Uniform Public Construction Cost Accounting Act. Ava adheres to the alternative bidding procedures provided by the Uniform Public Construction Cost Accounting Act, California Public Contract Code section 22000 et seq. (UPCCAA) Public projects (as defined in Section 22002 of the California Public Contract Code) that do not exceed the dollar limits in Section 22032(b) of the Public Contract Code (as such limits currently exist or may subsequently be amended), may be let to contract by informal procedures as set forth in the UPCCAA.
2. Contracts for construction, alteration, demolition, installation, repair work, or maintenance exceeding \$1,000 in value shall require contractor compliance with Labor Code Section 1720, including the requirement that a contractor pay prevailing wages. Note: Contracts for installation of furniture or equipment onto the premises (such as installation of cubicles or hanging of monitors or screens) in excess of this amount require the payment of prevailing wages.
3. At the time of the adoption of this Policy, the UPCCAA applied to the following types of projects:
  - 3.1. Public projects include construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility. This includes painting or repainting of any publicly owned, leased, or operated facility.

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- 3.2. Public projects up to \$60,000<sup>1</sup> may be performed by Ava employees, by negotiated contract, or by purchase order pursuant to the UPCCAA.
- 3.3. Public projects up to \$200,000<sup>2</sup> may be contracted using informal procedures as set forth in the UPCCAA.
- 4. Pre-Qualified List. A list of contractors may be developed and maintained in accordance with the provisions of Section 22034 of the Public Contract Code and criteria promulgated from time to time by the California Uniform Construction Cost Accounting Commission (CUCCAC).
- 5. Notice.
  - 5.1. Where a public project is to be performed, a notice inviting informal bids shall be mailed, faxed, or emailed not less than ten (10) days before bids are due to all contractors for the category of work to be bid as shown on the Pre-Qualified list developed in accordance with this Section IV, and to all construction trade journals as specified by the CUCCAC in accordance with Section 22036 of the Public Contract Code. Additional contractors and/or construction trade journals may be notified at the discretion of the department soliciting bids, provided, however; if there is no list of qualified contractors maintained by Ava for the particular category of work to be performed, the notice inviting bids shall be sent only to the construction trade journals specified by the CUCCAC.
  - 5.2. The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project and state the time and place for the submission of bids.
- 6. Award of Contract. The CEO and his or her designee is authorized to award public project contracts, subject to the signing authority permitted by Table 5. Nothing in this section prohibits Ava staff from seeking approval of a more senior signing authority than is permitted by this policy.

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Table 5

SIGNING AUTHORITY	DOLLAR AMOUNT <u>PER FISCAL YEAR</u> <del>per fiscal year</del>
Executive Committee of the Board of Directors or Board of Directors Approval	> \$100,000
Chief Executive Officer, or his/her designee	<del>\$0</del> —Up to \$100,000

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<sup>1</sup> As may be amended from time to time. Current dollar amount should be confirmed. See [https://www.sco.ca.gov/ard\\_cuccac.html](https://www.sco.ca.gov/ard_cuccac.html).

<sup>2</sup> As may be amended from time to time. Current dollar amount should be confirmed. See [https://www.sco.ca.gov/ard\\_cuccac.html](https://www.sco.ca.gov/ard_cuccac.html)



SIGNING AUTHORITY	DOLLAR AMOUNT <u>PER FISCAL YEAR</u> <i>per fiscal year</i>
General Counsel	<del>\$0</del> Up to \$50,000
<del>Chief Operating Officer</del> Senior Vice President	<del>\$0</del> Up to \$25,000
Senior Director or Vice President	<del>\$0</del> Up to <del>\$40</del> 15,000
Director	<del>\$0</del> Up to \$5,000

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**X. PROCUREMENT OF POWER**

Ava must secure sufficient power resources and energy attributes to serve its customers, comply with State law and meet Ava’s and its member agencies’ goals. The Procurement of Power will be governed by Ava’s Risk Management Policy.

**XI. MISCELLANEOUS**

1. The following signing authorities shall apply, after review and approval of the named agreements by the General Counsel, or his/her designee, except where in conflict with the Joint Powers Agreement, state, or federal law:
  - 1.1. Non-Disclosure Agreements – Director level and above,
  - 1.2. Banking and Treasury Administration – ~~COO~~ Senior Vice President level and above, and
  - 1.3. Release of Liability and Indemnification – Director level and above

## ADMINISTRATIVE PROCUREMENT POLICY

Policy Number 1.11

July 17, 2023

Agenda Item # [REDACTED]

Resolution Number #R-2023-[REDACTED]

### I. PURPOSE

It is in the interest of Ava Community Energy (“Ava”) to establish administrative procurement practices that facilitate efficient business operations and provide fair compensation and local workforce opportunities whenever possible within a framework of high quality, competitive service offerings.

### II. TYPES OF CONTRACTS

1. Contracts for Goods and Non-Professional Services. As used in this policy, “General Contractual Services” means:
  - 1.1. Any and all supplies, articles, equipment, or personal property furnished to or used by an organizational unit of Ava; and
  - 1.2. Most types of services, excluding professional services as defined below, under which the contractor provides services which are required by Ava, but not furnished by the Ava’s own employees.
2. Contracts for Professional Services. As used in this policy, “Professional Services” means:
  - 2.1. The services of attorneys, physicians, architects, engineers, consultants, auditors, or other individuals or organizations possessing a high degree of professional, unique specialized technical skill or expertise, not always adaptable to competitive bidding. Professional Services are not considered General Contractual Services for the purpose of these procurement procedures.
3. Power Procurement Contracts
  - 3.1. Contracts for energy (also known as Power Purchase Agreements or PPAs) or energy related products are addressed in the Risk Management Policy.
4. All Contracts
  - 4.1. When procuring goods and services utilizing federal funds (e.g. grant funds), Ava shall comply with all federal project requirements and Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. (See 2 CFR § 200)
  - 4.2. No Ava employee, official, or director shall split purchases into more than one purchase in order to avoid the procurement requirements in this policy. Splitting purchases does not allow for a competitive marketplace, increases administrative workflow, and may create ethical issues.
  - 4.3. No Ava employee, officer, or Director shall accept, directly or indirectly, any gift, rebate,

money or anything else of value from any person or entity if such gift, rebate, money or anything of value is intended, or appears, to reward or be an inducement for conducting business, placing orders with, or otherwise using the employee's position to secure an agreement with Ava.

4.4. Prior to signing any agreement for General Contractual Services or Professional Services, the individual signing shall ensure all of the following:

4.4.1. The contract compensation has been budgeted for in the current Ava budget;

4.4.2. That adequate funds have been appropriated by the Board;

4.4.3. That such funds are unexpended and unencumbered sufficient to pay the expense of the contract; and

4.4.4. That any agreement for General Contractual Services or Professional Services for an amount of \$5,000 or more in one calendar year has been approved as to form and content by the General Counsel or his/her designee, except when the CEO, CCO, or designee may, in his or her discretion, authorize the execution of standard form consumer agreements, where Ava is in a similar position as other consumers in the market, related to widely marketed products and where the vendor has stated they are not open to negotiation, including, but not limited to, credit card agreements, and standard consumer license agreements for widely marketed software such as Microsoft Office, or other similar agreements.

4.5. Ava shall report on all new contracts, regardless of scope or contract value, at each Board meeting, except non-disclosure agreements, personnel contracts, and Power Purchase Agreements. Unless subject to the attorney client privilege or some other legal protection, as a public agency, Ava shall release all public records, including contracts, as required by the Public Records Act.

4.6. Agreements with existing vendors may be amended and/or extended to allow for the continuation of services for no more than a total term of five (5) years. Such amendments/extensions are subject to the applicable signing authority identified in Tables 1-4 based on the total dollar amount of the agreement.

4.7. The CEO may suspend the requirements of Section III (General Contractual Services Procurement) or Section V (Professional Services Procurement) for any agreement. Furthermore, the CCO may suspend the requirements of Section III or Section V for any agreement they would otherwise have the authority to sign. However, all agreements for which the required procurement procedures have been suspended pursuant to this Section II. 4.7 must be approved by the Chair and Vice Chair of the Board of Directors and must comply with signing authority restrictions identified in Section III, Table 2, and Section V, Table 4.

5. Promotional Items and Bulk Purchases

5.1. The purchase of office supplies, promotional items, and similarly low risk goods bought in bulk online or otherwise are subject to the relevant procurement methods identified in Section III, but do not require a Consulting Services Agreement or other agreement.

5.1.1. For the purpose of defining “office supplies” as it relates to procurement, the meaning is understood to be “a consumable item/product used regularly in an office environment to perform departmental personnel’s daily work assignments.” Office Supplies to include but are not limited to: Pens, Pencils, Markers, Note Pads, Composition/Theme Books, Post-It-Notes, Paper (other than for copier,), Index Cards, Labels, File Folders, File Organizers, Envelopes, Staplers, Scissors, Tape, Pushpins, Binders, Binder Index Systems, Paper Clips, Rubber bands, and Computer Hardware (excluding any software or subscription services).

6. Combined Services and Purchases.

6.1. Where an agreement combines services with the purchase of supplies as defined in Section 5 above, the expenditure related to purchase of supplies shall be calculated separately from the expenditure related to the services provided for the purpose of determining approval authority under this Policy.

**III. GENERAL CONTRACTUAL SERVICES PROCUREMENT**

1. Procurement Method

1.1. Table 1 indicates the appropriate procurement method for the purchase of General Contractual Services of certain dollar amounts.

1.2. Where applicable, California state law requirements for competitive bidding or public works contracting shall be followed. Such requirements may include, but are not limited to competitive bidding or informal requirements for public works construction projects and prevailing wages requirements.

1.3. Nothing in this section prohibits the use of a more stringent procurement method than the one indicated by Table 1. At his or her discretion, the CEO may direct that an agreement for General Contractual Services is awarded through the Formal Bidding Procedures described herein.

Table 1

PROCUREMENT METHOD	DOLLAR AMOUNT PER FISCAL YEAR	ADDITIONAL REQUIREMENTS
Formal Bidding Procedure	> \$100,000	RFP/RFQ
Solicit 3 written quotes; may be in electronic format	> \$50,000	Quotes must include provider’s name, address, phone number, professional license number, if applicable
Solicit 3 verbal quotes	> \$10,000	Staff shall note quotes by including the providers’ name, address, phone number and amount of the verbal proposal in Ava’s records

PROCUREMENT METHOD	DOLLAR AMOUNT PER FISCAL YEAR	ADDITIONAL REQUIREMENTS
No solicitation necessary	Up to \$10,000	Seek the lowest price for the highest quality
Purchase Order Can Be Used	Up to \$5,000	* A contract is not required for the purchase of goods or low-risk off- site services under \$5,000

2. Signing Authority

2.1. Table 2 indicates the appropriate signing authority for the purchase of General Contractual Services of certain dollar amounts.

2.2. Nothing in this section prohibits Ava staff from seeking approval of a more senior signing authority than is permitted by this policy.

Table 2

SIGNING AUTHORITY	DOLLAR AMOUNT PER FISCAL YEAR	CONTRACT TYPE
Board Approval	> \$100,000	All contracts
Chief Executive Officer, or his/her designee	Up to \$100,000	All contracts
General Counsel	Up to \$50,000	All contracts related to the activities or functions of the Office of the General Counsel
Senior Vice President	Up to \$25,000	All contracts.
Senior Director or Vice President	Up to \$15,000	All contracts whose object or purpose is related to the activities or functions of that Senior Director or Vice President
Director	Up to \$5,000	All contracts whose object or purpose is related to the activities or functions of that Director



#### IV. FORMAL RFP/RFQ PROCEDURES

Except as otherwise specifically directed in writing by the CEO, agreements for the purchase of General Contractual Services for a total amount that exceeds \$100,000 per fiscal year shall be procured as follows:

1. Formal RFP/RFQ Invitations. Invitations to participate in the Request for Proposal/Request for Qualifications (RFP/RFQ) process shall include a general description of the supplies or services sought by Ava, and shall specify the time, place and date for opening responses.
2. Evaluation. Proposals received through a competitive solicitation shall be subject to a set of criteria and a scoring system, reviewed and evaluated by relevant Ava staff and an evaluation committee selected by the relevant staff, CEO, CCO or General Counsel, or at the discretion of the Board, members of a designated Board subcommittee.
3. Selected Respondent. "Selected Respondent" as used in this policy shall mean that respondent who best responds in price, quality, service, fitness, or capacity to the particular requirements of Ava. Price alone shall not be the determining factor but shall be considered along with other factors, including but not limited to the following:
  - 3.1. Ava seeks to support companies and contractors that reflect its values and has identified four vendor/contractor categories that shall be given special consideration during bid evaluation and selection. In competitive solicitations, these categories shall receive bonus percentages/points ranging from 2.5% - 5% for a maximum bonus total of 12.5% in a bid scoring process:
    - 3.1.1. Businesses within Service Territory: Ava desires to support business within its service territory. Businesses with office(s) located in Ava's service territory and businesses that have at least 25% of their workforce who reside in Ava's service territory shall receive a bonus equal to 5% or 5 points out of a 100-point scoring system in competitive solicitations.
    - 3.1.2. Union Labor: Ava desires to support the use of union labor where possible. Ava shall make its best effort to work with unionized contractors and subcontractors in the provision of goods and services to Ava. Businesses who use union labor and/or unionized contractors shall receive a bonus equal to 2.5% or 2.5 points out of a 100-point scoring system in competitive solicitations.
    - 3.1.3. Disabled Veteran Business Enterprises: Ava desires to support Disabled Veteran Business Enterprises (DVBEs). Businesses that are registered with the California Department of General Services as a DVBE shall receive a bonus equal to 2.5% or 2.5 points out of a 100-point scoring system in competitive solicitations.
    - 3.1.4. Disadvantaged Communities: Ava desires to support businesses located in a Disadvantaged Community (DAC) as identified by the California Environmental Protection Agency's (CalEPA) CalEnviroScreen Tool. Businesses with a primary office (i.e. where work is primarily conducted for Ava) located in a DAC, as determined by the latest version of the Tool at the time, shall receive a bonus equal to 2.5% or 2.5 points out of a 100-point scoring system in competitive solicitations.
  - 3.2. Ava is committed to the highest standards of responsible behavior and integrity in all of

its business relationships. Ava will consider a company’s business practices, environmental track record, and commitment to fair employment practices and compensation in its procurement decisions.

3.3. Award of Contract. Ava shall award the contract to purchase goods or services to the Selected Respondent, unless such an award would be prohibited by California law.

**V. PROFESSIONAL SERVICES PROCUREMENT**

1. Procurement Method

1.1. Table 3 indicates the appropriate procurement method for the purchase of Professional Services of certain dollar amounts.

1.2. Nothing in this section prohibits the use of a more stringent procurement method than the one indicated by Table 3. At his or her discretion, the CEO may direct that an agreement for Professional Services is awarded through the Formal Bidding Procedures described herein.

Table 3

PROCUREMENT METHOD	DOLLAR AMOUNT PER FISCAL YEAR	ADDITIONAL REQUIREMENTS
Solicit 3 written quotes; may be in electronic format	Over \$50,000	Proposal must include provider’s name, address, phone number, professional license number, if applicable
Solicit 3 verbal quotes	Over \$15,000	Staff shall note quotes by including the providers’ name, address, phone number and amount of the verbal proposal in Ava’s records
No solicitation is necessary	Up to \$15,000	Seek the lowest price for the highest quality

2. Signing Authority

2.1. Table 4 indicates the appropriate signing authority for an agreement for Professional Services of certain dollar amounts.

2.2. Nothing in this section prohibits Ava staff from seeking approval of a more senior signing authority than is permitted by this policy.

Table 4

SIGNING AUTHORITY	DOLLAR AMOUNT PER Fiscal Year	CONTRACT TYPE
Board Approval	> \$100,000	All contracts
Chief Executive Officer, or his/her designee	Up to \$100,000	All contracts
General Counsel	Up to \$50,000	All contracts related to the activities or functions of the Office of the General Counsel
Senior Vice President	Up to \$25,000	All contracts.
Senior Director or Vice President	Up to \$15,000	All contracts whose object or purpose is related to the activities or functions of that Senior Director or Vice President
Director	Up to \$5,000	All contracts whose object or purpose is related to the activities or functions of that Director

**VI. SOLE SOURCE PROCUREMENT**

1. Under some circumstances, Ava competitive solicitation requirements may be dispensed with when the goods or services are only available from one source either because the brand or trade name article, goods, or product or proprietary service is the only one which will properly meet the needs of the Ava or the item or service is unique and available only from a sole source.
2. Sole source purchasing, whereby the procurement methods identified in Tables 1-4 are not required, is authorized when the goods or services contemplated are only able to be performed by a sole provider, such as the holder of an exclusive patent or franchise, for the purchase of unique or innovative goods or services including but not limited to computer software and technology, or for purchases of goods or services when there is a demonstrated need for compatibility with an existing item or service used by Ava.
3. A sole source may be designated when it is apparent that a needed product or service is uniquely available from the source, or for all practical purposes, it is justifiably in the best interest of Ava.
4. The following factors are not sufficient to justify a sole source procurement:
  - Personal preference for product or vendor
  - Cost
  - Vendor performance

- Local service (this may be considered an award factor in competitive bidding)
- Features that exceed the minimum requirements for the goods or services

## **VII. EMERGENCY PROCUREMENT**

1. In the event of an emergency, the CEO may suspend the normal purchasing and procurement requirements for goods and services related to abatement of the impacts or effects of the emergency.
2. An emergency is deemed to exist in the following circumstances:
  - 2.1. There is an unexpected occurrence requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services, including the provision of energy or power to Ava customers; or
  - 2.2. There is immediate need to prepare for national or local defense; or
  - 2.3. There is a breakdown in infrastructure or an essential service which requires the immediate purchase of supplies or contractual services to protect the public health, or safety or property; or
  - 2.4. A local emergency or disaster has been declared.

## **VIII. COOPERATIVE PURCHASING**

1. The procurement methods identified in Table 1 -4 shall not be required when the contract for goods or services will be provided by another governmental agency.
2. Consistent with state law, Ava may adopt another governmental agency's agreement with a contractor ("Piggyback Agreement") as its own without adhering to the procurement methods identified in Table 1-4 if that Piggyback Agreement is the product of the respective governmental agency's formal competitive solicitation process, provided that that agency's procurement is not in conflict with California law.

## **IX. PUBLIC PROJECTS**

1. Uniform Public Construction Cost Accounting Act. Ava adheres to the alternative bidding procedures provided by the Uniform Public Construction Cost Accounting Act, California Public Contract Code section 22000 et seq. (UPCCAA) Public projects (as defined in Section 22002 of the California Public Contract Code) that do not exceed the dollar limits in Section 22032(b) of the Public Contract Code (as such limits currently exist or may subsequently be amended), may be let to contract by informal procedures as set forth in the UPCCAA.
2. Contracts for construction, alteration, demolition, installation, repair work, or maintenance exceeding \$1,000 in value shall require contractor compliance with Labor Code Section 1720, including the requirement that a contractor pay prevailing wages. Note: Contracts for installation of furniture or equipment onto the premises (such as installation of cubicles or hanging of monitors or screens) in excess of this amount require the payment of prevailing wages.

3. At the time of the adoption of this Policy, the UPCCAA applied to the following types of projects:
  - 3.1. Public projects include construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility. This includes painting or repainting of any publicly owned, leased, or operated facility.
  - 3.2. Public projects up to \$60,000<sup>1</sup> may be performed by Ava employees, by negotiated contract, or by purchase order pursuant to the UPCCAA.
  - 3.3. Public projects up to \$200,000<sup>2</sup> may be contracted using informal procedures as set forth in the UPCCAA.
4. Pre-Qualified List. A list of contractors may be developed and maintained in accordance with the provisions of Section 22034 of the Public Contract Code and criteria promulgated from time to time by the California Uniform Construction Cost Accounting Commission (CUCCAC).
5. Notice.
  - 5.1. Where a public project is to be performed, a notice inviting informal bids shall be mailed, faxed, or emailed not less than ten (10) days before bids are due to all contractors for the category of work to be bid as shown on the Pre-Qualified list developed in accordance with this Section IV, and to all construction trade journals as specified by the CUCCAC in accordance with Section 22036 of the Public Contract Code. Additional contractors and/or construction trade journals may be notified at the discretion of the department soliciting bids, provided, however; if there is no list of qualified contractors maintained by Ava for the particular category of work to be performed, the notice inviting bids shall be sent only to the construction trade journals specified by the CUCCAC.
  - 5.2. The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project and state the time and place for the submission of bids.
6. Award of Contract. The CEO and his or her designee is authorized to award public project contracts, subject to the signing authority permitted by Table 5. Nothing in this section prohibits Ava staff from seeking approval of a more senior signing authority than is permitted by this policy.

#### Table 5

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<sup>1</sup> As may be amended from time to time. Current dollar amount should be confirmed. See [https://www.sco.ca.gov/ard\\_cuccac.html](https://www.sco.ca.gov/ard_cuccac.html).

<sup>2</sup> As may be amended from time to time. Current dollar amount should be confirmed. See [https://www.sco.ca.gov/ard\\_cuccac.html](https://www.sco.ca.gov/ard_cuccac.html)

SIGNING AUTHORITY	DOLLAR AMOUNT PER FISCAL YEAR
Executive Committee of the Board of Directors or Board of Directors Approval	> \$100,000
Chief Executive Officer, or his/her designee	Up to \$100,000
General Counsel	Up to \$50,000
Senior Vice President	Up to \$25,000
Senior Director or Vice President	Up to \$15,000
Director	Up to \$5,000

**X. PROCUREMENT OF POWER**

Ava must secure sufficient power resources and energy attributes to serve its customers, comply with State law and meet Ava’s and its member agencies’ goals. The Procurement of Power will be governed by Ava’s Risk Management Policy.

**XI. MISCELLANEOUS**

1. The following signing authorities shall apply, after review and approval of the named agreements by the General Counsel, or his/her designee, except where in conflict with the Joint Powers Agreement, state, or federal law:
  - 1.1. Non-Disclosure Agreements – Director level and above,
  - 1.2. Banking and Treasury Administration – Senior Vice President level and above, and
  - 1.3. Release of Liability and Indemnification – Director level and above



### Consent Item 7

<b>To:</b>	Ava Community Energy Authority Board
<b>From:</b>	Joanie Brooke – Power Resources Manager
<b>Subject:</b>	Adopting a Resolution of the Board of Directors of Ava Community Energy Authority Authorizing the Chief Executive Officer to Negotiate and Execute an Amendment to the Power Purchase Agreement with Corsac Generating Station 1 LLC
<b>Date:</b>	July 17, 2024

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#### **Summary/Recommendation**

Adopt a Resolution of the Board of Directors of Ava Community Energy Authority Authorizing the Chief Executive Officer (“CEO”) to Negotiate and Execute an Amendment to the Power Purchase Agreement (“PPA”) with Corsac Generating Station 1 LLC (“Seller”).

#### **Background**

On April 6, 2022, Ava executed a PPA with FEC Nevada 1 LLC for a 40-megawatt (“MW”) geothermal energy project located in Churchill County, Nevada (“Project”). The Project was offered during Ava’s 2020 Renewable Energy and Storage Request for Offers (“RFO”) that was launched in October 2020, and the PPA was negotiated after the RFO and was approved for execution by the Board on January 19, 2022. On August 24, 2022, the name of the contracting entity was legally changed from “FEC Nevada 1 LLC” to “Corsac Generating Station 1 LLC”.

The developer for the Project is Fervo Energy, and the delivery term is 15 years. The Project’s expected commercial operation date per the PPA is May 1, 2026, with the ability to extend that deadline to February 2028, under certain conditions in the PPA.

Ava plans to use generation and capacity from the Project to meet a portion of the procurement requirements under the Mid-Term Reliability (“MTR”) Long Lead Time regulations.<sup>1</sup> On February 20, 2024, the California Public Utilities Commission (“CPUC”) voted to allow additional time to bring new geothermal resources online, under the MTR program rules. This decision allows Ava to extend the Project’s expected commercial operation date as late as June 2031.

In late 2023, the Seller notified Ava of delays to the development of a new large-scale transmission project through northern Nevada, impacting the Project’s financing timelines and extending the expected commercial operation date to April 1, 2030. Additionally, under the structure of the PPA, the Seller had the right to exit the PPA if timely federal funding was not achieved. To lower the risk of the Seller exiting the PPA, a price adjustment was negotiated and the Seller’s near-term exit rights were removed with others narrowed in scope, in addition to the adjustment to the expected online date.

This Project is valuable for Ava customers, providing renewable and reliable energy with competitive terms and pricing. Ava is required to have a geothermal project contracted and operational by the prescribed dates in the MTR regulations; this Project meets the prescriptive requirements of the MTR decision including its ability to achieve commercial operation by 2031.

Staff is asking the Board to authorize the CEO to continue these negotiations, and when complete, execute an amendment for the Project. The amended contract will effectuate the terms described above, as well as necessary administrative revisions like updating the name of the contracting entity to Corsac Generating Station 1 LLC.

### **Attachments**

- A. Resolution of the Board of Directors of Ava Community Energy Authority Authorizing the Chief Executive Officer to Negotiate and Execute an Amendment to the Power Purchase Agreement with Corsac Generating Station 1 LLC.

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<sup>1</sup> As defined in CPUC Decision D.21-06-035: Decision Requiring Procurement to Address Mid-Term Reliability 2023-2026.



**RESOLUTION NO. R-2024-XX**

**A RESOLUTION OF THE BOARD OF DIRECTORS**

**OF AVA COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE AN AMENDMENT TO THE POWER PURCHASE AGREEMENT WITH CORSAC GENERATING STATION 1 LLC**

**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 section 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 Joint Powers Agreement (“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, Ava 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 executed a Power Purchase Agreement (“PPA”) with FEC Nevada 1 LLC on April 6. On August 24, 2022, the name of the contracting entity was legally changed from “FEC Nevada 1 LLC” to “Corsac Generating Station 1 LLC” (“Seller”); and

**WHEREAS** the PPA is for a 40-megawatt (MW) geothermal energy project based in Churchill County, Nevada (“Project”); and

**WHEREAS** the PPA provides that the Project has an expected commercial operation date of May 1, 2026, for a term of 15 years; and

**WHEREAS** Ava has negotiated with the Seller to find an equitable path to adjust the contract price, extend the expected commercial operation date to April 1, 2030, and narrow the Seller’s remaining exit rights through an amendment to the PPA.

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

Section 1. The CEO, in consultation with staff and legal counsel, is hereby authorized to negotiate and execute an Amendment to the Power Purchase Agreement with Corsac Generating Station 1 LLC to effectuate the revisions described above.

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

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Jack Balch, Chair

ATTEST:

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Adrian Bankhead, Clerk of the Board



### **Consent Item 8**

**TO:** Ava Community Energy Authority

**FROM:** Trevor Cherr, Vice President of Human Resources

**SUBJECT:** **Approval for Agreement with Thrive Mind Collaborative**

**DATE:** July 17, 2024

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#### **Recommendation**

Adopt a Resolution authorizing the CEO to negotiate and execute an Amendment to the existing Agreement with Thrive Mind Collaborative, to provide experience-based business coaching and consulting services to employees, in partnership with the Human Resources Team.

#### **Background and Discussion**

In Fiscal Year 2022-2023, the Human Resources Team conducted “pilot” groups to gauge the impact of and satisfaction with various learning and development and coaching programs. Part of this included working with Thrive Mind Collaborative, who provided coaching and consulting services for 6 months. With great success and desirable outcomes, including high satisfaction and a desire to continue from participants, Ava moved forward with Thrive Mind Collaborative as our consulting and coaching partner. With 12 years of experience in leadership, operations, and learning and development, the lead coach working with Ava will provide consulting services, including a senior leader coaching program, emerging leaders coaching program, staff workshops and training, and other related support or consulting services. These services were successful and instrumental in the development and support of Ava staff last fiscal year, and we look forward to continued collaboration.

#### **Fiscal Impact**

This is an annual agreement for one year and may incur costs of up to \$182,000.00 in the 2024-2025 Fiscal Year.

**Attachments**

- A. Resolution
- B. Second Amendment to Master Service Agreement by and Between Ava Community Energy Authority and Thrive Mind Collaborative

**RESOLUTION NO. R-2024-XX**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF AVA COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CEO TO AMEND**  
**THE AGREEMENT WITH THRIVE MIND COLLABORATIVE**

**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** Thrive Mind Collaborative has provided experience-based business coaching and consulting services to Ava employees in partnership with the Human Resources Team. With 12 years of experience in leadership, operations, and learning and development, the lead coach working with Ava will provide consulting services, including an executive coaching program, emerging leaders coaching program, staff workshops and training, and other related support or consulting services; and

**WHEREAS** In Fiscal Year 2022-2023, the Human Resources Team conducted “pilot” groups to gauge the impact of and satisfaction with various learning and development and coaching programs. Part of this included working with Thrive Mind Collaborative, who provided coaching and consulting services for 6 months. With great success and desirable outcomes, including high satisfaction and a desire to continue from participants, Ava moved forward with Thrive Mind Collaborative, as our consulting and coaching partner. With 12 years of experience in leadership, operations, and learning and development, the lead coach working with Ava will provide consulting services, including an executive coaching program, emerging leaders coaching program, staff workshops and training, and other related support or consulting services. These services were successful and instrumental in the development and support of Ava staff last fiscal year, and we look forward to continued collaboration; and

**WHEREAS** Ava staff has participated in this coaching and development program for six months in the Fiscal Year 2022-2023 and the entirety of Fiscal Year 2023-2024, with high success and satisfaction rates; and

**WHEREAS** consulting and coaching services provided by Thrive Mind Collaborative will be scheduled to begin immediately following approval. Thrive Mind Collaborative will provide consulting services, including an executive coaching program, emerging leaders coaching program, staff workshops and training, and other related support or consulting services.

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

Section 1. Authorizes the CEO to negotiate and execute an Amendment to the Agreement with Thrive Mind Collaborative for the Fiscal Year 2024-2025, with compensation not to exceed \$182,000 for coaching and consulting services.

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

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Jack Balch, Chair

ATTEST:

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Adrian Bankhead, Clerk of the Board

**Second Amendment to Master Service Agreement by and Between Ava Community Energy Authority and Thrive Mind Collaborative**

This Second Amendment to the Agreement with Thrive Mind Collaborative, LLC for Consulting Services (“Second Amendment”) is made this 17th day of July, 2024, by and between the Ava Community Energy Authority, a Joint Powers Agency formed under the laws of the State of California (“Ava”) and Thrive Mind Collaborative, LLC, a California Limited Liability Company (“The Provider”), for the purposes of adding additional compensation, adding additional services to the scope, and extending the termination date.

**Recitals**

- A. Ava and The Provider entered into that certain Master Service Agreement dated December 21, 2022 (“Agreement”), wherein The Provider agreed to provide Leadership Coaching & Development to Ava, with compensation not to exceed \$30,000.
- B. Ava and The Provider entered into that certain First Amendment to the Master Service Agreement on July 1, 2023 to add additional compensation, increasing the not-to-exceed amount by \$130,000 for Fiscal Year 2023 through 2024 to cover additional services for a total amount not to exceed \$160,000, and to add additional services to the Statement of Work.
- C. Ava and The Provider now desire to amend the Agreement to add additional compensation, increasing the not-to-exceed amount by \$182,000, for Fiscal Year 2024 through 2025 for a total amount not to exceed three hundred and forty-two thousand dollars (\$342,000.00).
- D. On October 24, 2023, East Bay Community Energy Authority legally adopted the name Ava Community Energy Authority, where it had previously used the name East Bay Community Energy Authority since its inception.

**Now therefore**, for good and valuable consideration, the amount and sufficiency of which is hereby acknowledged, the Parties agree as follows:

- 1. All references to East Bay Community Energy (“EBCE”) in the Agreement are hereby amended to Ava Community Energy (“Ava”).
- 2. Section 1 of the Agreement (“Term”) is amended to extend the term of the Agreement through June 30, 2025.

3. Exhibit A (“Scope of Work”) of the Agreement is replaced in its entirety by Exhibit A, attached hereto.
4. All other terms and conditions in the Agreement not otherwise modified by this Second Amendment will remain in full force and effect.

**In witness whereof**, the Parties have entered this Amendment on the date written above.

Ava Community Energy Authority,  
A Joint Powers Authority

Thrive Mind Collaborative, LLC,  
A California Limited Liability Company

\_\_\_\_\_  
Howard Chang  
Chief Executive Officer

\_\_\_\_\_  
Kristen Wilkinson  
Founder & CEO

Date:  
\_\_\_\_\_

Date:  
\_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
Ava General Counsel



**Exhibit A****Scope of Work**

This Scope of Work is issued under the subject to all of the terms and conditions of the MSA effective as of the Effective Date between Ava Community Energy Authority, a Joint Powers Agency formed under the laws of the State of California (“Ava”) and Thrive Mind Collaborative, LLC, a California Limited Liability Company (“The Provider”).

Compensation for July 17, 2024 to June 30, 2025 is not to exceed \$182,000.

The following services and costs apply for the July 17, 2024 through June 30, 2025 term:

<b>Ava 24-25 Scope of Work</b>		
<b>Service Type</b>	<b>Service</b>	<b>Description</b>
<b><u>Coaching Services</u></b>	1:1 Coaching	Monthly 1 hour 1:1 Coaching for senior leaders inclusive of: <ul style="list-style-type: none"> <li>- Personalized attention to individual development needs.</li> <li>- Tailored guidance for professional growth.</li> <li>- Confidential space for self-reflection and skill enhancement.</li> </ul>
	Emerging Group Coaching	Monthly 1 hour Group Coaching Sessions for emerging leaders. Includes topic development & content creation with the goals of cultivating: <ul style="list-style-type: none"> <li>- Teamwork and collaboration among emerging leaders.</li> <li>- Peer learning and support.</li> <li>- Exposure to diverse perspectives and ideas.</li> </ul>
	Elevating Group Coaching	Monthly 1 hour Group Coaching Sessions for mid-senior leaders. Includes topic development & content creation with the goals of cultivating: <ul style="list-style-type: none"> <li>- Advanced leadership development for mid to senior-level managers.</li> <li>- Cultivation of teamwork and collaboration.</li> <li>- Focus on peer to peer learning and support.</li> </ul>
	Forums	Monthly 1 hour group coaching sessions
	Open Door Coaching Sessions	1 hour Open Door Coaching Sessions to allow for: <ul style="list-style-type: none"> <li>- Accessible coaching for all levels of the organization.</li> <li>- Opportunity for quick problem-solving and guidance.</li> <li>- Support for addressing immediate challenges.</li> </ul>

<p><b><u>L&amp;D Services</u></b></p>	<p>All Staff Workshops</p>	<p>Develop &amp; Deliver all staff workshops that focus on:</p> <ul style="list-style-type: none"> <li>- Building shared language and understanding around key topics.</li> <li>- Skill development for handling common workplace challenges.</li> <li>- Creating a culture of continuous learning and development.</li> </ul>
	<p>New Managers Training Content Development &amp; Delivery</p>	<p>Development &amp; delivery of training materials to support new manager skill-building and alignment in areas such as communication, delegation, and performance management.</p>
	<p>Session Facilitation</p>	<p>Focused time for team building and strategic planning. Creativity and innovation through off-site environments. Facilitated discussions for aligning team goals with organizational objectives.</p>
<p><b><u>Programmatic &amp; Advising Services</u></b></p>	<p>Ongoing Strategic Advising</p>	<p>1 hour Monthly Strategy and Business Consulting Sessions with the VP of HR to support in optimizing benefits and organizational development strategies.</p>
	<p>New Managers Training Curriculum Development</p>	<p>Tailored training program aligned with organizational goals and expectations for leaders. Focus on essential skills for effective managerial roles. Development of a consistent managerial approach across the organization.</p>



## Consent Item 9

<b>To:</b>	Ava Community Energy Authority
<b>From:</b>	Andy McElroy, Local Development Solar & Storage Associate
<b>Subject:</b>	Approving a resolution to execute a Professional Services contract extension with Gridscape Solutions to begin engineering work for Critical Municipal Facilities ahead of PPA execution.
<b>Date:</b>	July 17, 2024

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### **Summary/Recommendation**

Approve a Resolution authorizing the CEO to add scope and extend an existing Consulting Services Agreement (“CSA”) with Gridscape Solutions, to begin engineering work on a number of Critical Municipal Facilities sites, across eight Cities needed to achieve project completion under NEM2.0, as detailed further below.

### **Financial Impact**

- *There will be three Phases of work, on a time and materials basis paid out at defined milestones and on a per project basis. The total value of the contract is \$1.8M, paid in three phases shown below:*
  - *Phase 0: NTE \$800,000*
  - *Phase 1: NTE \$350,000*
  - *Phase 2: NTE \$650,000*
- *Payments will be recouped via the Resilient Municipal Critical Facilities Power Purchase Agreement (“PPA”) once executed, but are at-risk if the PPA (defined below) is not executed*

### **Analysis and Context**

Ava launched the Resilient Municipal Critical Facilities Program (Program) in 2020 in order to partner with our member cities to increase energy resilience in our territory by installing solar and battery storage at critical municipal facilities. These include:

- Community centers
- Senior centers
- Fire stations
- Emergency operations centers
- Libraries
- Corporation yards / maintenance facilities
- and Other government facilities that need to stay operational in the event of a PSPS event or power outage. Some of these facilities with public access will serve as “Resilience Hubs” once completed.

In working with member agencies, Ava staff identified several barriers to these types of resilience projects: First, local governments often do not have the technical expertise, financial resources, or in-house staff to advance these types of projects. Many critical municipal facilities are relatively small and therefore cannot take advantage of bulk purchasing or compete for the best prices. Likewise, Ava staff found that solar and storage contractors face high customer acquisition and initial project development costs--these costs are relatively higher for smaller facilities that cannot support larger solar deployments.

Recognizing these barriers, Ava has undertaken this Program with the following goals:

- Reduce the burden and associated costs to both local governments and developers for site identification, evaluation, and design work, by Ava conducting this initial work with the services of an established solar design and engineering firm
- Reduce costs, by aggregating sites into a larger portfolio for volume purchasing power
- Reduce PPA contracting costs, by Ava serving as a single counterparty for all the customers and sites in the portfolio
- Comply with local government public contracting requirements with uniform contractual terms, such as prevailing wage
- Reduce project drop-out risk, by obtaining formal city council resolutions from Cities to execute contracts, as long as Ava can provide PPA pricing that results in net financial benefits

With the goals stated above, Ava began working with its member cities to assemble a list of hundreds of critical facilities across its service territory. An initial portfolio-level assessment examined each site’s natural hazard exposure, energy needs, and suitability for installation of solar and battery storage. From this list, Ava narrowed the list to a set of key sites with preliminary energy resilience system sizes. This preliminary assessment identified an aggregated capacity of approximately 10 MW of solar and 25 MWh of storage across Ava’s member cities. After subsequent rounds of engagement with city leaders, facility managers and other stakeholders Ava selected four cities to develop a proof-of-concept pilot (Phase 1) to confirm that Ava could deliver value, as a centralized procurement entity for behind the meter solar and storage projects.

The solar and storage systems are intended to be designed and operated with the following benefits in mind:

1. Provide resiliency back-up for critical loads in the event of grid outages for sites with battery storage.
2. Reduce member agency energy bills through Time-of-Use (TOU) energy and demand charge reductions.

3. Manage battery discharge during TOU periods to reduce both member agency energy bills and Ava wholesale energy procurement requirements (i.e., resource adequacy capacity requirements).
4. Reduce reliance on existing diesel-powered generators, minimizing CO2 equivalent emissions.

Procurement History and Utilizing NEM 2.0

Ava issued an RFO on August 26, 2022, to solicit proposals to deliver cost effective solar and storage PPAs for the Program for the first four “Phase 1” Cities (San Leandro, Berkeley, Hayward, and Fremont) Two Cities, San Leandro and Fremont, were able to secure \$1M each in Federal funding from congressionally-directed spending to support project development, increasing the size and cost effectiveness of the portfolio. Ava received multiple bids to that solicitation and selected Gridscape Solutions, as project engineer, and Sunwealth LLC (“Sunwealth”), as project owners. The Board approved a resolution at the January 2023 meeting to sign a CSA with Gridscape Solutions (“Gridscape”) to submit Net Energy Metering 2.0 (“NEM2.0”) interconnection applications to secure NEM2.0 for Program sites and negotiate a PPA with Sunwealth as the project owner.

Ava was able to submit NEM2.0 applications for 65 projects in April 2023. PG&E accepted and approved these applications and has given Ava 3 years to complete installation of the projects in order to be treated under NEM2.0 rather than the CPUC’s more recent rulings regarding solar billing. Under NEM2.0, sites will receive 1-to-1 credits for every kWh of solar electricity delivered to the grid, which is financially favorable to the newer Solar Billing Plan (NEM3.0) tariff that sites would otherwise fall under.

Ava negotiated with Sunwealth through early 2023 but was unable to reach an acceptable PPA with Sunwealth for the development of the projects. However, the interconnection applications for the 61 sites under consideration for the current RFO remain active and are eligible for project completion under NEM2.0, provided they can become operational within the 3 year deadline for interconnection.

Program Expansion and RFO Re-issuance

Ava staff continued to reach out to all member agencies in 2023 to determine which Cities could be added to the Program. In early 2023, an additional four cities (Emeryville, Livermore, Oakland, and Pleasanton) expressed interest in joining the program and passed City Council resolutions to participate in a Phase 2 procurement.

In July 2023 Ava re-issued a solicitation for the development of the Program and added Phase 2 cities to the portfolio, increasing the number of sites and volume of the portfolio shown in Figure 2 below.

Phase	Number of Sites	Total Solar PV (kW-DC)	Total Energy Storage (kWh-DC)
Phase 1	29	2,680	4,875
Phase 2	32	7,538	15,250
<b>Grand Total</b>	<b>61</b>	<b>10,218</b>	<b>20,125</b>

Figure 2: Portfolio sizes of Phases 1 and 2 in the re-issued in the RFO

Ava received four bids and selected Green Bridge Corporation (“Green Bridge”), as the winning bidder. Green Bride will be the asset owner and be responsible for delivering and operating the solar and storage projects. Green Bridge has selected Gridscape to develop the projects. Ava is actively negotiating the PPA with Green Bridge and has made good progress, but the PPA has not been fully negotiated.

Ava is proposing to extend the existing CSA with Gridscape to initiate engineering work, including geotechnical and structural reports, and start submitting permits for a sub-set of the projects, to reduce the risk that projects are not completed prior to the expiration of the NEM 2.0 deadline. Earlier completion of projects will provide greater overall solar and storage project savings to participating Cities. Assuming the PPA is executed, Ava will be reimbursed for these costs.

The cost of this pre-PPA engineering work is \$1.8MM over three phases and will be incurred on a time and materials basis, paid out at defined milestones, and on a per project basis, according to the Phases shown below. The value of the NEM2.0 energy savings to the cities across these projects would be 31% higher, on average, compared to NEM3.0, justifying this contract.

- Phase 0: NTE \$800,000;
  - 5 sites across 3 cities
  - Work to begin July 18, 2024
  - 43% of portfolio PV capacity
  - 41% of portfolio storage capacity
- Phase 1: NTE \$350,000;
  - 10 sites across 4 cities
  - Work to begin August 31, 2024
  - 7% of portfolio PV capacity
  - 6% of portfolio storage capacity
- Phase 2: NTE \$650,000;
  - 20 sites across 6 cities
  - Work to begin August 31, 2024
  - 24% of portfolio PV capacity
  - 23% of portfolio storage capacity

## **Attachments**

- A. Resolution

**RESOLUTION NO. R-2024-XX**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF AVA COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CEO TO**  
**NEGOTIATE AND EXECUTE A CONSULTING SERVICES AGREEMENT WITH**  
**GRIDScape SOLUTIONS**

**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** in 2022 Ava issued a request for offers (RFO) to solicit prospective counterparties for the Critical Municipal Facilities program to help member cities install solar and storage systems in order to decarbonize their backup solutions at critical sites;

**WHEREAS** Ava received four bids, one of which was from Gridscape Solutions;

**WHEREAS** Gridscape Solutions has completed much of the interconnection application work via previous CSA and is now the Engineering, Procurement, and Construction firm chosen for a 2023 RFP for Critical Municipal Facilities;

**WHEREAS** Ava and Gridscape have identified engineering work that must begin in July of 2023, prior to expected contract execution with the counterparty, in order for more than half of the Critical Municipal Facilities portfolio to achieve NEM 2.0, which is required for city- and portfolio-level cost neutrality;

**WHEREAS** this engineering work has been costed at a not-to-exceed amount of \$1,800,000 over 3 phases starting July 18, 2024, and continuing for up to 6 months;

**WHEREAS** Ava wishes to extend its Consulting Service Agreement with Gridscape Solutions, and update the scope of work to begin this engineering work by providing these funds, potentially recoverable but at-risk.

**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 Gridscape Solutions to begin engineering work for Critical Municipal Facilities for an amount not to exceed \$1.8 million over a 6-month period.

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

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Jack Balch, Chair

ATTEST:

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Adrian Bankhead, Clerk of the Board





### **Consent Item 10**

**TO:** Ava Community Energy Authority

**FROM:** Dan Lieberman, Director of Marketing

**SUBJECT:** Consulting Service Agreement with Chen Design Associates

**DATE:** July 17, 2024

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#### **Recommendation**

Adopt a Resolution authorizing the Chief Executive Officer to negotiate and execute a Consulting Services Agreement with Chen Design Associates, with a not-to-exceed amount of \$200,000 in compensation, at an hourly rate of \$175 for Fiscal Year 2024-25.

#### **Background and Discussion**

Ava issued a formal Request for Proposal (“RFP”) for creative services on April 18, 2024. The solicitation was sent to Ava’s solicitation email list (2,114 recipients), in addition to vendors listed on the Alameda County Small, Local and Emerging Business (“SLEB”) program website with North American Industry Classification System (“NAICS”) codes for design, videography, and/or photography services (267 recipients). Ava received 27 proposals. Staff evaluated and scored the proposals, and Chen Design Associates’ proposal scored highly, showed a breadth of skill sets that matched Ava’s needs, and offered reasonable rates. Chen Design Associates is located near Ava’s office in an Oakland Disadvantaged Community, as identified by the California Environmental Protection Agency’s CalEnviroScreen Tool and is Disadvantaged Business Enterprise (“DBE”) certified, SLEB certified, and Lesbian Gay Bisexual Transgender Business Enterprise (“LGBTBE”) certified.

#### **Fiscal Impact**

There are funds in the FY2024-2025 Marketing budget to accommodate this additional amount.

**Attachments**

- A. Resolution Authorizing the Chief Executive Officer to Negotiate and Execute a Consulting Services Agreement with Chen Design Associates

**RESOLUTION NO. R-2024-XX**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF AVA COMMUNITY ENERGY AUTHORITY TO ENTER INTO A NEW**  
**CONSULTING SERVICES AGREEMENT WITH CHEN DESIGN ASSOCIATES**

**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 issued a formal Request for Proposal (“RFP”) for creative services on April 18, 2024. Ava now has an in-house designer, but we do not have capabilities in photography videography, or booth design, and our design needs are expected to exceed our in-house capabilities.

**WHEREAS** The solicitation was sent to Ava’s solicitation email list (2,114 recipients) and also to vendors listed on the Alameda County Small, Local and Emerging Business (“SLEB”) program website with North American Industry Classification System (“NAICS”) codes for design, videography, and/or photography services (267 recipients). Ava received 27 proposals. Staff evaluated and scored the proposals, and Chen Design Associates’ proposal scored highly, showed a breadth of skill sets that matched Ava’s needs, and offered reasonable rates. Chen Design Associates is located in Oakland near Ava’s office in a Disadvantaged Community, as identified by the California Environmental Protection Agency’s CalEnviroScreen Tool and is Disadvantaged Business Enterprise (“DBE”) certified, SLEB certified, and Lesbian Gay Bisexual Transgender Business Enterprise (“LGBTBE”) certified.

**WHEREAS** Ava’s needs for creative services is immediate, as we prepare to launch new programs and expand our service in San Joaquin county.

**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 between Ava and Chen Design Associates, with a term covering FY2024-2025, with compensation not to exceed \$200,000, at a \$175 per hour rate. The Agreement will be approved by General Counsel.

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

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Jack Balch, Chair

ATTEST:

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Adrian Bankhead, Clerk of the Board



**Consent Item 11**

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

**FROM:** Howard Chang, Chief Executive Officer & Treasurer

**SUBJECT:** Treasurer’s Report (Informational Item)

**DATE:** July 17, 2024

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**Recommendation**

Receive report on Ava’s cash position.

**Background and Discussion**

For the quarter ending June 30, 2024, Ava has maintained a positive cash balance on all Ava bank accounts. Below is a summary of account balances, cash received, and outstanding loan balances.

**Account Balances as of 6/30/2024**

Account	Amount
Internal Operating	\$ 9,017,834
Operating Fund	\$ 204,673,627
Lockbox	\$ 12,811,172
US Bank	\$ 35,000,000
Money Market	\$ 163,494,834
Insured Cash Sweep Checking	\$ 135,864,193
Insured Cash Sweep Saving	\$ 20,722,272
Wells Fargo	\$ 514,136
CDARS	\$ 50,000,000
Total	\$ 632,098,068

**Cash Received by Month into Lockbox Account**

April	2024	\$ 78,257,794
May	2024	\$ 76,263,385
June	2024	\$ 63,214,655
<hr/>		
Total		\$ 217,735,834

**Outstanding Loan Balances:**

Union Bank Credit Facility: \$0.00

**Customer Delinquency:**

As of June 30, 2024

31 - 60 Days:	\$ 5,765,662
61 - 90 Days:	\$ 4,185,416
91 - 120 Days:	\$ 3,135,789
120+ Days:	\$ 49,041,836



## Consent Item 12

<b>To:</b>	Ava Community Energy Authority
<b>From:</b>	Inder Khalsa, General Counsel Howard Chang, CEO
<b>Subject:</b>	Approving a resolution declaring 251 8th Street to be “exempt surplus” property pursuant to Government Code Section 54221(f)(1)(B) and directing staff to take next steps, including exploring options for disposition of the property.
<b>Date:</b>	July 17, 2024

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### **Summary/Recommendation**

Approve a Resolution declaring Ava’s property at 251 8th Street to be “exempt surplus” property pursuant to Government Code section 54221 and authorizing staff to forward the Resolution to the California Department of Housing and Community Development (HCD). Note that this does not commit Ava to any particular outcome for the property, but it is a legally necessary first step in order for Ava to explore options for leasing or selling this Property.

### **Financial Impact**

There is no financial impact associated with this action beyond nominal staff and attorney time.

### **Analysis and Context**

In September 2021, Ava purchased property at 251 8th Street for use as office space. Ava intended to remodel the building and use it as its headquarters. Since that purchase, changes in the office real estate market, changes in Ava employee work patterns (specifically, the increase in remote or hybrid work), and increases in construction costs have made it more financially advantageous to Ava to rent office space in downtown Oakland. The property has remained vacant. Ava staff would like to explore Ava’s options for future use or disposition of the space, including the potential to sell or enter into a long term lease for the site.

Ava is a public agency subject to the Surplus Lands Act, at Government Code Section 55220, et seq. (the "SLA"). The SLA requires that agencies adopt a formal resolution to declare a property "surplus" or "exempt surplus" and submit the resolution to the California Department of Housing and Community Development (HCD) at least 30 days prior to taking any action to "dispose" of the property. This means that if Ava wants to consider options for the property or engage with interested parties (which is considered an action to dispose of the property), it must first adopt a resolution pursuant to the SLA.

The purpose of the SLA is to encourage agencies to sell or lease surplus property to affordable housing developers. The SLA generally requires that agencies follow a specific process prior to disposing of surplus land. This process involves sending a notice of availability of the property for sale or lease to affordable housing developers, and then negotiating with any interested developers for a set period of time. Under the standard SLA process, an agency can only proceed to dispose of the surplus property on the market after following this process.

There are, however certain exemptions from this standard disposition process under the SLA. One exemption applies to Ava's property at 251 8th Street. Specifically, Government Code Section 54221(f)(1)(B) provides that "Surplus land that is less than one-half acre in area and is not contiguous to land owned by a state or local agency that is used for open-space or low- and moderate-income housing purposes" is exempt from the SLA's standard process. But in order to claim property as "exempt surplus," the agency must adopt a resolution declaring it as such and submit that resolution to HCD prior to disposition of the property.

This is a legally necessary step in order for Ava to explore its options for 251 8th Street. Staff recommends that the Board approve the attached resolution declaring the property to be "exempt surplus" under this provision and authorizing staff to forward the resolution to HCD. This action will allow staff to evaluate options for the site, engage with potentially interested parties, and return to the Board with further information and recommendations with respect to the site.

It is important to note that this Resolution would not constrain Ava's final decision on how to utilize the site, and Ava could later decide not to dispose of the property and retain it for Ava governmental use. Under state law, however, Ava staff cannot actively pursue other possibilities for the property without first taking formal action under the SLA. Similarly, it is important to note that although the site is exempt from the full standard disposition process under the SLA, this does not preclude Ava from engaging with interested affordable housing developers with respect to the site and this is something that staff would like to actively pursue.

Assuming the Board approves the attached Resolution, staff would plan to return to the Board for additional discussion of the 251 8th Street property after conducting additional research and engaging with potentially interested parties.

### **Committee Recommendation**

N/A



**Attachment**

- A. Board resolution declaring 251 8th Street to be exempt surplus pursuant to Government Code 54221(f)(1)(B)

**RESOLUTION NO. R-2024-xx**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
AVA COMMUNITY ENERGY AUTHORITY DECLARING 251 8TH STREET TO BE  
EXEMPT SURPLUS PROPERTY PURSUANT TO GOVERNMENT CODE SECTION  
54221(f)(1)(B)**

**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 November of 2019. 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** in September 2021, Ava purchased property at 251 8th Street located in Oakland, California and further described in Exhibit “A” (the “Property”) in fee simple with the intent to renovate the building to use for Ava offices.

**WHEREAS** changes in the market and increased construction costs since 2021 have resulted in leasing office space being more financially advantageous to Ava than renovating 251 8th Street to meet Ava’s needs.

**WHEREAS** Ava would like to consider its options for potential disposition of the Property. One option might include leasing the Property for a use that is aligned with Ava’s mission. Another option would be to offer Property for sale, potentially to affordable housing developers first, and, if that is not successful, on the open market.

**WHEREAS** Ava is required to comply with the Surplus Land Act, at Government Code Sections 54220-54234 (the “SLA”), which requires that the Board of Directors declare the Property either “surplus” or “exempt surplus,” supported by written findings and at a public meeting, before taking any action to dispose of the Property, which includes sale or long term lease.

**WHEREAS** the Property meets the requirements to declare it “exempt surplus” under Government Code Section 54221(f)(1)(B) as further described below.

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

Section 1. The Board of Directors hereby declares that the Property is not necessary for Ava's use as an office space and is exempt surplus land pursuant to Government Code Sections 54221(b) and 54221(f)(1)(B). The Property is less than one-half acre in area and is not contiguous to land owned by a state or local agency that is used for open-space or low-and moderate-income housing purposes.

Section 2. Notwithstanding that the Property is hereby declared exempt surplus, the Board hereby directs Ava staff to explore options with respect to the Property, including a potential lease arrangement or marketing the Property to affordable housing developers or others.

Section 3. Ava staff are hereby authorized and directed to provide a copy of this Resolution to the California Department of Housing and Community Development (HCD) in the form and manner required by HCD at least 30 days prior to the disposition of the Property.

Section 4. Ava staff are authorized to take all actions which they may deem necessary or proper to effectuate the purposes of this Resolution, and any such actions previously taken are hereby ratified and confirmed.

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

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Jack Balch, Chair

ATTEST:

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Adrian Bankhead, Clerk of the Board



**CEO Report Item 13**

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

**FROM:** Howard Chang, Chief Executive Officer

**SUBJECT:** **CEO Report (Informational Item)**

**DATE:** July 17, 2024

**Recommendation**

Accept Chief Executive Officer (CEO) report on update items below.

**Executive Committee Meeting**

The July 3, 2024 Executive Committee meeting was cancelled. The next Executive Committee meeting will be held on Wednesday, September 4, 2024.

**Marketing Regulatory and Legislative Subcommittee Meeting**

A Marketing, Regulatory and Legislative Subcommittee Meeting was held on Friday, June 21, 2024. There was not a quorum for this meeting; however, staff still delivered presentations highlighting the current and future [marketing efforts](#) and an update on bill assistance and other [equity initiatives](#). The latter presentation included the following summarized information:

<b>Program</b>	<b>Detail</b>	<b>Impact</b>
Ava Solar Discount	20% discount on 100% renewable energy for nearly	3,000 Ava customers
Percentage of Payment Income Plan	Capped fee payment plan	700 Ava customers
Arrearage Management Program	Debt relief program that erases past debt after 12 months of on-time payment	5,900 Ava customers
Medical Baseline	Plan with increased baseline allowance for us in home with medical equipment utilized by	18,600 Ava customers
California Arrearage Payment Program	COVID debt relief program	covered \$13.8M in Ava customer energy bill debt
LIHEAP and REACH	One-time emergency financial assistance programs	debt relief up to \$1,000
Ava Customer bill credits	\$50 on-bill credit for CARE/FERA customers	~120k low-income Ava customers, totaling over \$12M in the last 2 years

Ava CARE/FERA NEM Adder	Additional surplus credit to CARE/FERA customers	4,720 Ava customers, each received ~\$39/year
Community Outreach Partnerships	Focus on signing up customers for financial assistance programs	Worked with 8 local community-based organizations since 2019
Ava CARE Outreach	Outreach campaigns to Ava customers who likely qualify for discount program results in greater efficacy and lower costs	Outreach to 55,000 Ava customers Prior, smaller campaign resulted in ~300 new enrollments

**Financial, Administrative and Procurement Subcommittee Meeting**

A Financial, Administrative and Procurement Subcommittee meeting was held on Wednesday, July 10, 2024. Members received updates on the R100 Cost Allocation Methodology and Fremont R100 Citywide default, and San Joaquin County JPA membership. The next Financial, Administrative and Procurement Subcommittee meeting will be held on Wednesday, September 11, 2024 at 1pm.

**New Employees**

**Molly Vazquez – HR Operations Manager**

Molly Vazquez joined Ava Community Energy on June 18, 2024 as the Human Resources Operations Manager. Molly is responsible for Ava's HR programs and policies, managing employee relations, driving learning & development across Ava and ensuring safety compliance.

Before joining Ava, Molly worked at companies within the outdoor and renewable energy sectors including CamelBak Products, Vista Outdoor, and Soligent Distribution, leading Human Resources programs as well as building and implementing safety programs across multiple locations.

Molly holds an M.S. Ed. from SF State, BA from Sonoma State University along with single & multiple subject teaching credentials.

**New Interns**

**China Duff -- Public Policy Intern**

China Duff joined Ava on June 11, 2024, as Public Policy Intern on the Public Policy Team. She will focus on all things legislative, including building out a network mapping tool in Salesforce and producing a white paper by the end of the summer.

China is currently a rising senior at UC Berkeley studying Environmental Economics and Policy with a minor in Energy and Resources. She has previously worked for Kip Lipper on a report to expedite transmission deployment in California where she interviewed experts at the CPUC, CEC, CAISO, IOUs/munis, and other developers in order to provide feasible recommendations for streamlining the process. She has been elected as one of 20 UC Berkeley student Senators, representing 32,000 undergraduates, and sits on Berkeley’s Clean Energy Campus Advisory Committee, steering decisions on decommissioning the campus’ natural gas cogeneration plant and planning for a clean energy microgrid.

Prior to joining Ava, China was a Data Operations Fellow at a customer acquisition community solar startup, Solstice Power Technologies, based in Cambridge, MA. China is originally from East Providence, Rhode Island.

#### **Kendall Downie, Public Policy Intern**

Kendall joined Ava's Public Policy Team in June 2024 as a regulatory intern. In this role, she supports the Policy team by drafting responsive comments to CPUC decisions, tracking proceeding updates, and maintaining the team's Confluence page to ensure it reflects key submission dates, relevant impacts, and next steps for Ava.

Prior to her position at Ava, Kendall was a Public Affairs Fellow at Lucas Public Affairs in Sacramento. There, she gained valuable experience collaborating across California's policy landscape, with a focus on clean energy development initiatives.

Kendall holds a BA in Political Science with a minor in Public Affairs from the University of California, Los Angeles.

#### **Sara Sprankle, Marketing Intern**

Sara Sprankle joined Ava on June 18, 2024 as an Outreach Intern on the Marketing team.

Sara will be responsible for making a tangible impact on our local community by engaging and educating members of the public about our services.

Prior to Ava, Sara worked at The Center for Security in Politics, a UC Berkeley institution founded by former Secretary Janet Napolitano that supports research, curriculum, and convenings that bring students, academics, and leading political practitioners together to address critical global risks. There, she assisted Napolitano in coordinating high-level conferences and policy briefings such as the landmark FBI CRADA, facilitating connections between government, academia, and industry stakeholders while also enhancing the Center's brand and communication with the public.

Sara is currently earning a B.A. in Political Economy and Public Policy from UC Berkeley.

#### **Avery Kelly – Outreach Intern**

Avery Kelly joined Ava on June 25th, 2024 as an Outreach Intern on the Marketing team. Avery will be responsible for making a tangible impact on our local community by engaging and educating members of the public about our services.

Avery graduated from Wesleyan University in Middletown, CT, in May 2023, with a double major in Environmental Studies and Government and a minor in Education.

Prior to Ava, Avery worked as a Title IX and Civil Rights Intern at the Title IX Office & Student Council in Middletown, CT. In this role, Avery collaborated with the Assistant Vice President for Equity & Inclusion & Title IX Coordinator to facilitate communication and enhance student awareness of bias, discrimination, and harassment. Additionally, Avery assisted with the adaptation of prevention and education materials to meet the specific needs of Wesleyan students, faculty, and staff. Avery also served as the Director of Outdoor Living Skills and Sustainability at Farm and Wilderness in Plymouth, VT. Avery wrote and curated an environmental education curriculum for a girls and non-binary camp known as Firefly Song

under the larger camp company Farm and Wilderness, a Quaker camp dedicated to social justice and sustainability while empowering youth to connect with nature.



**Board of Directors Meeting  
with CAC Annotations**

Wednesday, July 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:

- Clipper Club - 5 Captain Dr. Emeryville, CA 94608
- Dublin City Hall - 100 Civic Plaza, Dublin, CA 94568
- Conference Room - Irvington Community Center 41885 Blacow Rd. Fremont, CA 94538
- The Diplomat Beach Resort, Curio Collection by Hilton – 3555 South Ocean Drive, Hollywood, FL 33019
- 1755 Harvest Landing Lane, Tracy, CA 95376
- 33349 9<sup>th</sup> Street (back office) Union City, CA 94587

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**



## **2. 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.*

**CONSENT AGENDA**

**4. Approval of Minutes from June 12, 2024**

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

**6. Administrative Procurement Policy Update**

Update Ava's Administrative Procurement Policy to more correctly reflect Ava's management structure and to increase the threshold of spend that Vice Presidents and Senior Directors may approve.

**7. Corsac Station Amendment**

Amendment to Ava's contract with FEC Nevada 1 for Corsac Station geothermal project

**8. Thrive Mind Collaborative Contract**

Contract amendment to continue services in FY 24-25.

**9. Extension to Existing Consulting Service Agreement with Gridscape Solutions**

Extend Consulting Service Agreement with Gridscape Solutions for engineering services

**10. Consulting Service Agreement with Chen Design Associates**

New Consulting Service Agreement with Chen Design Associates for creative services

**11. Treasurer's Report**

A report on Ava's bank account balances and other treasury items

**12. "Exempt Surplus" 251 8<sup>th</sup> Street**

Approve a resolution declaring 251 8th Street to be "exempt surplus" property pursuant to Government Code Section 54221(f)(1)(B) and directing staff to take next steps, including exploring options for disposition of the property

**REGULAR AGENDA**

**13. CEO Report**

**14. CAC Chair Report.**

**15. Renewable 100 Cost Allocation Methodology (Informational Item)**

Review and discuss Renewable 100 and Bright Choice Cost Allocation Methodology

**16. Fremont R100 Default Request (Action Item)**

Request from the City of Fremont to opt up some or all customers to R100

CAC supports the inclusion of Fremont, where:

- Ava Staff & Fremont should align on best implementation phasing,
- encourages board/staff towards aggressive legislative and regulatory actions to reduce connectivity delays and impediments in lowering energy costs, and
- explores a debt relief program, overall, on escalating energy costs.

**17. New Community Inclusion – San Joaquin County (Action Item)**

JPA membership request from San Joaquin County, and analysis

CAC unanimously supports staff recommendation.

**18. E-Bike Program Implementation Contract (Action Item)**

Approve and execute a contract with APTIM

CAC unanimously supports staff recommendation.

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

**20. Adjourn**

The next Board of Directors meeting will be held on Wednesday, September 18, 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



## **Staff Report Item 15**

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

**FROM:** Howard Chang, Chief Executive Officer

**SUBJECT:** **Review and Discuss Renewable 100 and Bright Choice Cost Allocation Methodology (Information Item)**

**DATE:** July 17, 2024

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### **Recommendation**

Receive a presentation and discuss a Renewable 100 and Bright Choice Cost Allocation Methodology for proposed Board action in September

### **Background**

Ava Community Energy (“Ava”) provides our customers with a choice of service plan. Bright Choice is priced at 5% below PG&E with a power content that includes about 50% renewables. Renewable 100 is priced at ¼ of a cent per kWh above PG&E, comprised of 100% California wind and solar energy.

Historically, Renewable 100 pricing has been set at a premium to PG&E rates. The premium is based on the differential cost to serve Renewable 100 customers relative to Bright Choice customers. Ava’s power procurement strategy includes both contracts and open positions – the open position being filled by market power, including the cost of renewable energy. Current renewable energy market prices have increased significantly. Previously, market prices were not as substantially different from our contracted price for renewable energy power. Therefore, any additional need for renewable energy to serve new Renewable 100 load is exposed to the high marginal cost of renewable energy power on the current market.

The current market cost of renewable energy has led to the question of how to allocate different costs of renewable energy across the Renewable 100 and Bright Choice products. In order to allocate costs between Renewable 100 and Bright Choice products through a transparent and consistent process, staff recommends adopting a Cost Allocation Methodology, to become effective in Fiscal Year 2025-2026, subsequent to this initial review and discussion by the board.

Additional information on cost allocation methodologies is included in the attached presentation. Staff aims to bring an action item to adopt a Cost Allocation Methodology to the September board meeting.

### **Fiscal Impact**

This information item will have no fiscal impact.

It is anticipated that the Cost Allocation Methodology selected at a future Board meeting will not have a fiscal impact on the wholesale energy expenditures of Ava. However, the methodology selected will impact the retail price paid by Bright Choice and Renewable 100 customers.

- Option A maintains the current methodology and differential in price between the two products.
- Option B will increase the price paid by Renewable 100 customers and increase the discount to Bright Choice customers – increasing the differential in price.
- Option C will impact customers in the same way as Option B but with a greater differential in price between the two products.

Regardless of which option is eventually adopted by the Board, Ava will recover the expense for power purchases through its retail rates to customers.

### **Attachment**

- A. Presentation

# Renewable 100 Cost Allocation Methodology

July 10, 2024



1. Background
2. Renewable Cost Allocation  
Methodology Options
3. Rate Implications
4. Feedback & Next Steps



# Background

- Ava Community Energy provides our customers with a choice of service plan
  - Bright Choice: 50-60% renewables, priced at 5% below PG&E
  - Renewable 100: 100% renewables, priced at ¼ cent per kWh above PG&E
- Historically, Renewable 100 pricing is set at a premium to PG&E rates. This premium is set based on the differential cost to serve R100 customers relative to Bright Choice customers.
  - Certain components of the rates are rising
  - Historically Ava has blended all renewable energy costs uniformly across Bright Choice and R100 with the cost differential based on the increased % of renewable energy in R100.
  - Our historical method of allocating costs associated with energy components may not be the best option for our customers and our agency moving forward due to rising renewable energy costs and large changes to R100 city-wide opt-ups.

Ava requires a Cost Allocation Method to formally allocate procurement costs from renewables to develop our Renewable 100 and Bright Choice rates





# Ava Service Plans: Renewable 100 and Bright Choice



Renewable 100  
is 100% renewable energy



Bright Choice's power mix  
includes renewables and carbon-free  
energy

Reminder: renewable energy is tracked via Renewable Energy Certificates (RECs), which may be priced separately from energy



# City of Fremont Renewable 100 Transition

- The City of Fremont adopted an updated Climate Action Plan (CAP) in October 2023
- Transitioning Fremont residents and businesses from Ava's Bright Choice to Renewable 100 is identified as a key step in meeting the City's climate goals; a step to be taken in the first three years after plan adoption
- Fremont and Ava staff started to collaborate on a plan to bring Council and Board items forward in time to meet Ava's May 2024 deadline for a transition in March 2025
  - Ava staff required additional time to forecast potential price impacts due to Fremont's default product change
- Ava will honor the intention of Fremont to begin to transition their constituents to Renewable 100 in 2025, despite the delay
  - Fremont Council approved either a Citywide transition in 2025 or a phased approach – residential in 2025 and non-residential in 2026, pending Ava's Board approval

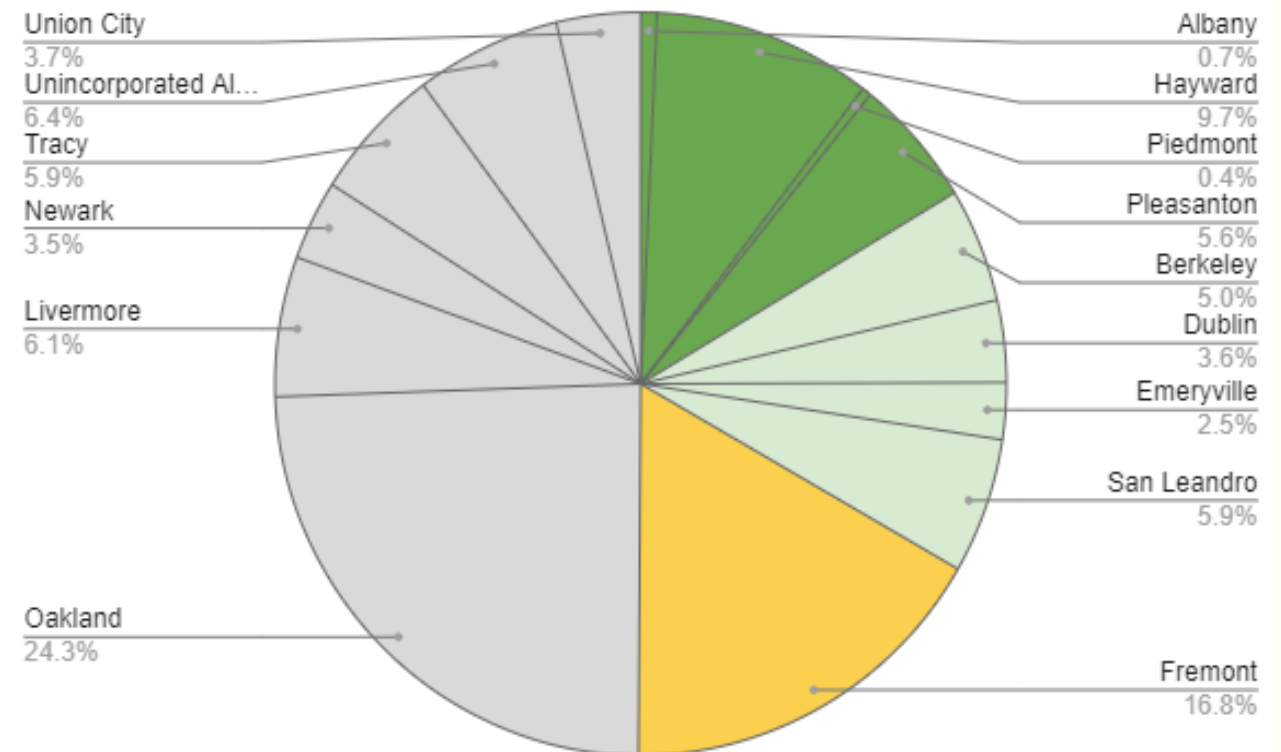


# Why is there a Price Impact for a Fremont Opt-up, but not Historically?

1. Historical market prices for RECs were much more stable in 2021-2022 when other cities transitioned to Renewable 100 and the price for spot market RECs and long-term contracts was much tighter
2. Fremont's total load is greater than other cities that have previously changed their default service plan

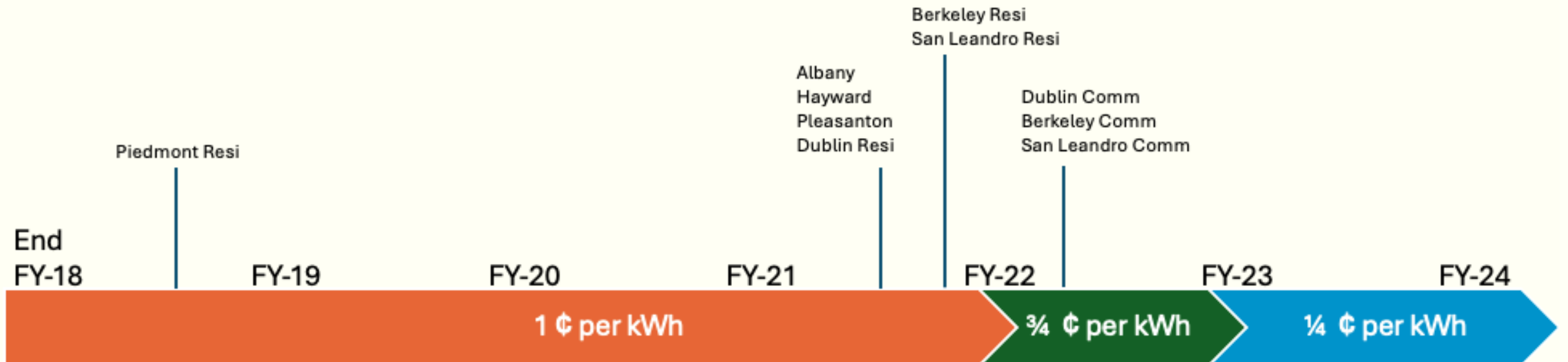
First tranche to default to R100

Second tranche to default to R100



# Renewable 100 Premium over time

And city enrollment or transition timing



# Cost Allocation Methodology Options



# Options: How to Blend Renewable Energy Components into a Rate

Option	Description	Methodology
A	Blended REC cost	REC price is averaged across entire portfolio at the same cost/MWh for Bright Choice and R100
B	Proportional allocation of historical recs	The historical REC portfolio blended cost is allocated proportionately to the current load across BC and R100. Incremental renewable purchases are allocated to the open positions. With new R100 opt-ups a larger proportion of marginal procurements is allocated to R100. This widens the cost differential.
C	Bright Choice target hedge levels prioritized first	The historical REC portfolio blended cost is prioritized towards Bright Choice targets first and then allocated to R100. This further widens the cost differential in the current high priced environment.



# Energy Prices

- In today's energy market environment, renewable energy prices have increased significantly from the historical range of \$10-15/MWh to \$70-80/MWh on a current year basis
- This is driven by a wide variety of market dynamics, which include increased demand for renewable energy, increased load and weather extremes, renewable energy supply chain disruptions, interconnection challenges, out of state energy demand, etc.
- While there are opportunities to reduce this cost with new build and longer-term contracts, incremental renewable energy procurement is anticipated to be at elevated prices for the near term



# Rate Implications





# Cost Allocation Methodology Scenarios

- 2024-2025 fiscal year rates are not currently under discussion as procurements are set with no material impacts to costs because Fremont opt-up will be in April 2025 and likely phased
- Calendar year 2025 Bright Choice to R100 rate differential is ~0.75 cents/KWh
  - Bright Choice at 5% discount to PG&E; R100 at 0.25 cent/KWh premium to PG&E

## Renewable 100 to Bright Choice Cost Differential

	Option A	Option B	Option C
2025-2026 Cost Differential	Differential maintained	Option A + 0.25 cents	Option A + 0.5 cents
2025-2026 Value Proposition	BC: 4% discount R100: 0.30 cents	BC: 5% discount R100: 0.45 cents	BC: 5.5% R100: 0.65 cents
2026-2027 (Assume continued elevated prices and potential additional R100 opt-ups)	Costs will likely continue to increase and further widen, which puts pressure on the BC discount to decrease and R100 premium to increase.		



# Considerations

- Increased renewable energy demand at higher prices will increase Ava procurement costs and put increased pressure to reduce the value proposition in future years
- Options B and C allow the BC discount to be maintained in the face of rising costs
- Operationally, options B and C would increase complexity from a cost accounting perspective, requiring specific contract allocations by product and perhaps R100 vintage year
- It is important for staff to receive direction from the board in order to allow for time to implement systems and processes if the cost allocation methodology is to change and to properly inform cities with R100 opt-up interest on cost/rate forecasts
- The impacts of the increased marginal costs of incremental renewables procurement can be muted by signing longer term contracts, but this also increases risk in future years as long-term contracts are at elevated levels relative to recent past and compliance requirements and emissions accounting methodology are expected to change.



# Policy Considerations

- A choice for Option A may seek to keep Bright Choice and R100 pricing closer as these product converge in future years as Bright Choice approaches it's goal of 100% clean by 2030
  - It may also seek to incentivize greater participation in R100
- A choice of Option C may seek to minimize the costs of Bright Choice to address affordability concerns for our most vulnerable customers
  - There may also be other ways to adjust Bright Choice if cost minimization is the goal
- Historically Ava has never vintaged different rates based on timing of Bright Choice or R100 decisions or based on timing of city expansion/enrollments



# Estimated Impact of Different CAM Options and Future Renewable 100 Load

- It is difficult to predict future Bright Choice and R100 rates given the uncertainty of future market conditions and renewable energy costs
- It is likely that the elevated pricing environment will persist and the overall rate impacts provided on slide 12 will remain consistent even if the levels change
- It is expected that the emissions accounting methodology will change in the future to account for emissions on a 24x7 basis, which may have a significant impact on how we procure for R100 and Bright Choice. This could lead to a more complicated cost accounting system and PPA allocation by product
- Intend to bring forward additional analysis of potential pricing impacts with future additional city opt-ups



# Feedback from the Finance, Administrative and Procurement Committee

- The committee asked many questions but primarily focused on:
  - Impact to existing Renewable 100 customers
  - Impact and possible precedent for future requests to transition a community's default product to Renewable 100
- While a couple members of the committee supported option C, it was generally agreed that this topic would need more time for socialization amongst other board members.



## Next Steps

- Seeking feedback on the cost allocation methodology now
- Intend to bring the cost allocation methodology for board action September 18, 2024 and consider additional sub-committee review
- Staff to use this methodology to set pricing for FY2025-2026



# Thank you!



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## Staff Report Item 16

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

**FROM:** Alex DiGiorgio, Senior Manager, Public Engagement

**SUBJECT:** Request to Change the Default Rate Product for Certain Customers in the City of Fremont to Renewable 100 (Action Item)

**DATE:** July 17, 2024

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### **Recommendation**

Adopt a Resolution directing staff to make the necessary arrangements to change the default option to *Renewable 100* for certain customers in the City of Fremont consistent with the request of their City Council. The change shall be implemented in accordance with the adopted Default Rate Product Change Policy (Attachment B). Provide Board direction regarding the two implementation timelines requested by the City of Fremont and assessed by Ava staff (i.e., 1) a single, combined enrollment with residential and commercial customers all enrolled in March 2025; or 2) a phased, sequential enrollment with residential customers enrolled in March 2025, and commercial customers enrolled in March 2026.

### **Background**

Each Ava JPA member (city or county) may formally ask Ava's Board of Directors to set the default service (i.e., Bright Choice or Renewable 100) for Ava customers within their jurisdiction. Such a request must be expressed through an official action of the locally elected body (i.e., the City Council for incorporated areas, or the County Board of Supervisors for unincorporated areas).

Currently, Ava offers two service options with the following value propositions:

- **Bright Choice** – basic service level at a 5% discount compared to PG&E standard rates
- **Renewable 100** – 100% California wind and solar power set at \$0.0025 per kWh above PG&E standard rates.

**Table 1: Default Ava Service Option by Ava JPA Member & Customer Type**

Jurisdiction	Residential	Commercial	Municipal	CARE/FERA/MB
Albany	R100	R100	R100	Bright Choice
Berkeley	R100	R100	R100	Bright Choice
Dublin	R100	R100	R100	Bright Choice
Emeryville	R100	R100	R100	Bright Choice
Fremont	Bright Choice	Bright Choice	R100	Bright Choice
Hayward	R100	R100	R100	Bright Choice
Lathrop*	Bright Choice	Bright Choice	Bright Choice	Bright Choice
Livermore	Bright Choice	Bright Choice	R100	Bright Choice
Newark	Bright Choice	Bright Choice	Bright Choice	Bright Choice
Oakland	Bright Choice	Bright Choice	Bright Choice	Bright Choice
Piedmont	R100	Bright Choice	R100	Bright Choice
Pleasanton	R100	R100	R100	Bright Choice

San Leandro	R100	R100	R100	Bright Choice
Stockton*	Bright Choice	Bright Choice	Bright Choice	Bright Choice
Tracy	Bright Choice	Bright Choice	Bright Choice	Bright Choice
Union City	Bright Choice	Bright Choice	Bright Choice	Bright Choice

\*Start of service scheduled to begin April 2025

On March 17, 2021, Ava’s Board of Directors approved the Agency’s initial Policy on Member Requests to Change the Default Rate Product for Certain Customers. This action came in response to the City of Dublin’s request (expressed via City Council Resolution) to have Ava’s Renewable 100 become the new default electric service for all residential accounts within the City’s jurisdiction (aside from those on discount programs, such as CARE/FERA and/or Medical Baseline). Previously, Ava’s Bright Choice option had been Dublin’s default electric service for all customer accounts, since the City’s initial enrollment—as was the case for the vast majority of Ava’s JPA member-jurisdictions.

Since the Policy’s passage, seven (7) of Ava’s JPA member-jurisdictions have implemented Renewable 100 as their default service option for both residential and commercial customers. These jurisdictions include the cities of Albany, Berkeley, Dublin, Emeryville, Hayward, Pleasanton, and San Leandro<sup>1</sup>. As summarized in the table below, nearly half of these jurisdictions implemented their citywide default to Renewable 100 through a phased enrollment (i.e., enrolling residential and commercial/industrial customers in separate, sequential phases).

**Table 2: Previous R100 default transitions**

Jurisdiction	Date of Council Decision	Implementation
<b>Albany</b>	June 7, 2021	January 2022 (residential and commercial customers)
<b>Berkeley</b>	June 29, 2021	March 2022 (residential) October 2022 (commercial)
<b>Dublin</b>	January 12, 2021 (residential) April 5, 2022 (commercial)	January 2022 (residential) October 2022 (commercial)
<b>Emeryville</b>	March 15, 2022	October 2022 (residential and commercial customers)

<sup>1</sup> The City of Piedmont made Renewable 100 its default option for residential customers during its initial service enrollment in 2018. As such, it has never requested a change to its citywide default and is not included in Table 2.

<b>Hayward</b>	July 6, 2021	January 2022 (residential and commercial customers)
<b>Pleasanton</b>	July 20, 2021	January 2022 (residential and commercial customers)
<b>San Leandro</b>	September 7, 2021	March 2022 (residential) October 2022 (commercial)

Additional Ava member agencies have continued to express interest in changing their default rate to R100. On March 20, 2024, the Board of Directors approved an updated Default Rate Product Change Policy (“Policy” Attachment B) to further streamline the timeline for implementing default rate changes. Per the updated Policy, requests approved by the Board by May 31 will be implemented in March of the following year. However, the Ava Chief Executive Officer (“CEO”) and the Member Agency (the City of Fremont, in this case) may mutually agree upon a different implementation schedule that works best for all parties.

As discussed during Ava’s [Executive Committee meeting on June 5, 2024](#), and its [Finance, Administrative, and Procurement Committee meeting on July 10, 2024](#), staff recommends that the Board extend the Policy’s May 31<sup>st</sup> deadline for the City of Fremont. Fremont’s staff diligently prepared to meet the original deadline, but Ava staff asked the City to postpone the formal request to provide Ava with time to conduct additional analysis, described in more detail below, before bringing this item to the Board.

On October 10, 2023, the Fremont City Council approved an update to their Climate Action Plan (CAP), which outlined the City’s climate goals through 2030. A top CAP priority was adopting R100 as the default service for all residents and businesses in Fremont, which is estimated to address 18% of Fremont’s 2030 greenhouse gas emissions reduction targets. As such, Ava and Fremont’s City staff have been in discussions for over a year regarding the City’s desire to default to R100.

On June 18, 2024, Fremont’s City Council unanimously approved a Resolution (Attachment C) requesting to default residential customers (with the exception of those on CARE/FERA/Medical Baseline discount programs) and commercial/industrial customers to Renewable 100. Fremont’s municipal accounts were enrolled in Renewable 100 in April of 2022.

**Analysis & Discussion**

The prospect of transitioning Fremont’s citywide default option to Renewable 100 is unprecedented in terms of the scale and timing of the transition.

In terms of size, Fremont is among Ava’s three largest jurisdictions (measured by both citywide electricity load and customer population). It currently represents roughly **17%** of Ava’s total load. To help put this in perspective, the following data points provide useful

context, when comparing Fremont’s prospective citywide opt up to the cities that have previously done so:

- Fremont’s load is nearly *double* the size of the largest city to have ever implemented a citywide default to Renewable 100 to date (i.e., Hayward);
- It is nearly *triple* the load of the next largest city (i.e., San Leandro);
- Aside from Hayward and San Leandro, Fremont’s load nearly equals the combined loads of *all other* jurisdictions that have implemented citywide defaults to Renewable 100 (i.e., the cities of Albany, Berkeley, Dublin, Emeryville, Piedmont, and Pleasanton).

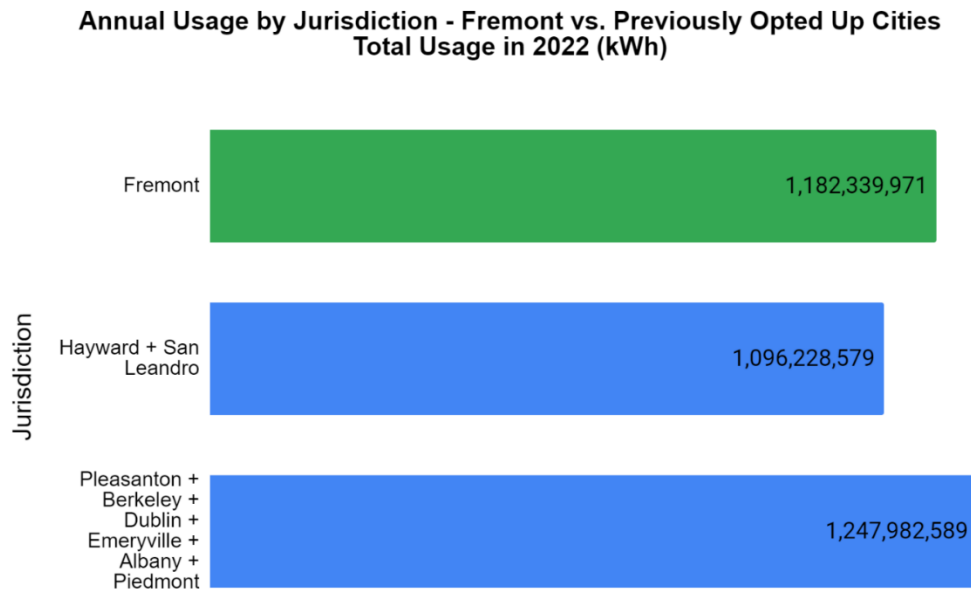


Figure 1: Annual Usage by jurisdiction, Fremont versus cities with Renewable 100 as their Default Service Plan

Due to historically high wholesale costs for renewable energy, and the prospect of substantially increasing Ava’s Renewable 100 load, Ava staff has worked closely with Fremont’s City staff to evaluate the potential cost impacts of a citywide default to Renewable 100. These potential impacts to Fremont’s residential customers—as well as all other residential customers on Renewable 100 throughout Ava’s service area—are summarized below (Table 3).

**Table 3: Potential Impacts on Renewable 100 Retail Pricing (residential customers only)**

R100 Premium/kWh	FY 25-26	% of Baseline	Ava Resi Monthly Premium	FY 26-27	% of Baseline	Ava Resi Monthly Premium
Baseline (no change)	\$0.0025	-	\$0.90	\$0.0025	-	\$0.90
All Fremont (single enrollment)	\$0.0055	220%	\$1.98	\$0.0046	184%	\$1.66
Resi 2025/Comm 2026 (phased)	\$0.0034	136%	\$1.22	\$0.0044	176%	\$1.58
Comm 2025/Resi 2026 (phased)	\$0.0048	192%	\$1.73	\$0.0045	180%	\$1.62

Additionally, as with the seven prior citywide default transitions, successfully implementing Fremont's default rate product transition will require updates to technology systems, specifically the billing engine and customer relationship management (“CRM”) system, as well as customer communications.

The customer communications plans will include the two customer notifications, as required by the Default Rate Product Change Policy. Additional outreach and communications will be determined based on coordination with City staff in Fremont.

**Financial Impact**

There will be an additional cost to Ava from SMUD to implement operational adjustments and for the cost of customer notification mailers. These costs will be absorbed by Ava, per Ava’s Default Rate Product Change Policy.

As summarized in Table 3 above, the estimated cost impacts to customers varies according to the different implementation scenarios considered by Ava and the City of Fremont. For example, enrolling Fremont’s residential and commercial customers together in 2025 would result in a higher Renewable 100 rate increase to all of Ava’s Renewable 100 customers throughout the agency’s service area. By contrast, a phased enrollment in which residential customers would be enrolled in 2025 and commercial customers would be enrolled in 2026, would likely help mitigate the Renewable 100 rate increase for Ava’s Renewable 100 customers.

More analysis regarding the potential impacts from approving Fremont’s request to make Renewable 100 the citywide default option is included in a separate item on Ava’s Cost Allocation Methodology, which was discussed by the Board’s Finance, Administrative, and Procurement Committee on July 10, 2024, and is concurrently before the Board for discussion.

## **Attachments**

- A. Resolution Directing Staff to Make Necessary Arrangements to Change the Default Rate Product to Renewable 100 for Certain Customers in the City of Fremont.
- B. Ava's Default Rate Product Change Policy
- C. Resolution No. 2024-27 of the Fremont City Council Requesting Ava Community Energy to Enroll All Residential, Commercial, and Industrial Accounts in Renewable 100.
- D. Presentation

**RESOLUTION NO. R-2024-xx**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF AVA COMMUNITY ENERGY AUTHORITY DIRECTING STAFF TO MAKE**  
**NECESSARY ARRANGEMENTS TO CHANGE THE DEFAULT RATE PRODUCT TO**  
**RENEWABLE 100 FOR CERTAIN RESIDENTIAL AND COMMERCIAL CUSTOMERS**  
**IN THE CITY OF FREMONT**

**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 November of 2019. 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** the Board of Directors approved a Default Rate Product Change Policy on March 17, 2021;

**WHEREAS** the Board of Directors approved an updated Default Rate Product Change Policy on March 20, 2024;

**WHEREAS** on June 18, 2024 the City Council for the City of Fremont adopted a Resolution requesting the Ava Board of Directors change the default product for all electric service accounts within Fremont, with the exceptions noted below, to Renewable 100 with two possible implementation timelines, including 1) enrolling all eligible customers in 2025; and 2) phasing the enrollment by customer sector (e.g., residential vs commercial/industrial) such that some customers could enroll in 2025, while others would enroll in 2026

**WHEREAS** the Resolution adopted by the City Council of the City of Fremont requests that the change in the default product exempt residential accounts on California Alternate Rates for Energy (CARE), Family Electric Rate Assistance (FERA), medical baseline accounts, those enrolled in Direct Access Service, those who have made a service level election with Ava, and those who have opted out of Ava;



**WHEREAS** residential and commercial customers in the City of Fremont would retain the option to “opt down” from Renewable 100 to a service without a cost premium and a lower percentage of carbon-free electricity, or “opt out” to PG&E’s electricity.

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

Section 1. The Board of Directors hereby desires to accommodate the requests from the City of Fremont; and therefore, directs the Ava Chief Executive Officer or his/her designee to take any and all necessary actions to change the default rate product for residential and commercial accounts in Fremont to Renewable 100, per the Default Rate Product Change Policy.

Section 2. Customers in Fremont participating in CARE, FERA, and the Medical Baseline Allowance programs will remain on the Bright Choice service.

Section 3. The CEO is authorized to work with Fremont to identify and agree upon a timeline for customer enrollment, which may take the form of a one-time enrollment of all customers in 2025, or phased enrollment starting in 2025 and continuing through 2026.

Section 4. All customers in Fremont are to be given an option to opt down to Bright Choice or to opt out as provided by law.

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

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Jack Balch, Chair

ATTEST:

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Adrian Bankhead, Clerk of the Board

**Ava COMMUNITY ENERGY**  
**DEFAULT RATE PRODUCT CHANGE POLICY**

**Policy Number: 15.1**

**Approval Date: 3/20/24**

**Agenda Item: Consent Item 17**

**Approved by Resolution: R-2024-24**

The purpose of this Default Rate Product Change Policy is to specify a process for a Joint Powers Authority (JPA) member agency (“Member”) to change its Default Rate Product<sup>1</sup> and to ensure that Ava Community Energy (Ava) is provided with sufficient notice and time to prepare for the change.

When approving a request from a Member to change the Default Rate Product (“Default Rate Product Change”) after the Member’s initial service enrollment, the Ava Board (“Board”) and Member shall adhere to this Policy, which requires specific cooperation from the Member. This Policy shall not apply to a change in the Default Rate Product which is the result of a rate product closure.

Under this Policy, the Default Rate Product Change request from a Member and subsequent implementation must comply with the following requirements:

1. **Timeline for Board Approval and Implementation:** Any request for a Default Rate Product Change must be approved by the Board. The Board will consider Members’ requests for Default Rate Product changes in the spring based on the following schedule:
  - a. If the Board approves a Member’s request for a Default Rate Product Change by May 31 the Default Rate Change will be implemented in March of the following year.
  - b. Notwithstanding the foregoing, the Ava Chief Executive Officer (“CEO”) and the Member may mutually agree upon a different implementation schedule, provided that the CEO provides the Board with notification of the agreed-upon schedule.

<b>Board Approval By</b>	<b>Implementation Month</b>
May 31 of Year A	March of Year A+1

2. **Exceptions to Implementation of Default Rate Product Change:** Notwithstanding anything contained in this Policy, in no event shall a Member’s Board-approved Default Rate Product Change affect the following:

<sup>1</sup> For purposes of this Policy, the “Default Rate Product” is the AVA rate product option that each Member selected as the default for AVA customers within the Member’s jurisdiction.

- a. Prior customer enrollment actions. Any customer account that has affirmatively taken action to change its rate product will remain on the selected product.
  - b. Prior customer opt-out actions. Any customer account that has affirmatively taken action to opt out of Ava service will remain opted out.
3. **Frequency of Default Rate Product Change by a Member:** A Member may not change its Default Rate Product more than one (1) time every two (2) years.
4. **Ava Agency Requirements:** Upon the Board's approval of a Member's request for a Default Rate Product Change, Ava staff may engage in any of the following activities:
  - a. Purchase or prepare to purchase the appropriate amount of resources to meet the expected change in demand associated with the Default Rate Product Change;
  - b. Complete or prepare to complete additional regulatory compliance and reporting requirements, if any;
  - c. Coordinate with Ava's data and call center services manager to make necessary operational adjustments;
  - d. Evaluate fiscal impacts of the Default Rate Product Change;
  - e. Examine Ava rates and any rate impacts;
  - f. Coordinate and work with PG&E on billing considerations, if any;
  - g. Prepare for and deploy customer communication efforts;
  - h. Identify and address any other operational impacts or issues and take steps to mitigate those impacts/issues; or,
  - i. Take any other action necessary to effectuate the Member's approved Default Rate Product Change.
5. **Member Requirements:** The Member requesting a Default Rate Product Change must commit to the following conditions for the change to be implemented:
  - a. Collaboration. The Member shall work with Ava staff to develop and implement a customer communication plan;
  - b. Co-Branding. The Member must agree to co-brand customer notifications with the Member's seal; and,
  - c. Cost Coverage. Ava will cover the cost of any operational adjustments and the required customer notices, as detailed in Section 6.a, for the Member's first approved Default Rate Product Change. Costs associated with any subsequent Default Rate Product Changes will be charged to the Member.
6. **Customer Communication:** Ava will notify customers subject to a Member's approved Default Rate Product Change. Ava will lead, with support from the Member, the development and dissemination of customer notices.
  - a. Required Notifications. Any customer accounts subject to a Member's approved Default Rate Product Change shall be sent a minimum of two

(2) notifications. A minimum of one (1) notice shall be sent prior to the change going into effect.

- b. Optional Additional Notifications. In addition to the two (2) required notices referenced in Section 6.a., above, Ava staff will coordinate with a Member who wishes to develop and distribute additional customer notices and/or conduct additional communications such as social media campaigns, jurisdictional newsletters, Member press release, etc. The Member shall be responsible for the costs of such additional communications.
7. A customer may take an enrollment action to change their Ava rate product, to opt in to Ava service, or to opt out of Ava service at any time by notifying Ava through the standard channels of phone, interactive voice recording, or online form.

**RESOLUTION NO. 2024-27**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FREMONT REQUESTING AVA COMMUNITY ENERGY TO ENROLL ALL RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL ACCOUNTS IN RENEWABLE 100 ELECTRICITY SERVICE, WITH THE EXCEPTION OF THOSE PARTICIPATING IN MEDICAL BASELINE, CALIFORNIA ALTERNATE RATES FOR ENERGY (CARE), FAMILY ELECTRIC RATE ASSISTANCE (FERA), DIRECT ACCESS ELECTRIC SERVICE PROGRAMS, OR THOSE WHO HAVE PREVIOUSLY OPTED TO A SPECIFIC AVA SERVICE LEVEL OR OPTED OUT OF AVA SERVICE; DETERMINE THAT ACTION IS EXEMPT FROM CEQA**

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WHEREAS, on November 18, 2008, the Fremont City Council (City Council) adopted a goal of reducing community-wide greenhouse gas (GHG) emissions by 25 percent below 2005 levels by 2020; and

WHEREAS, on November 13, 2012, the City Council adopted its first Climate Action Plan (CAP) for reducing greenhouse gas (GHG) emissions 25 percent by 2020 in alignment with its adopted target, directed staff to begin implementation of the CAP, and established an Environmental Sustainability Commission (ESC) to advise the City Council on CAP updates; and

WHEREAS, on October 10, 2023, the City Council adopted an updated CAP with the goal of reducing community-wide GHG emissions by 30% below 2018 levels or 55% below 2005 levels by the year 2030; and

WHEREAS, Community Choice Aggregation (CCA) programs enable cities and counties to aggregate the buying power of individual customers within their jurisdictions in order to secure more renewable energy; and

WHEREAS, the City Council adopted Ordinance No. 23-2016 on November 15, 2016, joining the Ava Community Energy (formerly East Bay Community Energy) CCA program in furtherance of the 2012 CAP's stated goal to prioritize renewable energy; and

WHEREAS, all residential, commercial, and industrial accounts were enrolled in Ava's "Bright Choice" electric service plan by default; and

WHEREAS, Ava's "Renewable 100" service offers 100% California-based wind and solar-generated power at a price premium of 2.5-4.5% over Bright Choice service; and

WHEREAS, on March 15, 2022, the City Council approved enrollment of all municipal accounts in the Renewable 100 electric service plan; and

WHEREAS, the 2023 CAP identified a priority action to establish Ava's Renewable 100 as the default electric service plan throughout Fremont, contributing to Fremont's transition to clean electricity, which accounts for 18% of the entire 2030 GHG reductions quantified; and

WHEREAS, this change will exempt customers participating in income-qualified programs (California Alternate Rates for Energy/CARE and Family Electric Rate Assistance/FERA), those on Medical Baseline service, those enrolled in Direct Access Service, those who have made a service level election with Ava, and those who have opted out of Ava; and

WHEREAS, this action does not commit customers to remaining on Renewable 100, as customers retain the option to switch back to Ava's Bright Choice or opt out to PG&E service; and

WHEREAS, according to Ava's timeline for processing changes to default service, this change would go into effect in March 2025; and

WHEREAS, prior to the implementation of the change, Ava with assistance from the City will conduct extensive outreach to customers explaining the change and providing information regarding options; and

WHEREAS, on June 13, 2024, the ESC recommended that the City Council adopt a resolution choosing Ava's Renewable 100 service level as the default for all Fremont electric energy accounts, with the exceptions noted in this Resolution.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Fremont hereby requests that, effective March 2025, Ava enroll all electric service accounts within Fremont in Renewable 100 as the default electricity product, except for customers participating in income-qualified programs (California Alternate Rates for Energy/CARE and Family Electric Rate Assistance/FERA), customers on Medical Baseline service, customers enrolled in Direct Access Service, customers who have made a service level election with Ava, and customers who have opted out of Ava.


BE IT FURTHER RESOLVED that the Ava Board of Directors has final decision-making authority regarding changes to default service, and while it is not the preferred option, the City Council of the City of Fremont authorizes a phased implementation over two years (2025 and 2026) if that option is selected by the Ava Board of Directors.

BE IT FURTHER RESOLVED that this enrollment in the proposed electric utility rate plan is exempt from the requirements of the California Environmental Quality Act (CEQA), pursuant to, without limitation: (1) CEQA Guidelines Section 15378(b)(3), (4) &/or (5), as it is a fiscal or administrative activity that will not result in any direct physical impacts to the environment; (2) Section 15273(a)(2), as CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, or other charges by public agencies for the purpose of purchasing or leasing supplies, equipment, or materials, (3) Section 15183, as the project is consistent with the previously-circulated Fremont General Plan


EIR (SCH#2010082060) and the 2023 EIR Addendum prepared for the Climate Ready Fremont (qualified Climate Action Plan), under which the proposed project was a recommended community-level strategy action item in the plan, and/or (4) Section 15061(b)(3), in that the proposed action would not have the potential to cause a significant effect on the environment, and is not subject to CEQA review. Each of the foregoing provides a separate and independent basis for CEQA exemption.

ADOPTED June 18, 2024, by the City Council of the City of Fremont, by the following vote:

- AYES: Mayor Mei, Councilmembers Keng, Campbell, Kassan, Salwan and Cox
- NOES: None
- ABSENT: Vice Mayor Shao
- ABSTAIN: None

  
\_\_\_\_\_  
Mayor

ATTEST:

APPROVED AS TO FORM:  
  
\_\_\_\_\_  
City Attorney

  
\_\_\_\_\_  
Assistant City Clerk

Fremont Renewable 100  
Citywide Default  
July 17, 2024





1. Background re R100 citywide defaults
2. City of Fremont
3. Recommendation & Next Steps



# Background

- **March 17, 2021:** Board approved policy on community-wide default product changes;
  - **March 20, 2024:** Policy updated to streamline process and timing of implementation
- Eight (8) cities currently default most customers to Renewable 100
  - One (1) city since 2018; seven (7) additional cities since 2021/2022
  - ~**1/3** of Ava 2024 load on R100 (~**1/4** after Stockton & Lathrop begin service in 2025)
  - Fremont would be largest jurisdiction by load/customers to default to R100 (nearly 2X Hayward)
- **June 18, 2024:** Fremont City Council unanimously passes Resolution to default residential and commercial customers to Renewable 100
  - Council Resolution approves more than one potential implementation timeline:
    1. Single enrollment -- Residential & Commercial customers in 2025
    2. Phased enrollment -- e.g. Residential customers in 2025; Commercial customers in 2026
- ***Per Ava's Default Rate Product Change policy, CEO is authorized to coordinate with Fremont to adjust implementation timeline and inform the Board.***



# Default service by Ava member-jurisdiction

- Eight (8) cities currently default most customers to R100
- All CARE/FERA/Medical Baseline customers remain on Bright Choice
- Municipal accounts may request R100 or Bright Choice at anytime

Jurisdiction	Residential	Commercial	Attachment 5 Staff Report Item 16D	CARE/FERA/MB
Albany	R100	R100	R100	Bright Choice
Berkeley	R100	R100	R100	Bright Choice
Dublin	R100	R100	R100	Bright Choice
Emeryville	R100	R100	R100	Bright Choice
Fremont	Bright Choice	Bright Choice	R100	Bright Choice
Hayward	R100	R100	R100	Bright Choice
Lathrop*	Bright Choice	Bright Choice	Bright Choice	Bright Choice
Livermore	Bright Choice	Bright Choice	R100	Bright Choice
Newark	Bright Choice	Bright Choice	Bright Choice	Bright Choice
Oakland	Bright Choice	Bright Choice	Bright Choice	Bright Choice
Piedmont	R100	Bright Choice	R100	Bright Choice
Pleasanton	R100	R100	R100	Bright Choice
San Leandro	R100	R100	R100	Bright Choice
Stockton*	Bright Choice	Bright Choice	Bright Choice	Bright Choice
Tracy	Bright Choice	Bright Choice	Bright Choice	Bright Choice
Union City	Bright Choice	Bright Choice	Bright Choice	Bright Choice



# Implementation Timelines for Citywide Transitions

- 4 of 7 cities proceeded w/single enrollment
- 3 of 7 cities proceeded w/phased enrollment
- Significantly higher costs for renewables in 2025/2026 than 2021/2022
- Ava Policy identifies March as the enrollment month – this could be adjusted w/agreement between City and CEO + Board is notified

Jurisdiction	Date of Council Decision	Implementation
Albany	June 7, 2021	January 2022 (residential and commercial customers)
Berkeley	June 29, 2021	March 2022 (residential) October 2022 (commercial)
Dublin	Jan 12, 2021 (residential) April 5, 2022 (commercial)	January 2022 (residential) October 2022 (commercial)
Emeryville	March 15, 2022	October 2022 (residential and commercial customers)
Hayward	July 6, 2021	January 2022 (residential and commercial customers)
Pleasanton	July 20, 2021	January 2022 (residential and commercial customers)
San Leandro	Sept 7, 2021	March 2022 (residential) October 2022 (commercial)



# Fremont Renewable 100 default

- Fremont citywide load represents a considerable portion of Ava's total load (17% currently, 14% after Lathrop and Stockton begin service in April 2025).
- Fremont and Ava staff have been in discussions for approximately a year regarding the default product change and its importance to Fremont's Climate Action Plan. A community wide default to Renewable 100 would address ~18% of the City's GHG emission reduction goal.
- Ava's current policy requires Board approval by the end of May and implementation the following March. Ava staff requests an exception to this timeline given **1)** the size of proposed load transitioning to Renewable 100; and **2)** recently proposed updates to the Renewable 100 Cost Allocation Methodology that postponed Fremont's Council vote.



# Fremont: Load Size

- Fremont's load is nearly *double* the size of the current largest city (Hayward) to default to R100
- It is nearly *triple* the load of the next largest city (San Leandro)
- Aside from Hayward and San Leandro, Fremont's load is nearly the size of all other R100 cities combined (i.e.. Albany, Berkeley, Dublin, Emeryville, Pleasanton, and Piedmont).

Annual Usage by Jurisdiction - Fremont vs. Previously Opted Up Cities  
Total Usage in 2022 (kWh)



# Example of Potential Impacts on Renewable 100 Pricing

Renewable 100 Premium/kWh	2025	% of Baseline	Ave Resi Monthly Premium	2026	% of Baseline	Ave Resi Monthly Premium
Baseline (no change)	\$0.0025	-	\$0.90	\$0.0025	-	\$0.90
All Fremont (single enrollment)	\$0.0055	220%	\$1.98	\$0.0046	184%	\$1.66
Resi 2025/Comm 2026 (phased enrollment)	\$0.0034	136%	\$1.22	\$0.0044	176%	\$1.58
Comm 2025/Resi 2026 (phased enrollment)	\$0.0048	192%	\$1.73	\$0.0045	180%	\$1.62

Note: Price impacts would be applicable to all Renewable 100 customers (not just those in Fremont). The table above only reflects cost impacts to residential customers.



# Recommendation & Next Steps

1. Approve Resolution regarding Fremont's request to default customers to Renewable 100.
2. Provide Board direction regarding the two implementation timelines identified by the City of Fremont and assessed by Ava staff (i.e., 1) a single, combined enrollment with residential and commercial customers enrolled in March 2025; or 2) a phased enrollment with residential customers enrolled in March 2025, and commercial customers enrolled in March 2026.

Ava's Default Rate Product Change Policy states the following:

- "Notwithstanding the foregoing, the Ava Chief Executive Officer ("CEO") and the Member [City of Fremont] may mutually agree upon a different implementation schedule, provided that the CEO provides the Board with notification of the agreed-upon schedule."

Correspondingly, the Resolution states the following:

- "*Section 3.* The CEO is authorized to work with Fremont to identify and agree upon a timeline for customer enrollment, which may take the form of a one-time enrollment of all customers in 2025, or a phased enrollment starting in 2025 and continuing through 2026.







## Staff Report Item 17

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

**FROM:** Alex DiGiorgio, Senior Manager, Public Engagement

**SUBJECT:** **Inclusion of New Communities: San Joaquin County (Action Item)**

**DATE:** July 17, 2024

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### **Recommendation**

Receive staff report and analysis regarding the addition of unincorporated San Joaquin County to Ava's service area and take the following actions:

- A.) Adopt a Resolution to authorize San Joaquin County (unincorporated) to join Ava as a member agency and signatory to the JPA Agreement, with customer enrollments to begin in 2026; and to direct staff to update Exhibit A ("List of Parties"), Exhibit B ("Annual Energy Use"), and Exhibit C ("Voting Shares Vote") of Ava's Joint Powers Agreement to reflect the inclusion of San Joaquin County.
- B.) Adopt a Resolution to authorize staff to update Ava's Implementation Plan to reflect the inclusion of County of San Joaquin, and to submit the updated Implementation Plan to the California Public Utilities Commission (CPUC) before the end of calendar year 2024.

### **Background and Discussion**

Ava's primary mission is to reduce energy-related greenhouse gas (GHG) emissions and combat climate change by providing access to renewable energy at competitive rates, while pioneering innovative programs and policies in its service territory. Expanding Ava's service territory and customer base can facilitate these goals by diversifying Ava's energy load and providing economies of scale. Moreover, by adding

new communities to its service area, Ava can cultivate a more demographically diverse customer base and broader political representation (e.g., through additional State and Federal districts); and help to advance sustainable development, environmental justice, and energy democracy throughout California.

### **New Community Inclusion: Requirements, Timing, Process**

*Section 3.1* of Ava's Joint Powers Authority (JPA) Agreement refers to the "Addition of Parties," and provides for the possibility of including new jurisdictions within the JPA and its corresponding service area with updates to the JPA Agreement's Exhibits.

#### ***Requirements: New community inclusion process and conditions of membership***

In order to join Ava, the following legal and procedural requirements must be met: **1)** the governing body of the prospective jurisdiction (i.e., the City Council or County Board of Supervisors) must pass a Resolution requesting to join Ava and agreeing to become a signatory of the Ava JPA Agreement; and pass an ordinance to implement a community choice aggregation program pursuant to Public Utilities Code Section 366.2; **2)** A majority of Ava's total Board membership must pass a Resolution authorizing the addition of the prospective jurisdiction as a new member and directing staff to update the JPA Agreement Exhibits; and **3)** finally, Ava must submit an updated Implementation Plan to the CPUC reflecting the membership of the new jurisdiction within Ava's JPA.

The San Joaquin County Board of Supervisors has already adopted the required Resolution agreeing to become a signatory to Ava's JPA Agreement and join Ava; and it has passed the required two readings of a corresponding ordinance pursuant to Public Utilities Code Section 366.2 (please see attachments). The next step in San Joaquin County's Ava membership process is for the Ava Board of Directors to adopt the proposed Resolution adding San Joaquin County (unincorporated) to the JPA Agreement and including the County's unincorporated communities within Ava's service area with customer enrollments to begin in 2026.

*Section 3.1* of the JPA Agreement also provides for the satisfaction of other "additional conditions" for JPA membership, including "membership payment" or "membership fee," which are subject to the discretion of Ava's Board. To date, Ava's Board has not imposed such conditions on membership for new parties.

San Joaquin County's elected leaders, County staff, and community members expect the County to be able to join Ava's JPA and participate in its governance under the same conditions as all current members. If these expectations are not met, it could lead unincorporated San Joaquin County and/or future, prospective new member-

jurisdictions in San Joaquin County or elsewhere to become less interested in joining Ava. For these reasons, the Board is encouraged to proceed cautiously when considering new conditions on JPA membership.

Once San Joaquin County has joined Ava and its membership is certified by the CPUC, the County will be entitled to appoint a member of the Board of Supervisors to serve as a member of the Ava Board of Directors.

***Requirements: Update JPA Exhibits A, B, & C***

To implement the addition of San Joaquin County as a signatory and member of Ava, the Board must approve updates to JPA Exhibits A (“List of Parties”); B (“Annual Energy Use”); and C (“Voting Shares”). Section 1.3 of the JPA Agreement provides that Exhibits A, B, and C may be revised upon the approval of the Board, without such revision constituting an amendment to the Agreement.

**Exhibit A: “List of Parties”**

Exhibit A lists the names of all jurisdictions which are members of Ava’s Joint Powers Authority. Updating this list is straightforward; it simply involves adding the names of new member jurisdictions, pending the passage of a Board Resolution authorizing their JPA membership.

If the Board authorizes the membership of San Joaquin County, the County’s name must be added to Exhibit A listed in alphabetical order (draft Attached).

***Recommendation:*** Pending Board authorization to include the San Joaquin County, approve a motion to update Exhibit A to include the County among the “List of Parties.”

**Exhibits B & C: “Annual Energy Use” & “Voting Shares Vote”**

Exhibits B and C list the annual energy use and the voting shares percentage of each member jurisdiction.

The Board voting procedures are set forth in *Section 4.12* of the JPA Agreement. According to *Section 4.12.1*, most Board decisions require a simple majority vote of all the Directors, with each jurisdiction having one equal vote. This procedure is referred to as a “Percentage Vote.” Additionally, *Section 4.12.2* creates a “Voting Shares Vote” procedure, which may immediately follow an affirmative or a tied Percentage Vote if requested by three or more Directors. Under a Voting Shares Vote, each jurisdiction’s vote is essentially ‘weighted’ according to the size of its annual energy usage as compared to Ava’s total annual energy (i.e., the collective, community-wide electricity demand within its borders). To date, the Voting Shares Vote provision of the JPA has

never been invoked by the Ava Board of Directors, but it is nonetheless important to establish each member's Voting Share in the event that the Board opts to utilize this process in the future.

According to *Section 1.1.23* of the JPA Agreement, "Annual Energy Use" for the first two years after Ava's launch date (December 1, 2016) was to be based on the annual electricity usage within each member's respective jurisdiction (at that time, this would have been the PG&E load). After December 2018, the JPA Agreement provided that the Annual Energy Use would be based on the annual electricity usage of accounts served by Ava within the member's jurisdiction (in other words, the member agency's Ava load).

Historically, however, the Board has followed an alternate interpretation. Since the addition of Tracy, Newark, and Pleasanton in November 2019, the Board has expressly allowed new members to participate in 'Voting Shares' votes at their entry into Ava by updating Exhibit B to show the new member's most recent PG&E load data as their Annual Energy Use, rather than taking the position that Ava load should be the basis for Voting Shares, thus excluding territories where Ava has not launched service yet from a Voting Shares Vote under the JPA agreement. Staff recommends the Board follow this past practice with San Joaquin County in order to encourage their full participation in Ava's decision making process. Staff is currently working to bring a formal amendment to the Board to revise the JPA Agreement to reflect this longtime practice.

The Total Annual Energy is the sum of all the member jurisdictions' Annual Energy Use. Each member agency's percentage of the Total Annual Energy Use then becomes their Voting Share, as described in Exhibit C. The data in Exhibit B, together with the corresponding voting shares in Exhibit C, are supposed to be "adjusted annually as soon as reasonably practicable after January 1, but no later than March 1 each year subject to the approval of the Board."

Based on past practice, Ava staff recommends the Board update Exhibit B using the most recent PG&E load data available (i.e., from calendar year 2023). This provides an 'apples-to-apples' comparison for each member jurisdiction. Staff recommends that this data be used to determine the updated Voting Shares in Exhibit C.

### ***Timing of new enrollments***

In February of 2018, the CPUC passed [Resolution E-4907](#), which delays the timeline by which California cities and counties may begin service with Community Choice Aggregation (CCA) agencies, like Ava. In effect, cities and counties must wait a full calendar year between the time they form or join a CCA and when electricity customers

within their borders may be enrolled in the CCA’s service. As a result, any jurisdiction that requests to begin service with Ava by 2026, must complete the process of joining Ava’s JPA by the end of calendar year 2024. Otherwise, enrollment with Ava will not be possible until 2027 or later.

In April of 2023, the CPUC passed [Resolution E-5258](#), which delayed the City of Stockton’s Ava enrollment until January 1, 2025 (as well as the enrollments of other California cities that had been preparing to join CCAs in 2024). In brief, Resolution E-5258 retroactively applied additional conditions to CCAs that were planning to expand their service to new communities. These conditions focused on the timing of Resource Adequacy (“RA”) procurement and compliance requirements. Ava has since adjusted its RA planning to account for these requirements by aiming to submit the updated Implementation Plan before the end of September 2024. As a result, pending the Board’s approval, San Joaquin County’s anticipated start of Ava service would begin in 2026.

**Process**

The table below summarizes the County of San Joaquin’s Ava membership consideration and implementation processes:

Date	Event
<b>Sep 2023- Apr 2024</b>	Ava staff present to the San Joaquin County Board of Supervisors at the County’s invitation. Ava staff continue to engage and communicate with County staff and Supervisors
<b>Oct 2023- May 2024</b>	County completes PG&E load data request forms/non-disclosure agreements. Ava staff receives load data from PG&E.
<b>Apr - May 2024</b>	County Board of Supervisors passes Resolution, Ordinance to join Ava (attached).
<b>May- June 2024</b>	Ava conducts quantitative analysis to evaluate County’s JPA membership request (attached).
<b>July 2024</b>	Earliest opportunities for Ava’s Board of Directors (BoD) and Committees to consider quantitative analysis, JPA inclusion request(s), and updates to JPA Agreement Exhibits A, B and C.
<b>Sep-Dec 2024</b>	Latest opportunities for Ava BoD and Committees to consider quantitative analysis, JPA inclusion request(s), and updates to JPA Agreement Exhibits A, B and C. Pending affirmative Board vote, staff updates Exhibits, and files updated Implementation Plan with CPUC.
<b>2025</b>	San Joaquin County entitled to a seat on Ava’s Board of Directors; Ava’s initial community outreach to new communities begins. Some

	Ava programs may become available to Unincorporated San Joaquin County’s electricity customers (e.g. technical assistance w/energy resilience at critical municipal facilities).
<b>2026</b>	Ava customer account enrollments begin in unincorporated San Joaquin County

**Financial Impact**

The prospect of including a new community within Ava’s Joint Powers Authority and service area presents considerable financial implications for the agency. For this reason, Ava staff conducted a Quantitative Analysis (QA) using the City’s annual PG&E load data (from calendar year 2023) to evaluate the cost of service to this prospective new member jurisdiction. The results of this analysis are included as an attachment to this report (Attachment H).

In short, the purpose of the QA was to help answer the following, basic question: *Can Ava include unincorporated San Joaquin County within its growing service area, while providing the same level of service (or better) offered to current JPA member-jurisdictions and their communities?* This level of service (also known as Ava’s “value proposition”) offers customers competitive electricity rates with greater access to renewable and carbon-free energy resources compared to standard PG&E service.

According to the QA, the additional electric load of unincorporated San Joaquin County in 2023 would hypothetically yield approximately \$10.3 million to Ava’s net revenues, or an additional 7.95% to Ava’s overall net position for that year, when applying our historical hedge portfolio. For 2026, however, wholesale energy costs are forecasted to remain considerably higher than historical averages. As such, Ava’s initial year of service to unincorporated San Joaquin County is expected to reduce the agency’s net position, depending on market conditions at that time. We have shown high and low Power Resource Cost (PR Costs) scenarios. Over time, given extended time to procure, we expect SJC would contribute similarly to Ava’s net position.

The table below summarizes the findings of the QA. Please note the following:

- Financial Base-Case scenario is based upon expected forward looking estimates for revenues and power resource/energy costs (“PR” = Power Resource)
- The table provides Base-Case assumptions and results for 2026; and are based on estimates as of July 2024.
- Data reflects estimated service to SJC for full calendar year of service (2026). Exact enrollment timing may be phased and/or otherwise adjusted to optimize cost impacts, customer experience, and power resource procurement.

SJC (applying Ava's historical	SJC 2026 (high PR costs)	SJC 2026 (low PR costs)	Ava 2026 (w/out SJC)	Ava w/SJC 2026	Ava w/SJC 2026
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	average PR costs)			(high PR costs)	(low PR costs)
<b>Accounts</b>	58,003	58,003	58,003	760,618	818,621
<b>Peak Load (MW)</b>	314	314	314	1,859	2,173
<b>Net Position %</b>	+7.95%	-23.4%	-4.6%	+4.6%	+1.9%
<b>Net Position \$</b>	\$10.3M	-\$30.3M	-\$5.7M	\$51.0M	\$20.7M
<b>Annual Load (GWh/yr)</b>	1,030	1,030	1,030	8,034	9,064

**NOTES:**

- \*Based on current overhead costs and 10-year average market values/forecasts;
- \*Assumes 7% account opt out rate (slightly above Ava’s current service area-wide opt out rate);
- \*Applies Ava’s 2025 rates from 2024-25 budget development;
- \*Data excludes ineligible loads (e.g. municipal utilities/irrigation districts, Direct Access);
- \*Uses 2023 PG&E load data for San Joaquin County (the most recent available);

**Qualitative Considerations**

Lastly, in addition to considering the governance and financial implications of San Joaquin County’s Ava membership, there are numerous qualitative benefits that the Board should consider as well. These include the following:

- **Diversity, Equity, and Inclusion (DEI)** - By expanding access to competitively priced renewable energy and related programs to growing, frontline communities in California’s Central Valley, Ava can continue to advance the Agency’s goals around diversity, equity, and inclusion;
- **Environmental Justice** – For a variety of systemic, economic, geographic, topographic, historical, and socio-political reasons, air pollution (among other forms of pollution) in San Joaquin County and the greater San Joaquin Valley region represents an urgent public health challenge.<sup>11</sup> Pediatric asthma, in particular, is fairly widespread, affecting one in six children.<sup>12</sup> By providing alternatives to fossil fuel-based energy resources in the building, transportation, and agricultural sectors, Ava can help advance environmental justice and increase the quality of life for local communities;
- **Local Programs** – Due to its location within a major highway corridor and a global hub for agriculture, industry, and light/medium/heavy-duty trucking and goods transport, San Joaquin County offers tremendous programmatic opportunities for Ava’s transportation and building electrification endeavors. Ava

staff has identified multiple program areas where collaboration can begin right away;

- **Legislation and Political Influence** – By welcoming new State Assembly/Senate districts and new Federal Congressional districts into Ava’s service area, Ava’s current communities and customers will benefit from greater representation in Sacramento and Washington DC through Ava’s legislative and regulatory advocacy efforts;
- **CCA Proliferation, Public Power, and Energy Democracy** – When fast-growing, demographically diverse communities, such as those within San Joaquin County, join California’s CCA moment, they help catalyze public power and energy democracy throughout California by example. Combined with the cities of Tracy, Stockton and Lathrop, the addition of San Joaquin County to Ava would likely have a compounding positive impact and may influence neighboring Central Valley jurisdictions to consider CCA membership generally and/or Ava membership specifically.

### **Attachments**

- A. Ava Resolution to include the San Joaquin County as a JPA member
- B. Ava Resolution authorizing Ava staff to update Ava’s Implementation Plan and submit it to the CPUC by end of calendar year 2024;
- C. Current Ava Joint Powers Agreement including Exhibits A, B and C;
- D. Proposed updates to JPA Exhibits A, B and C to include San Joaquin County (unincorporated);
- E. San Joaquin County’s signed Resolution to join Ava;
- F. San Joaquin County’s signed Ordinance to join Ava/implement CCA;
- G. San Joaquin County’s signed Ava JPA signature page
- H. Presentation: San Joaquin County’s Ava membership and analysis



**RESOLUTION NO. R-2024-xx**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF AVA COMMUNITY ENERGY AUTHORITY AUTHORIZING SAN JOAQUIN  
COUNTY TO BECOME A PARTY TO THE JOINT POWERS AGREEMENT AND  
MEMBER OF AVA**

**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 Joint Powers Authority (JPA) in November of 2019. 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** on September 24, 2002, the Governor of California signed into law Assembly Bill 117 (Stat. 2002, Ch. 838; see California Public Utilities Code section 366.2; hereinafter referred to as the “Act”), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation (“CCA”); and

**WHEREAS**, on November 8, 2017, the California Public Utilities Commission (“CPUC”) certified the “Implementation Plan” of Ava, confirming Ava’s compliance with the requirements of the Act; and

**WHEREAS** Section 3.1 of the Ava Joint Powers Agreement (“Agreement”) sets forth the procedures for the addition of new member jurisdictions; and

**WHEREAS** including new member jurisdictions within Ava’s Joint Powers Authority can benefit Ava communities, customers, and the general public by 1) expanding access to competitively-priced renewable energy, innovative programs and equitable policies; 2) achieving greater economies of scale, while accelerating the reduction of greenhouse gas emissions; 3) enhancing Ava’s financial strength through increased revenues and reserves; 4) diversifying the Agency’s service area, while

advancing environmental justice in historically marginalized communities; 5) empowering local stakeholders with more direct representation before State-level regulators and elected officials; and 6) inspiring more cities and counties to explore public power options in California and nationwide; and

**WHEREAS** on April 9, 2024, through a unanimous vote of its Board of Supervisors, San Joaquin County expressed its intention of joining Ava and participating in the Agency's CCA program by passing a resolution to request membership in Ava and introducing an ordinance to implement a CCA program as required by Public Utilities Code section 366.2; and the ordinance was formally adopted on May 9, 2024; and

**WHEREAS** Ava conducted a quantitative analysis to examine the cost of service to San Joaquin County, which indicated positive qualitative and quantitative benefits from their membership to the prospective County as well as to Ava's current communities and customer base; and,

**WHEREAS** per CPUC rules, prospective member jurisdictions must join Ava before the end of calendar year 2024 to begin customer enrollments in Ava's service options by 2026; and

**WHEREAS** Section 3.1 of the Agreement requires the Board of Directors to adopt a resolution authorizing the membership of additional member jurisdictions, and specifying the membership payment and conditions for membership, if any.

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

Section 1. San Joaquin County is hereby authorized to become a party to the Agreement and a member of Ava, subject to the following conditions:

- (a) The Community Choice Aggregation ordinance adopted by San Joaquin County becoming effective.
- (b) The execution of the Agreement by the duly authorized official of San Joaquin County.

Section 2. Staff are hereby directed to revise Exhibits A, B, and C of the Agreement to include San Joaquin County as a member of Ava and to provide updated energy load information. Revised Exhibits are attached to this Resolution and incorporated herein.

Section 3. The CEO and General Counsel are hereby authorized to take all necessary implementing actions to effectuate this Resolution, including but not limited to filing a revised Agreement with the Secretary of State and applicable Local Agency Formation Commissions, as required by state law.

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

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Jack Balch, Chair

ATTEST:

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Adrian Bankhead, Clerk of the Board

**RESOLUTION NO. R-2024-xx**

**A RESOLUTION OF THE BOARD OF DIRECTORS**

**OF AVA COMMUNITY ENERGY AUTHORITY AUTHORIZING AVA STAFF TO UPDATE AVA'S IMPLEMENTATION PLAN TO REFLECT THE INCLUSION OF A NEW MEMBER JURISDICTION AND SUBMIT THE UPDATED PLAN TO THE CPUC**

**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 Joint Powers Authority (JPA) in November of 2019. 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** the Board of Directors has approved Resolution **XX** to authorize San Joaquin County to become a member of Ava, with enrollments expected to begin in 2026;

**WHEREAS** on February 8, 2018, the California Public Utilities Commission ("CPUC") passed Resolution E-4907, which requires a one year waiting period for jurisdictions intending to form or join a community choice aggregation ("CCA") program, like Ava;

**WHEREAS** in order to begin enrolling electricity customers in unincorporated San Joaquin County by 2026, Ava must submit to the CPUC an updated Implementation Plan and Statement of Intent ("Implementation Plan") reflecting the inclusion of this new member jurisdiction before the end of the 2024 calendar year.

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

Section 1. The Board hereby authorizes Ava staff to update Ava's Implementation Plan, reflecting the membership of San Joaquin County.

Section 2. The Board hereby directs staff to submit the updated Implementation Plan to the CPUC for certification as soon as reasonably feasible, before December 31, 2024.

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

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Jack Balch, Chair

ATTEST:

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Adrian Bankhead, Clerk of the Board

**Ava Community Energy Authority**

**- Joint Powers Agreement –**

Effective December 1, 2016

As amended by Resolution No. 2018-23 dated June 20, 2018

As further amended by Resolution No. R-2022-28 dated September 21, 2022

As further amended by Resolution No. 2023-48 dated September 20, 2023

As further amended by Resolution No. 2023-54 dated October 18, 2023

Among The Following Parties:

County of Alameda

City of Albany

City of Berkeley

City of Dublin

City of Emeryville

City of Fremont

City of Hayward

City of Lathrop

City of Livermore

City of Newark

City of Oakland

City of Piedmont

City of Pleasanton

City of San Leandro

City of Stockton

City of Tracy

City of Union City

## AVA COMMUNITY ENERGY AUTHORITY

### JOINT POWERS AGREEMENT

This Joint Powers Agreement (“Agreement”), effective as of December 1, 2016, is made and entered into pursuant to the provisions of Title 1, Division 7, Chapter 5, Article 1 (Section 6500 *et seq.*) of the California Government Code relating to the joint exercise of powers among the parties set forth in Exhibit A (“Parties”). The term “Parties” shall also include an incorporated municipality or county added to this Agreement in accordance with Section 3.1.

#### RECITALS

1. The Parties are either incorporated municipalities or counties sharing various powers under California law, including but not limited to the power to purchase, supply, and aggregate electricity for themselves and their inhabitants.
2. In 2006, the State Legislature adopted AB 32, the Global Warming Solutions Act, which mandates a reduction in greenhouse gas emissions in 2020 to 1990 levels. The California Air Resources Board is promulgating regulations to implement AB 32 which will require local government to develop programs to reduce greenhouse gas emissions.
3. The purposes for the Initial Participants (as such term is defined in Section 1.1.16 below) entering into this Agreement include securing electrical energy supply for customers in participating jurisdictions, addressing climate change by reducing energy related greenhouse gas emissions, promoting electrical rate price stability, and fostering local economic benefits such as jobs creation, community energy programs and local power development. It is the intent of this Agreement to promote the development and use of a wide range of renewable energy sources and energy efficiency programs, including but not limited to State, regional and local solar and wind energy production.
4. The Parties desired to establish a separate public agency, known as the East Bay Community Energy Authority (“Authority”), under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 *et seq.*) (“Act”) in order to collectively study, promote, develop, conduct, operate, and manage energy programs.
5. The Initial Participants each adopted an ordinance electing to implement through the Authority a Community Choice Aggregation program pursuant to California Public Utilities Code Section 366.2 (“CCA Program”). The first priority of the Authority will be the consideration of those actions necessary to implement the CCA Program.
6. By establishing the Authority, the Parties seek to:
  - (a) Provide electricity rates that are lower or competitive with those offered by PG&E for similar products;

- (b) Offer differentiated energy options (e.g. 33% or 50% qualified renewable) for default service, and a 100% renewable content option in which customers may “opt-up” and voluntarily participate;
  - (c) Develop an electric supply portfolio with a lower greenhouse gas (GHG) intensity than PG&E, and one that supports the achievement of the parties’ greenhouse gas reduction goals and the comparable goals of all participating jurisdictions;
  - (d) Establish an energy portfolio that prioritizes the use and development of local renewable resources and minimizes the use of unbundled renewable energy credits;
  - (e) Promote an energy portfolio that incorporates energy efficiency and demand response programs and has aggressive reduced consumption goals;
  - (f) Demonstrate quantifiable economic benefits to the region (e.g. union and prevailing wage jobs, local workforce development, new energy programs, and increased local energy investments);
  - (g) Recognize the value of workers in existing jobs that support the energy infrastructure of Alameda County and Northern California. The Authority, as a leader in the shift to a clean energy, commits to ensuring it will take steps to minimize any adverse impacts to these workers to ensure a “just transition” to the new clean energy economy;
  - (h) Deliver clean energy programs and projects using a stable, skilled workforce through such mechanisms as project labor agreements, or other workforce programs that are cost effective, designed to avoid work stoppages, and ensure quality;
  - (i) Promote personal and community ownership of renewable resources, spurring equitable economic development and increased resilience, especially in low income communities;
  - (j) Provide and manage lower cost energy supplies in a manner that provides cost savings to low-income households and promotes public health in areas impacted by energy production; and
  - (k) Create an administering agency that is financially sustainable, responsive to regional priorities, well managed, and a leader in fair and equitable treatment of employees through adopting appropriate best practices employment policies, including, but not limited to, promoting efficient consideration of petitions to unionize, and providing appropriate wages and benefits.
- (l) The Parties desire to change the name of the agency from East Bay Community Energy Authority to Ava Community Energy Authority.



## AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions hereinafter set forth, it is agreed by and among the Parties as follows:

### ARTICLE 1 CONTRACT DOCUMENTS

**1.1 Definitions.** Capitalized terms used in the Agreement shall have the meanings specified below, unless the context requires otherwise.

- 1.1.1 “AB 117” means Assembly Bill 117 (Stat. 2002, ch. 838, codified at Public Utilities Code Section 366.2), which created CCA.
- 1.1.2 “Act” means the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 *et seq.*)
- 1.1.3 “Agreement” means this Joint Powers Agreement.
- 1.1.4 “Annual Energy Use” has the meaning given in Section 1.1.23.
- 1.1.5 “Authority” means the Ava Community Energy Authority established pursuant to this Joint Powers Agreement.
- 1.1.6 “Authority Document(s)” means document(s) duly adopted by the Board by resolution or motion implementing the powers, functions and activities of the Authority, including but not limited to the Operating Rules and Regulations, the annual budget, and plans and policies.
- 1.1.7 “Board” means the Board of Directors of the Authority.
- 1.1.8 “Community Choice Aggregation” or “CCA” means an electric service option available to cities and counties pursuant to Public Utilities Code Section 366.2.
- 1.1.9 “CCA Program” means the Authority’s program relating to CCA that is principally described in Sections 2.4 and 5.1.
- 1.1.10 “Days” shall mean calendar days unless otherwise specified by this Agreement.
- 1.1.11 “Director” means a member of the Board of Directors representing a Party, including an alternate Director.
- 1.1.12 “Effective Date” means the date on which this Agreement shall become effective and the Ava Community Energy Authority shall exist as a separate public agency, as further described in Section 2.1.

- 1.1.13** “Ex Officio Board Member” means a non-voting member of the Board of Directors as described in Section 4.2.2. The Ex Officio Board Member may not serve on the Executive Committee of the Board or participate in closed session meetings of the Board.
- 1.1.14** “Implementation Plan” means the plan generally described in Section 5.1.2 of this Agreement that is required under Public Utilities Code Section 366.2 to be filed with the California Public Utilities Commission for the purpose of describing a proposed CCA Program.
- 1.1.15** “Initial Costs” means all costs incurred by the Authority relating to the establishment and initial operation of the Authority, such as the hiring of a Chief Executive Officer and any administrative staff, any required accounting, administrative, technical and legal services in support of the Authority’s initial formation activities or in support of the negotiation, preparation and approval of power purchase agreements. The Board shall determine the termination date for Initial Costs.
- 1.1.16** “Initial Participants” means, for the purpose of this Agreement the County of Alameda, the Cities of Albany, Berkeley, Emeryville, Oakland, Piedmont, San Leandro, Hayward, Union City, Fremont, Dublin, and Livermore.
- 1.1.17** “Operating Rules and Regulations” means the rules, regulations, policies, bylaws and procedures governing the operation of the Authority.
- 1.1.18** “Parties” means, collectively, the signatories to this Agreement that have satisfied the conditions in Sections 2.2 or 3.1 such that it is considered a member of the Authority.
- 1.1.19** “Party” means, singularly, a signatory to this Agreement that has satisfied the conditions in Sections 2.2 or 3.1 such that it is considered a member of the Authority.
- 1.1.20** “Percentage Vote” means a vote taken by the Board pursuant to Section 4.12.1 that is based on each Party having one equal vote.
- 1.1.21** “Total Annual Energy” has the meaning given in Section 1.1.23.
- 1.1.22** “Voting Shares Vote” means a vote taken by the Board pursuant to Section 4.12.2 that is based on the voting shares of each Party described in Section 1.1.23 and set forth in Exhibit C to this Agreement. A Voting Shares vote cannot take place on a matter unless the matter first receives an affirmative or tie Percentage Vote in the manner required by Section 4.12.1 and three or more Directors immediately thereafter request such vote.

**1.1.23** “Voting Shares Formula” means the weight applied to a Voting Shares Vote and is determined by the following formula:

(Annual Energy Use/Total Annual Energy) multiplied by 100, where (a) “Annual Energy Use” means (i) with respect to the first two years following the Effective Date, the annual electricity usage, expressed in kilowatt hours (“kWh”), within the Party’s respective jurisdiction and (ii) with respect to the period after the second anniversary of the Effective Date, the annual electricity usage, expressed in kWh, of accounts within a Party’s respective jurisdiction that are served by the Authority and (b) “Total Annual Energy” means the sum of all Parties’ Annual Energy Use. The initial values for Annual Energy use are designated in Exhibit B and the initial voting shares are designated in Exhibit C. Both Exhibits B and C shall be adjusted annually as soon as reasonably practicable after January 1, but no later than March 1 of each year subject to the approval of the Board.

**1.2** **Documents Included.** This Agreement consists of this document and the following exhibits, all of which are hereby incorporated into this Agreement.

- Exhibit A: List of the Parties
- Exhibit B: Annual Energy Use
- Exhibit C: Voting Shares

**1.3** **Revision of Exhibits.** The Parties agree that Exhibits A, B and C to this Agreement describe certain administrative matters that may be revised upon the approval of the Board, without such revision constituting an amendment to this Agreement, as described in Section 8.4. The Authority shall provide written notice to the Parties of the revision of any such exhibit.

**ARTICLE 2**  
**FORMATION OF AVA COMMUNITY ENERGY AUTHORITY (FORMERLY EAST BAY COMMUNITY ENERGY AUTHORITY)**

**2.1** **Effective Date and Term.** This Agreement shall become effective and Ava Community Energy Authority shall exist as a separate public agency on December 1, 2016, provided that this Agreement is executed on or prior to such date by at least three Initial Participants after the adoption of the ordinances required by Public Utilities Code Section 366.2(c)(12). The Authority shall provide notice to the Parties of the Effective Date. The Authority shall continue to exist, and this Agreement shall be effective, until this Agreement is terminated in accordance with Section 7.3, subject to the rights of the Parties to withdraw from the Authority.

**2.2** **Initial Participants.** Until December 31, 2016, all other Initial Participants may become a Party by executing this Agreement and delivering an executed copy of this Agreement and a copy of the adopted ordinance required by Public Utilities Code Section 366.2(c)(12) to the

Authority. Additional conditions, described in Section 3.1, may apply (i) to either an incorporated municipality or county desiring to become a Party that is not an Initial Participant and (ii) to Initial Participants that have not executed and delivered this Agreement within the time period described above.

**2.3 Formation.** There is formed as of the Effective Date a public agency named the East Bay Community Energy Authority, later renamed Ava Community Energy Authority. Pursuant to Sections 6506 and 6507 of the Act, the Authority is a public agency separate from the Parties. The debts, liabilities or obligations of the Authority shall not be debts, liabilities or obligations of the individual Parties unless the governing board of a Party agrees in writing to assume any of the debts, liabilities or obligations of the Authority. A Party who has not agreed to assume an Authority debt, liability or obligation shall not be responsible in any way for such debt, liability or obligation even if a majority of the Parties agree to assume the debt, liability or obligation of the Authority. Notwithstanding Section 8.4 of this Agreement, this Section 2.3 may not be amended unless such amendment is approved by the governing boards of all Parties.

**2.4 Purpose.** The purpose of this Agreement is to establish an independent public agency in order to exercise powers common to each Party and any other powers granted to the Authority under state law to participate as a group in the CCA Program pursuant to Public Utilities Code Section 366.2(c)(12); to study, promote, develop, conduct, operate, and manage energy and energy-related climate change programs; and, to exercise all other powers necessary and incidental to accomplishing this purpose.

**2.5 Powers.** The Authority shall have all powers common to the Parties and such additional powers accorded to it by law. The Authority is authorized, in its own name, to exercise all powers and do all acts necessary and proper to carry out the provisions of this Agreement and fulfill its purposes, including, but not limited to, each of the following:

- 2.5.1** to make and enter into contracts, including those relating to the purchase or sale of electrical energy or attributes thereof;
- 2.5.2** to employ agents and employees, including but not limited to a Chief Executive Officer and General Counsel;
- 2.5.3** to acquire, contract, manage, maintain, and operate any buildings, works or improvements, including electric generating facilities;
- 2.5.4** to acquire property by eminent domain, or otherwise, except as limited under Section 6508 of the Act, and to hold or dispose of any property;
- 2.5.5** to lease any property;
- 2.5.6** to sue and be sued in its own name;
- 2.5.7** to incur debts, liabilities, and obligations, including but not limited to loans from private lending sources pursuant to its temporary borrowing powers such as Government Code Section 53850 *et seq.* and authority under the Act;

- 2.5.8 to form subsidiary or independent corporations or entities, if appropriate, to carry out energy supply and energy conservation programs at the lowest possible cost consistent with the Authority's CCA Program implementation plan, risk management policies, or to take advantage of legislative or regulatory changes;
- 2.5.9 to issue revenue bonds and other forms of indebtedness;
- 2.5.10 to apply for, accept, and receive all licenses, permits, grants, loans or other assistance from any federal, state or local public agency;
- 2.5.11 to submit documentation and notices, register, and comply with orders, tariffs and agreements for the establishment and implementation of the CCA Program and other energy programs;
- 2.5.12 to adopt rules, regulations, policies, bylaws and procedures governing the operation of the Authority ("Operating Rules and Regulations");
- 2.5.13 to make and enter into service, energy and any other agreements necessary to plan, implement, operate and administer the CCA Program and other energy programs, including the acquisition of electric power supply and the provision of retail and regulatory support services; and
- 2.5.14 to negotiate project labor agreements, community benefits agreements and collective bargaining agreements with the local building trades council and other interested parties.

**2.6 Limitation on Powers.** As required by Government Code Section 6509, the power of the Authority is subject to the restrictions upon the manner of exercising power possessed by the City of Emeryville and any other restrictions on exercising the powers of the Authority that may be adopted by the Board.

**2.7 Compliance with Local Zoning and Building Laws.** Notwithstanding any other provisions of this Agreement or state law, any facilities, buildings or structures located, constructed or caused to be constructed by the Authority within the territory of the Authority shall comply with the General Plan, zoning and building laws of the local jurisdiction within which the facilities, buildings or structures are constructed and comply with the California Environmental Quality Act ("CEQA").

**2.8 Compliance with the Brown Act.** The Authority and its officers and employees shall comply with the provisions of the Ralph M. Brown Act, Government Code Section 54950 *et seq.*

**2.9 Compliance with the Political Reform Act and Government Code Section 1090.** The Authority and its officers and employees shall comply with the Political Reform Act (Government Code Section 81000 *et seq.*) and Government Code Section 1090 *et seq.*, and shall adopt a Conflict of Interest Code pursuant to Government Code Section 87300. The Board of

Directors may adopt additional conflict of interest regulations in the Operating Rules and Regulations.

### **ARTICLE 3** **AUTHORITY PARTICIPATION**

**3.1 Addition of Parties.** Subject to Section 2.2, relating to certain rights of Initial Participants, other incorporated municipalities and counties may become Parties upon (a) the adoption of a resolution by the governing body of such incorporated municipality or county requesting that the incorporated municipality or county, as the case may be, become a member of the Authority, (b) the adoption by an affirmative vote of a majority of all Directors of the entire Board satisfying the requirements described in Section 4.12, of a resolution authorizing membership of the additional incorporated municipality or county, specifying the membership payment, if any, to be made by the additional incorporated municipality or county to reflect its pro rata share of organizational, planning and other pre-existing expenditures, and describing additional conditions, if any, associated with membership, (c) the adoption of an ordinance required by Public Utilities Code Section 366.2(c)(12) and execution of this Agreement and other necessary program agreements by the incorporated municipality or county, (d) payment of the membership fee, if any, and (e) satisfaction of any conditions established by the Board.

**3.2 Continuing Participation.** The Parties acknowledge that membership in the Authority may change by the addition and/or withdrawal or termination of Parties. The Parties agree to participate with such other Parties as may later be added, as described in Section 3.1. The Parties also agree that the withdrawal or termination of a Party shall not affect this Agreement or the remaining Parties' continuing obligations under this Agreement.

### **ARTICLE 4** **GOVERNANCE AND INTERNAL ORGANIZATION**

**4.1 Board of Directors.** The governing body of the Authority shall be a Board of Directors ("Board") consisting of one director for each Party appointed in accordance with Section 4.2.

**4.2 Appointment of Directors.** The Directors shall be appointed as follows:

**4.2.1** The governing body of each Party shall appoint and designate in writing one regular Director who shall be authorized to act for and on behalf of the Party on matters within the powers of the Authority. The governing body of each Party also shall appoint and designate in writing one alternate Director who may vote on matters when the regular Director is absent from a Board meeting. The person appointed and designated as the regular Director shall be a member of the governing body of the Party at the time of appointment but may continue to serve as a Director following his/her term as a member of the Party's governing body until a new Director is appointed pursuant to the timing in Section 4.3. The person appointed and designated as the alternate Director shall also be a member of the governing body of a Party and the alternate may continue to serve

as an alternate following his/her term as a member of a Party's governing body until a new alternate is appointed pursuant to the timing in Section 4.3.

- 4.2.2 The Board shall also include one non-voting ex officio member as defined in Section 1.1.13 ("Ex Officio Board Member"). The Chair of the Community Advisory Committee, as described in Section 4.9 below, shall serve as the Ex Officio Board Member. The Vice Chair of the Community Advisory Committee shall serve as an alternate Ex Officio Board Member when the regular Ex Officio Board Member is absent from a Board meeting.
- 4.2.3 The Operating Rules and Regulations, to be developed and approved by the Board in accordance with Section 2.5.12 may include rules regarding Directors, such as meeting attendance requirements. No Party shall be deprived of its right to seat a Director on the Board.

**4.3 Term of Office.** Each regular and alternate Director shall serve at the pleasure of the governing body of the Party that the Director represents and may be removed as Director by such governing body at the time. If at any time a vacancy occurs on the Board because a Director is no longer a member of a Party's governing body, the Party shall appoint a replacement to fill the position of the previous Director in accordance with the provisions of Section 4.2.1 within ninety (90) days of the date that such Director is no longer a member of a Party's governing body or for any other reason that such position becomes vacant.

**4.4 Quorum.** A majority of the Directors of the entire Board shall constitute a quorum, except that less than a quorum may adjourn a meeting from time to time in accordance with law.

**4.5 Powers and Function of the Board.** The Board shall conduct or authorize to be conducted all business and activities of the Authority, consistent with this Agreement, the Authority Documents, the Operating Rules and Regulations, and applicable law. Board approval shall be required for any of the following actions, which are defined as "Essential Functions":

- 4.5.1 The issuance of bonds or any other financing even if program revenues are expected to pay for such financing.
- 4.5.2 The hiring of a Chief Executive Officer and General Counsel.
- 4.5.3 The appointment or removal of an officer.
- 4.5.4 The adoption of the Annual Budget.
- 4.5.5 The adoption of an ordinance.
- 4.5.6 The initiation of resolution of claims and litigation where the Authority will be the defendant, plaintiff, petitioner, respondent, cross complainant or cross petitioner, or intervenor; provided, however, that the Chief

Executive Officer or General Counsel, on behalf of the Authority, may intervene in, become party to, or file comments with respect to any proceeding pending at the California Public Utilities Commission, the Federal Energy Regulatory Commission, or any other administrative agency, without approval of the Board. The Board shall adopt Operating Rules and Regulations governing the Chief Executive Officer and General Counsel's exercise of authority under this Section 4.5.6.

**4.5.7** The setting of rates for power sold by the Authority and the setting of charges for any other category of service provided by the Authority.

**4.5.8** Termination of the CCA Program.

**4.6** **Executive Committee.** The Board shall establish an Executive Committee consisting of a smaller number of Directors. The Board may delegate to the Executive Committee such authority as the Board might otherwise exercise, subject to limitations placed on the Board's authority to delegate certain Essential Functions, as described in Section 4.5 and the Operating Rules and Regulations. The Board may not delegate to the Executive Committee or any other committee its authority under Section 2.5.12 to adopt and amend the Operating Rules and Regulations or its Essential Functions listed in Section 4.5. After the Executive Committee meets or otherwise takes action, it shall, as soon as practicable, make a report of its activities at a meeting of the Board.

**4.7** **Director Compensation.** Directors shall receive a stipend of \$100 per meeting, as adjusted to account for inflation, as provided for in the Authority's Operating Rules and Regulations.

**4.8** **Commissions, Boards and Committees.** The Board may establish any advisory commissions, boards and committees as the Board deems appropriate to assist the Board in carrying out its functions and implementing the CCA Program, other energy programs and the provisions of this Agreement. The Board may establish rules, regulations, policies, bylaws or procedures to govern any such commissions, boards, or committees and shall determine whether members shall be compensated or entitled to reimbursement for expenses.

**4.9** **Community Advisory Committee.** The Board shall establish a Community Advisory Committee consisting of nine members and three alternates, none of whom may be voting members of the Board. One alternate from the pool of three alternates may take the place of a Community Advisory Member when a Community Advisory Committee member cannot attend a meeting. The Community Advisory Committee member that is unable to attend a meeting must notify the alternates of their inability to attend and obtain confirmation that one of the Alternates can attend the Community Advisory Committee meeting in that member's place. The function of the Community Advisory Committee shall be to advise the Board of Directors on all subjects related to the operation of the CCA Program as set forth in a work plan adopted by the Board of Directors from time to time, with the exception of personnel and litigation decisions. The Community Advisory Committee is advisory only, and shall not have decision making authority, or receive any delegation of authority from the Board of Directors. The Board shall publicize the opportunity to serve on the Community Advisory Committee and shall



appoint members of the Community Advisory Committee and Alternates from those individuals expressing interest in serving, and who represent a diverse cross-section of interests, skill sets and geographic regions. Members of the Community Advisory Committee shall serve staggered four-years terms (the first term of three of the members shall be two years, and four years thereafter), which may be renewed. A member or Alternate of the Community Advisory Committee may be removed by the Board of Directors by majority vote. The Board of Directors shall determine whether the Community Advisory Committee members will receive a stipend or be entitled to reimbursement of expenses.

**4.10 Chief Executive Officer.** The Board of Directors shall appoint a Chief Executive Officer for the Authority, who shall be responsible for the day-to-day operation and management of the Authority and the CCA Program. The Chief Executive Officer may exercise all powers of the Authority, including the power to hire, discipline and terminate employees as well as the power to approve any agreement, if the expenditure is authorized in the Authority's approved budget, except the powers specifically set forth in Section 4.5 or those powers which by law must be exercised by the Board of Directors. The Board of Directors shall provide procedures and guidelines for the Chief Executive Officer exercising the powers of the Authority in the Operating Rules and Regulations.

**4.11 General Counsel.** The Board of Directors shall appoint a General Counsel for the Authority, who shall be responsible for providing legal advice to the Board of Directors and overseeing all legal work for the Authority.

**4.12 Board Voting.**

**4.12.1 Percentage Vote.** Except when a supermajority vote is expressly required by this Agreement or the Operating Rules and Regulations, action of the Board on all matters shall require an affirmative vote of a majority of all Directors on the entire Board (a "Percentage Vote" as defined in Section 1.1.20). A supermajority vote is required by this Agreement for the matters addressed by Section 8.4. When a supermajority vote is required by this Agreement or the Operating Rules and Regulations, action of the Board shall require an affirmative Percentage Vote of the specified supermajority of all Directors on the entire Board. No action can be taken by the Board without an affirmative Percentage Vote. Notwithstanding the foregoing, in the event of a tie in the Percentage Vote, an action may be approved by an affirmative "Voting Shares Vote," as defined in Section 1.1.22, if three or more Directors immediately request such vote.

**4.12.2 Voting Shares Vote.** In addition to and immediately after an affirmative percentage vote, three or more Directors may request that, a vote of the voting shares shall be held (a "Voting Shares Vote" as defined in Section 1.1.22). To approve an action by a Voting Shares Vote, the corresponding voting shares (as defined in Section 1.1.23 and Exhibit C) of all Directors voting in the affirmative shall exceed 50% of the voting share of all Directors on the entire Board, or such other higher voting shares percentage expressly required by this Agreement or the Operating Rules

and Regulations. In the event that any one Director has a voting share that equals or exceeds that which is necessary to disapprove the matter being voted on by the Board, at least one other Director shall be required to vote in the negative in order to disapprove such matter. When a voting shares vote is held, action by the Board requires both an affirmative Percentage Vote and an affirmative Voting Shares Vote. Notwithstanding the foregoing, in the event of a tie in the Percentage Vote, an action may be approved on an affirmative Voting Shares Vote. When a supermajority vote is required by this Agreement or the Operating Rules and Regulations, the supermajority vote is subject to the Voting Share Vote provisions of this Section 4.12.2, and the specified supermajority of all Voting Shares is required for approval of the action, if the provision of this Section 4.12.2 are triggered.

**4.13 Meetings and Special Meetings of the Board.** The Board shall hold at least four regular meetings per year, but the Board may provide for the holding of regular meetings at more frequent intervals. The date, hour and place of each regular meeting shall be fixed by resolution or ordinance of the Board. Regular meetings may be adjourned to another meeting time. Special and Emergency meetings of the Board may be called in accordance with the provisions of California Government Code Section 54956 and 54956.5. Directors may participate in meetings telephonically, with full voting rights, only to the extent permitted by law.

**4.14 Officers.**

**4.14.1 Chair and Vice Chair.** Prior to the end of the fiscal year, the Directors shall elect, from among themselves, a Chair, who shall be the presiding officer of all Board meetings, and a Vice Chair, who shall serve in the absence of the Chair. The newly elected Chair and Vice Chair shall commence serving in those capacities on July 1, except that no separate election shall be required for Fiscal Year 2018-2019 and the Chair and Vice Chair elected in 2018 shall continue to serve until the end of the 2018-2019 Fiscal Year. The Chair and Vice Chair shall hold office for one year and serve no more than two consecutive terms, however, the total number of terms a Director may serve as Chair or Vice Chair is not limited. The office of either the Chair or Vice Chair shall be declared vacant and the Board shall make a new selection if: (a) the person serving dies, resigns, or ceases to be a member of the governing body of a Party that person represents, except if the person is continuing to serve on the Board after that person no longer serves on the governing body in conformance with section 4.2.1; (b) the Party that the person represents removes the person as its representative on the Board, or (c) the Party that the person represents withdraws from the Authority pursuant to the provisions of this Agreement.

**4.14.2 Secretary.** The Board shall appoint a Secretary, who need not be a member of the Board, who shall be responsible for keeping the minutes of all meetings of the Board and all other official records of the Authority.

**4.14.3 Treasurer and Auditor.** The Board shall appoint a qualified person to act as the Treasurer and a qualified person to act as the Auditor, neither of whom needs to be a member of the Board. The same person may not simultaneously hold both the office of Treasurer and the office of the Auditor of the Authority. Unless otherwise exempted from such requirement, the Authority shall cause an independent audit to be made annually by a certified public accountant, or public accountant, in compliance with Section 6505 of the Act. The Treasurer shall act as the depositary of the Authority and have custody of all the money of the Authority, from whatever source, and as such, shall have all of the duties and responsibilities specified in Section 6505.5 of the Act. The Board may require the Treasurer and/or Auditor to file with the Authority an official bond in an amount to be fixed by the Board, and if so requested, the Authority shall pay the cost of premiums associated with the bond. The Treasurer shall report directly to the Board and shall comply with the requirements of treasurers of incorporated municipalities. The Board may transfer the responsibilities of Treasurer to any person or entity as the law may provide at the time.

**4.15 Administrative Services Provider.** The Board may appoint one or more administrative services providers to serve as the Authority's agent for planning, implementing, operating and administering the CCA Program, and any other program approved by the Board, in accordance with the provisions of an Administrative Services Agreement. The appointed administrative services provider may be one of the Parties. The Administrative Services Agreement shall set forth the terms and conditions by which the appointed administrative services provider shall perform or cause to be performed all tasks necessary for planning, implementing, operating and administering the CCA Program and other approved programs. The Administrative Services Agreement shall set forth the term of the Agreement and the circumstances under which the Administrative Services Agreement may be terminated by the Authority. This section shall not in any way be construed to limit the discretion of the Authority to hire its own employees to administer the CCA Program or any other program.

**4.16 Operational Audit.** The Authority shall commission an independent agent to conduct and deliver at a public meeting of the Board an evaluation of the performance of the CCA Program relative to goals for renewable energy and carbon reductions. The Authority shall approve a budget for such evaluation and shall hire a firm or individual that has no other direct or indirect business relationship with the Authority. The evaluation shall be conducted at least once every two years.

## **ARTICLE 5**

### **IMPLEMENTATION ACTION AND AUTHORITY DOCUMENTS**

#### **5.1 Implementation of the CCA Program.**

**5.1.1 Enabling Ordinance.** Prior to the execution of this Agreement, each Party shall adopt an ordinance in accordance with Public Utilities Code

Section 366.2(c)(12) for the purpose of specifying that the Party intends to implement a CCA Program by and through its participation in the Authority.

**5.1.2 Implementation Plan.** The Authority shall cause to be prepared an Implementation Plan meeting the requirements of Public Utilities Code Section 366.2 and any applicable Public Utilities Commission regulations as soon after the Effective Date as reasonably practicable. The Implementation Plan shall not be filed with the Public Utilities Commission until it is approved by the Board in the manner provided by Section 4.12.

**5.1.3 Termination of CCA Program.** Nothing contained in this Article or this Agreement shall be construed to limit the discretion of the Authority to terminate the implementation or operation of the CCA Program at any time in accordance with any applicable requirements of state law.

**5.2 Other Authority Documents.** The Parties acknowledge and agree that the operations of the Authority will be implemented through various documents duly adopted by the Board through Board resolution or minute action, including but not necessarily limited to the Operating Rules and Regulations, the annual budget, and specified plans and policies defined as the Authority Documents by this Agreement. The Parties agree to abide by and comply with the terms and conditions of all such Authority Documents that may be adopted by the Board, subject to the Parties' right to withdraw from the Authority as described in Article 7.

**5.3 Integrated Resource Plan.** The Authority shall cause to be prepared an Integrated Resource Plan in accordance with CPUC regulations that will ensure the long-term development and administration of a variety of energy programs that promote local renewable resources, conservation, demand response, and energy efficiency, while maintaining compliance with the State Renewable Portfolio standard and customer rate competitiveness. The Authority shall prioritize the development of energy projects in Alameda and adjacent counties. Principal aspects of its planned operations shall be in a Business Plan as outlined in Section 5.4 of this Agreement.

**5.4 Business Plan.** The Authority shall cause to be prepared a Business Plan, which will include a roadmap for the development, procurement, and integration of local renewable energy resources as outlined in Section 5.3 of this Agreement. The Business Plan shall include a description of how the CCA Program will contribute to fostering local economic benefits, such as job creation and community energy programs. The Business Plan shall identify opportunities for local power development and how the CCA Program can achieve the goals outlined in Recitals 3 and 6 of this Agreement. The Business Plan shall include specific language detailing employment and labor standards that relate to the execution of the CCA Program as referenced in this Agreement. The Business Plan shall identify clear and transparent marketing practices to be followed by the CCA Program, including the identification of the sources of its electricity and explanation of the various types of electricity procured by the Authority. The Business Plan shall cover the first five (5) years of the operation of the CCA Program. Progress on the implementation of the Business Plan shall be subject to annual public review.

**5.5 Labor Organization Neutrality.** The Authority shall remain neutral in the event its employees, and the employees of its subcontractors, if any, wish to unionize.

**5.6 Renewable Portfolio Standards.** The Authority shall provide its customers renewable energy primarily from Category 1 eligible renewable resources, as defined under the California RPS and consistent with the goals of the CCA Program. The Authority shall not procure energy from Category 3 eligible renewable resources (unbundled Renewable Energy Credits or RECs) exceeding 50% of the State law requirements, to achieve its renewable portfolio goals. However, for Category 3 RECs associated with generation facilities located within its service jurisdiction, the limitation set forth in the preceding sentence shall not apply.

## **ARTICLE 6** **FINANCIAL PROVISIONS**

**6.1 Fiscal Year.** The Authority's fiscal year shall be 12 months commencing July 1 and ending June 30. The fiscal year may be changed by Board resolution.

**6.2 Depository.**

**6.2.1** All funds of the Authority shall be held in separate accounts in the name of the Authority and not commingled with funds of any Party or any other person or entity.

**6.2.2** All funds of the Authority shall be strictly and separately accounted for, and regular reports shall be rendered of all receipts and disbursements, at least quarterly during the fiscal year. The books and records of the Authority shall be open to inspection by the Parties at all reasonable times.

**6.2.3** All expenditures shall be made in accordance with the approved budget and upon the approval of any officer so authorized by the Board in accordance with its Operating Rules and Regulations. The Treasurer shall draw checks or warrants or make payments by other means for claims or disbursements not within an applicable budget only upon the prior approval of the Board.

**6.3 Budget and Recovery Costs.**

**6.3.1 Budget.** The initial budget shall be approved by the Board. The Board may revise the budget from time to time through an Authority Document as may be reasonably necessary to address contingencies and unexpected expenses. All subsequent budgets of the Authority shall be prepared and approved by the Board in accordance with the Operating Rules and Regulations.

**6.3.2 Funding of Initial Costs.** The County shall fund the Initial Costs of establishing and implementing the CCA Program. In the event that the CCA Program becomes operational, these Initial Costs paid by the County and any specified interest shall be included in the customer charges for

electric services to the extent permitted by law, and the County shall be reimbursed from the payment of such charges by customers of the Authority. The Authority may establish a reasonable time period over which such costs are recovered. In the event that the CCA Program does not become operational, the County shall not be entitled to any reimbursement of the Initial Costs.

- 6.3.4 Additional Contributions and Advances.** Pursuant to Government Code Section 6504, the Parties may in their sole discretion make financial contributions, loans or advances to the Authority for the purposes of the Authority set forth in this Agreement. The repayment of such contributions, loans or advances will be on the written terms agreed to by the Party making the contribution, loan or advance and the Authority.

## **ARTICLE 7**

### **WITHDRAWAL AND TERMINATION**

#### **7.1 Withdrawal.**

- 7.1.1 General Right to Withdraw.** A Party may withdraw its membership in the Authority, effective as of the beginning of the Authority's fiscal year, by giving no less than 180 days advance written notice of its election to do so, which notice shall be given to the Authority and each Party. Withdrawal of a Party shall require an affirmative vote of the Party's governing board.
- 7.1.2 Withdrawal Following Amendment.** Notwithstanding Section 7.1.1, a Party may withdraw its membership in the Authority following an amendment to this Agreement provided that the requirements of this Section 7.1.2 are strictly followed. A Party shall be deemed to have withdrawn its membership in the Authority effective 180 days after the Board approves an amendment to this Agreement if the Director representing such Party has provided notice to the other Directors immediately preceding the Board's vote of the Party's intention to withdraw its membership in the Authority should the amendment be approved by the Board.
- 7.1.3 The Right to Withdraw Prior to Program Launch.** After receiving bids from power suppliers for the CCA Program, the Authority must provide to the Parties a report from the electrical utility consultant retained by the Authority comparing the Authority's total estimated electrical rates, the estimated greenhouse gas emissions rate and the amount of estimated renewable energy to be used with that of the incumbent utility. Within 30 days after receiving this report, through its City Manager or a person expressly authorized by the Party, any Party may immediately withdraw its membership in the Authority by providing written notice of withdrawal to the Authority if the report determines that any one of the following

conditions exists: (1) the Authority is unable to provide total electrical rates, as part of its baseline offering to customers, that are equal to or lower than the incumbent utility, (2) the Authority is unable to provide electricity in a manner that has a lower greenhouse gas emissions rate than the incumbent utility, or (3) the Authority will use less qualified renewable energy than the incumbent utility. Any Party who withdraws from the Authority pursuant to this Section 7.1.3 shall not be entitled to any refund of the Initial Costs it has paid to the Authority prior to the date of withdrawal unless the Authority is later terminated pursuant to Section 7.3. In such event, any Initial Costs not expended by the Authority shall be returned to all Parties, including any Party that has withdrawn pursuant to this section, in proportion to the contribution that each made. Notwithstanding anything to the contrary in this Agreement, any Party who withdraws pursuant to this section shall not be responsible for any liabilities or obligations of the Authority after the date of withdrawal, including without limitation any liability arising from power purchase agreements entered into by the Authority.

**7.2 Continuing Liability After Withdrawal; Further Assurances; Refund.** A Party that withdraws its membership in the Authority under either Section 7.1.1 or 7.1.2 shall be responsible for paying its fair share of costs incurred by the Authority resulting from the Party's withdrawal, including costs from the resale of power contracts by the Authority to serve the Party's load and any similar costs directly attributable to the Party's withdrawal, such costs being limited to those contracts executed while the withdrawing Party was a member, and administrative costs associated thereto. The Parties agree that such costs shall not constitute a debt of the withdrawing Party, accruing interest, or having a maturity date. The Authority may withhold funds otherwise owing to the Party or may require the Party to deposit sufficient funds with the Authority, as reasonably determined by the Authority, to cover the Party's costs described above. Any amount of the Party's funds held by the Authority for the benefit of the Party that are not required to pay the Party's costs described above shall be returned to the Party. The withdrawing party and the Authority shall execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary, as determined by the Board, to effectuate the orderly withdrawal of such Party from membership in the Authority. A withdrawing party has the right to continue to participate in Board discussions and decisions affecting customers of the CCA Program that reside or do business within the jurisdiction of the Party until the withdrawal's effective date.

**7.3 Mutual Termination.** This Agreement may be terminated by mutual agreement of all the Parties; provided, however, the foregoing shall not be construed as limiting the rights of a Party to withdraw its membership in the Authority, and thus terminate this Agreement with respect to such withdrawing Party, as described in Section 7.1.

**7.4 Disposition of Property upon Termination of Authority.** Upon termination of this Agreement as to all Parties, any surplus money or assets in possession of the Authority for use under this Agreement, after payment of all liabilities, costs, expenses, and charges incurred under this Agreement and under any Authority Documents, shall be returned to the then-existing Parties in proportion to the contributions made by each.

**ARTICLE 8**  
**MISCELLANEOUS PROVISIONS**

**8.1 Dispute Resolution.** The Parties and the Authority shall make reasonable efforts to settle all disputes arising out of or in connection with this Agreement. Before exercising any remedy provided by law, a Party or the Parties and the Authority shall engage in nonbinding mediation in the manner agreed upon by the Party or Parties and the Authority. The Parties agree that each Party may specifically enforce this section 8.1. In the event that nonbinding mediation is not initiated or does not result in the settlement of a dispute within 120 days after the demand for mediation is made, any Party and the Authority may pursue any remedies provided by law.

**8.2 Liability of Directors, Officers, and Employees.** The Directors, officers, and employees of the Authority shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement. No current or former Director, officer, or employee will be responsible for any act or omission by another Director, officer, or employee. The Authority shall defend, indemnify and hold harmless the individual current and former Directors, officers, and employees for any acts or omissions in the scope of their employment or duties in the manner provided by Government Code Section 995 *et seq.* Nothing in this section shall be construed to limit the defenses available under the law, to the Parties, the Authority, or its Directors, officers, or employees.

**8.3 Indemnification of Parties.** The Authority shall acquire such insurance coverage as the Board deems necessary to protect the interests of the Authority, the Parties and the public. Such insurance coverage shall name the Parties and their respective Board or Council members, officers, agents and employees as additional insureds. The Authority shall defend, indemnify and hold harmless the Parties and each of their respective Board or Council members, officers, agents and employees, from any and all claims, losses, damages, costs, injuries and liabilities of every kind arising directly or indirectly from the conduct, activities, operations, acts, and omissions of the Authority under this Agreement.

**8.4 Amendment of this Agreement.** This Agreement may be amended in writing by a two-thirds affirmative vote of the entire Board satisfying the requirements described in Section 4.12. Except that, any amendment to the voting provisions in Section 4.12 may only be made by a three-quarters affirmative vote of the entire Board. The Authority shall provide written notice to the Parties at least 30 days in advance of any proposed amendment being considered by the Board. If the proposed amendment is adopted by the Board, the Authority shall provide prompt written notice to all Parties of the effective date of such amendment along with a copy of the amendment.

**8.5 Assignment.** Except as otherwise expressly provided in this Agreement, the rights and duties of the Parties may not be assigned or delegated without the advance written consent of all of the other Parties, and any attempt to assign or delegate such rights or duties in contravention of this Section 8.5 shall be null and void. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the Parties. This Section 8.5 does not prohibit a Party from entering into an independent agreement with another agency, person, or entity regarding the financing of that Party's contributions to the Authority, or the disposition of



proceeds which that Party receives under this Agreement, so long as such independent agreement does not affect, or purport to affect, the rights and duties of the Authority or the Parties under this Agreement.

**8.6 Severability.** If one or more clauses, sentences, paragraphs or provisions of this Agreement shall be held to be unlawful, invalid or unenforceable, it is hereby agreed by the Parties, that the remainder of the Agreement shall not be affected thereby. Such clauses, sentences, paragraphs or provision shall be deemed reformed so as to be lawful, valid and enforced to the maximum extent possible.

**8.7 Further Assurances.** Each Party agrees to execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary, to effectuate the purposes and intent of this Agreement.

**8.8 Execution by Counterparts.** This Agreement may be executed in any number of counterparts, and upon execution by all Parties, each executed counterpart shall have the same force and effect as an original instrument and as if all Parties had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more signature pages.

**8.9 Parties to be Served Notice.** Any notice authorized or required to be given pursuant to this Agreement shall be validly given if served in writing either personally, by deposit in the United States mail, first class postage prepaid with return receipt requested, or by a recognized courier service. Notices given (a) personally or by courier service shall be conclusively deemed received at the time of delivery and receipt and (b) by mail shall be conclusively deemed given 72 hours after the deposit thereof (excluding Saturdays, Sundays and holidays) if the sender receives the return receipt. All notices shall be addressed to the office of the clerk or secretary of the Authority or Party, as the case may be, or such other person designated in writing by the Authority or Party. In addition, a duplicate copy of all notices provided pursuant to this section shall be provided to the Director and alternate Director for each Party. Notices given to one Party shall be copied to all other Parties. Notices given to the Authority shall be copied to all Parties. All notices required hereunder shall be delivered to:

The County of Alameda

Director, Community Development Agency  
224 West Winton Ave.  
Hayward, CA 94612

With a copy to:

Office of the County Counsel  
1221 Oak Street, Suite 450  
Oakland, CA 94612

if to [PARTY No. \_\_\_\_]

Office of the City Clerk

\_\_\_\_\_  
\_\_\_\_\_

Office of the City Manager/Administrator

\_\_\_\_\_  
\_\_\_\_\_

Office of the City Attorney

\_\_\_\_\_  
\_\_\_\_\_

if to [PARTY No. \_\_\_\_ ]

Office of the City Clerk

\_\_\_\_\_  
\_\_\_\_\_

Office of the City Manager/Administrator

\_\_\_\_\_  
\_\_\_\_\_

Office of the City Attorney

\_\_\_\_\_  
\_\_\_\_\_

**ARTICLE 9**  
**SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the Ava Community Energy Authority.

By: \_\_\_\_\_

Name: \_\_\_\_\_

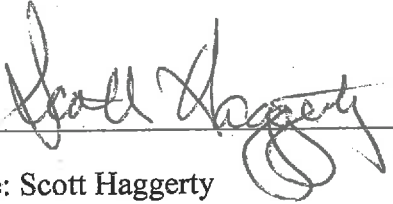
Title: \_\_\_\_\_

Date: \_\_\_\_\_

Party: \_\_\_\_\_

**ARTICLE 9**  
**SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the East Bay Community Energy Authority.

By: 

Name: Scott Haggerty

Title: Board President

Date: January 4, 2017

Party: County of Alameda

APPROVED AS TO FORM:

DONNA R. ZIEGLER, COUNTY COUNSEL

By: 

Andrea L. Weddle  
Chief Assistant County Counsel

224 West Winton Ave.  
Hayward, CA 94612

With a copy to:

Office of the County Counsel  
1221 Oak Street, Suite 450  
Oakland, CA 94612

if to [PARTY No. \_\_\_\_]

Office of the City Clerk

Eileen Harrington, Deputy  
Eileen Harrington 12/2/16

Office of the City Manager/Administrator

Envelope Crumpley  
Envelope Crumpley

Office of the City Attorney

Craig Labadie  
Craig Labadie

if to [PARTY No. \_\_\_\_]

Office of the City Clerk

\_\_\_\_\_  
\_\_\_\_\_

Office of the City Manager/Administrator

\_\_\_\_\_  
\_\_\_\_\_

Office of the City Attorney

\_\_\_\_\_  
\_\_\_\_\_

**ARTICLE 9**  
**SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the East Bay Community Energy Authority.

By: *D. Williams-Ridley*

Name: *Dee Williams-Ridley*

Title: *City Manager*

Date: *December 1, 2016*

Party: *City of Berkeley*

APPROVED AS TO FORM

By *Michael Woo*  
CITY ATTORNEY FOR THE  
CITY OF BERKELEY

Registered by:

*Ann-Monica Hagan*  
City Treasurer

ATTEST for the City of Berkeley

*Wendy Spurr*  
City Clerk

With a copy to:

Office of the County Counsel  
1221 Oak Street, Suite 450  
Oakland, CA 94612

if to [PARTY No. \_\_\_\_]

City of Dublin  
City Manager  
100 Civic Plaza  
Dublin, CA 94568

Meyers Nave  
City Attorney  
555 12<sup>th</sup> Street, Suite 1500  
Oakland, CA 94607

if to [PARTY No. \_\_\_\_ ]

Office of the City Clerk

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Office of the City Manager/Administrator

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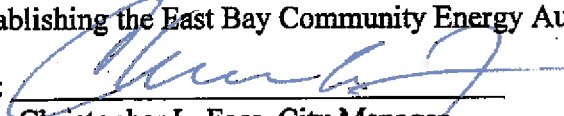
Office of the City Attorney

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**ARTICLE 9**  
**SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the East Bay Community Energy Authority.

By:   
\_\_\_\_\_  
Christopher L. Foss, City Manager  
City of Dublin

Date: 12/1/10

Party: \_\_\_\_\_

224 West Winton Ave.  
Hayward, CA 94612

With a copy to:

Office of the County Counsel  
1221 Oak Street, Suite 450  
Oakland, CA 94612

if to: City of Emeryville

Office of the City Clerk  
1333 Park Avenue  
Emeryville, CA 94608

Office of the City Manager  
1333 Park Avenue  
Emeryville, CA 94608

Office of the City Attorney  
1333 Park Avenue  
Emeryville, CA 94608

if to [PARTY No. \_\_\_\_\_ ]

Office of the City Clerk

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Office of the City Manager/Administrator

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Office of the City Attorney

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**ARTICLE 9**  
**SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the East Bay Community Energy Authority.

By: Carolyn Lehr  
Name: Carolyn Lehr  
Title: City Manager  
Date: 12-1-16  
Party: City of Emeryville

APPROVED AS TO FORM:

Michael A. Guina  
Michael A. Guina, City Attorney

224 West Winton Ave.  
Hayward, CA 94612

With a copy to:

Office of the County Counsel  
1221 Oak Street, Suite 450  
Oakland, CA 94612

if to [PARTY No. \_\_\_\_\_]

**City of Fremont**

Office of the City Clerk  
3300 Capitol Ave., Building A  
Fremont, CA 94538

Office of the City Manager/Administrator  
3300 Capitol Ave., Building A  
Fremont, CA 94538

Office of the City Attorney  
3300 Capitol Ave., Building A  
Fremont, CA 94538

if to [PARTY No. \_\_\_\_\_ ]

Office of the City Clerk

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Office of the City Manager/Administrator

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---

Office of the City Attorney

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**ARTICLE 9**  
**SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the East Bay Community Energy Authority.

By: 

Name: Jessica von Borck

Title: Assistant City Manager

Date: 12-1-16

Party: \_\_\_\_\_

**APPROVED AS TO FORM:**



**Debra S. Margolis**  
**Assistant City Attorney**

The County of Alameda

Director, Community Development Agency  
224 West Winton Ave.  
Hayward, CA 94612

With a copy to:

Office of the County Counsel  
1221 Oak Street, Suite 450  
Oakland, CA 94612

City of Hayward

Office of the City Manager  
City of Hayward  
777 B Street  
Hayward, CA 94541

With a copy to:

Office of the City Attorney  
City of Hayward  
777 B Street  
Hayward, CA 94541

**ARTICLE 9**  
**SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the East Bay Community Energy Authority.

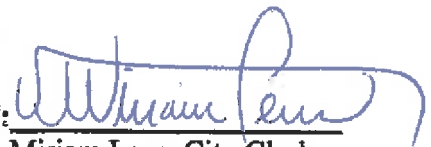
**CITY OF HAYWARD, A Municipal Corporation**

Date of Approval: 12/16/2016



Kelly McAdoo, City Manager

ATTEST:



Miriam Lens, City Clerk

**APPROVED AS TO FORM**



Michael Lawson, City Attorney

224 West Winton Ave.  
Hayward, CA 94612

With a copy to:

Office of the County Counsel  
1221 Oak Street, Suite 450  
Oakland, CA 94612

if to City of Livermore

City Clerk's Office  
1052 South Livermore Avenue  
Livermore, CA 94550

With a copy to:

Public Works Department  
Attn: Public Works Manager  
3500 Robertson Park Road  
Livermore, CA 94550

**ARTICLE 9**  
**SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the East Bay Community Energy Authority.

By: Marc Roberts

Name: Marc Roberts

Title: City Manager

Date: 1/4/2017

Party: City of Livermore

APPROVED AS TO FORM:

A handwritten signature in black ink, appearing to be "J. [unclear]", written over a horizontal line.

224 West Winton Ave.  
Hayward, CA 94612

With a copy to:

Office of the County Counsel  
1221 Oak Street, Suite 450  
Oakland, CA 94612

if to [PARTY No. \_\_\_\_]

Office of the City Clerk  
1 FRANK H. OGDEN PLAZA  
OAKLAND, CA 94612

Office of the City Manager/Administrator  
1 FRANK H. OGDEN PLAZA  
OAKLAND, CA 94612

Office of the City Attorney  
\_\_\_\_\_  
\_\_\_\_\_

if to [PARTY No. \_\_\_\_]

Office of the City Clerk  
\_\_\_\_\_  
\_\_\_\_\_

Office of the City Manager/Administrator  
\_\_\_\_\_  
\_\_\_\_\_

Office of the City Attorney  
\_\_\_\_\_  
\_\_\_\_\_

**ARTICLE 9**  
**SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the East Bay Community Energy Authority.

By:  FOR SBL

Name: CLAUDIA CAPPIO

Title: ASST CITY ADMINISTRATOR

Date: 12/07/16

Party: CITY OF OAKLAND



**ARTICLE 9**  
**SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the East Bay Community Energy Authority.

By: J/Wiel

Name: Jeffrey Wiel

Title: Mayor

Date: 12/19/16

Party: City of Piedmont

force and effect as an original instrument and as if all Parties had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more signature pages.

**8.9 Parties to be Served Notice.** Any notice authorized or required to be given pursuant to this Agreement shall be validly given if served in writing either personally, by deposit in the United States mail, first class postage prepaid with return receipt requested, or by a recognized courier service. Notices given (a) personally or by courier service shall be conclusively deemed received at the time of delivery and receipt and (b) by mail shall be conclusively deemed given 72 hours after the deposit thereof (excluding Saturdays, Sundays and holidays) if the sender receives the return receipt. All notices shall be addressed to the office of the clerk or secretary of the Authority or Party, as the case may be, or such other person designated in writing by the Authority or Party. In addition, a duplicate copy of all notices provided pursuant to this section shall be provided to the Director and alternate Director for each Party. Notices given to one Party shall be copied to all other Parties. Notices given to the Authority shall be copied to all Parties. All notices required hereunder shall be delivered to:

The County of Alameda

Director, Community Development Agency  
224 West Winton Ave.  
Hayward, CA 94612

With a copy to:

Office of the County Counsel  
1221 Oak Street, Suite 450  
Oakland, CA 94612

if to the City of San Leandro

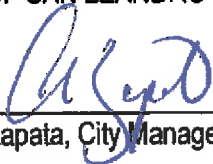
Office of the City Clerk  
835 East 14<sup>th</sup> Street  
San Leandro, CA 94577

Office of the City Manager/Administrator  
835 East 14<sup>th</sup> Street  
San Leandro, CA 94577  
Office of the City Attorney  
835 East 14<sup>th</sup> Street  
San Leandro, CA 94577

**ARTICLE 9**  
**SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the East Bay Community Energy Authority.

CITY OF SAN LEANDRO




\_\_\_\_\_  
Chris Zapata, City Manager

Attest:



\_\_\_\_\_  
Tamika Greenwood, City Clerk

Approved as to Form:



\_\_\_\_\_  
Richard D. Pio Roda, City Attorney

224 West Winton Ave.  
Hayward, CA 94612

With a copy to:

Office of the County Counsel  
1221 Oak Street, Suite 450  
Oakland, CA 94612

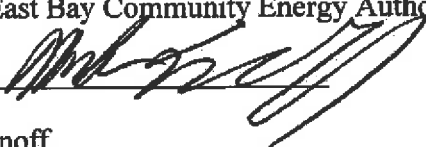
if to The City of Union City [PARTY No. 12]

Office of the City Clerk

Anna M. Brown, City Clerk  
34009 Alvarado Niles Road  
Union City, CA 94587

**ARTICLE 9**  
**SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the East Bay Community Energy Authority.

By: \_\_\_\_\_ 

Name: Mark Evanoff

Title: Deputy City Manager

Date: December 5, 2016

Party: The City of Union City

East Bay Community Energy (EBCE)  
1999 Harrison Street, Suite 800  
Oakland CA 94612

if to Newark

Office of the City Clerk  
37101 Newark Boulevard  
Newark, CA 94560

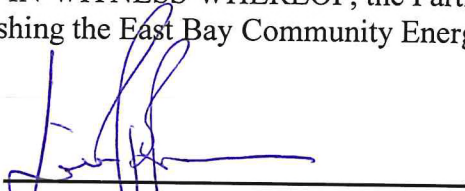
Office of the City Manager/Administrator  
37101 Newark Boulevard  
Newark, CA 94560

Office of the City Attorney  
37101 Newark Boulevard  
Newark, CA 94560

**ARTICLE 9**  
**SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the East Bay Community Energy Authority.

By:



Name: David J. Benoun

Title: City Manager

Date: November 18, 2019


Party: CITY OF NEWARK

**ARTICLE 9**  
**SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the East Bay Community Energy Authority.

**CITY OF PLEASANTON, a municipal corporation**

Date: November 27, 2019

  
\_\_\_\_\_  
Nelson Fialho, City Manager

ATTEST:   
\_\_\_\_\_  
Karen Diaz, City Clerk


APPROVED AS TO FORM:

  
\_\_\_\_\_  
*for* Daniel G. Sodergren, City Attorney

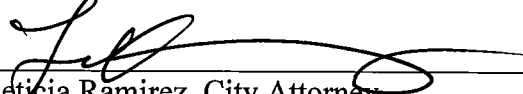


**ARTICLE 9**  
**SIGNATURE**

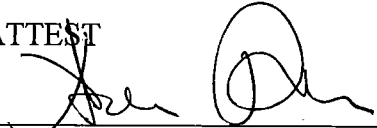
IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the East Bay Community Energy Authority.

By:   
Name: Robert Rickman  
Title: Mayor  
Date: 11-7-19  
Party: City of Tracy

APPROVED AS TO FORM

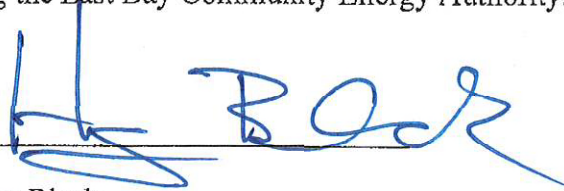
  
Leticia Ramirez, City Attorney

ATTEST

  
Adrienne Richardson, City Clerk

**ARTICLE 9**  
**SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the East Bay Community Energy Authority.

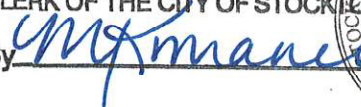
By: 

Name: Harry Black

Title: City Manager

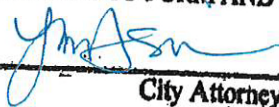
Date: 9/16/22

Party: City of Stockton

ATTEST:  
CLERK OF THE CITY OF STOCKTON  
By 



APPROVED AS TO FORM AND CONTENT

By   
City Attorney

if to: City of Lathrop

Office of the City Clerk  
390 Towne Centre Drive  
Lathrop, CA 95330

Office of the City Manager  
390 Towne Centre Drive  
Lathrop, CA 95330

Office of the City Attorney  
390 Towne Centre Drive  
Lathrop, CA 95330


With a copy to:

Department of Public Works  
390 Towne Centre Drive  
Lathrop, CA 95330


**ARTICLE 9  
SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the East Bay Community Energy Authority.


**CITY OF LATHROP,**  
A California municipal corporation of the  
State of California

By:  7.21.23  
Stephen J. Salvatore Date  
City Manager

**ATTEST:**  
City Clerk of and for the City  
of Lathrop, State of California

By:  7/21/23  
Teresa Vargas Date  
City Clerk

**APPROVED AS TO FORM BY THE CITY OF LATHROP CITY ATTORNEY**

By:  7-18-2023  
Salvador Navarrete Date  
City Attorney

**EXHIBIT A**

**LIST OF THE PARTIES**

This Exhibit A is effective as of September 20, 2023.

County of Alameda

City of Albany

City of Berkeley

City of Dublin

City of Emeryville

City of Fremont

City of Hayward

City of Lathrop

City of Livermore

City of Newark

City of Oakland

City of Piedmont

City of Pleasanton

City of San Leandro

City of Stockton

City of Tracy

City of Union City

**EXHIBIT B****ANNUAL ENERGY USE**

This Exhibit B is effective as of September 20, 2023.

<b>Party</b>	<b>kWh (2022*)</b>
Albany	50,016,072
Berkeley	350,111,874
Dublin	250,811,690
Emeryville	173,586,542
Fremont	1,182,339,971
Hayward	681,289,470
Lathrop	183,070,584
Livermore	428,724,628
Newark	244,335,398
Oakland	1,713,563,058
Piedmont	28,595,451
Pleasanton	394,860,960
San Leandro	414,939,109
Stockton	1,153,820,553
Tracy	412,411,899
Unincorporated County	452,054,476
Union City	261,439,720
<b>Total</b>	<b>8,375,971,455</b>

All data provided by PG&E

**EXHIBIT C**  
**VOTING SHARES**

This Exhibit C is effective as of September 20, 2023.

<b>Party</b>	<b>kWh (2022*)</b>	<b>Voting Shares Section 4.12.2</b>
Albany	50,016,072	0.6%
Berkeley	350,111,874	4.2%
Dublin	250,811,690	3.0%
Emeryville	173,586,542	2.1%
Fremont	1,182,339,971	14.1%
Hayward	681,289,470	8.1%
Lathrop	183,070,584	2.2%
Livermore	428,724,628	5.1%
Newark	244,335,398	2.9%
Oakland	1,713,563,058	20.5%
Piedmont	28,595,451	0.3%
Pleasanton	394,860,960	4.7%
San Leandro	414,939,109	5.0%
Stockton	1,153,820,553	13.8%
Tracy	412,411,899	4.9%
Unincorporated County	452,054,476	5.4%
Union City	261,439,720	3.1%
<b>Total</b>	<b>8,375,971,455</b>	<b>100%</b>

\*All data provided by PG&E

**EXHIBIT A**  
**LIST OF THE PARTIES**

This Exhibit A is effective as of July 17, 2024.

County of Alameda

County of San Joaquin

City of Albany

City of Berkeley

City of Dublin

City of Emeryville

City of Fremont

City of Hayward

City of Lathrop

City of Livermore

City of Newark

City of Oakland

City of Piedmont

City of Pleasanton

City of San Leandro

City of Stockton

City of Tracy

City of Union City



**EXHIBIT B**  
**ANNUAL ENERGY USE**

This Exhibit B is effective as of July 17, 2024

<b>Party</b>	<b>kWh (2023*)</b>
Albany	49,658,026
Berkeley	413,008,108
Dublin	252,876,615
Emeryville	182,316,485
Fremont	1,170,341,147
Hayward	708,882,734
Lathrop	200,965,565
Livermore	411,980,233
Newark	233,143,296
Oakland	1,768,534,324
Piedmont	29,015,530
Pleasanton	389,268,211
San Leandro	407,878,675
Stockton	1,199,280,141
Tracy	415,177,547
Union City	263,556,407
Unincorporated Alameda County	429,832,267
Unincorporated San Joaquin County	987,486,751
<b>Total</b>	<b>9,513,202,062</b>

\*All data provided by PG&E

**EXHIBIT C**  
**VOTING SHARES**

This Exhibit C is effective as of July 17, 2024

<b>Party</b>	<b>kWh (2023*)</b>	<b>Voting Shares Section 4.12.2</b>
Albany	49,658,026	0.5%
Berkeley	413,008,108	4.3%
Dublin	252,876,615	2.7%
Emeryville	182,316,485	1.9%
Fremont	1,170,341,147	12.3%
Hayward	708,882,734	7.5%
Lathrop	200,965,565	2.1%
Livermore	411,980,233	4.3%
Newark	233,143,296	2.5%
Oakland	1,768,534,324	18.6%
Piedmont	29,015,530	0.3%
Pleasanton	389,268,211	4.1%
San Leandro	407,878,675	4.3%
Stockton	1,199,280,141	12.6%
Tracy	415,177,547	4.4%
Union City	263,556,407	2.8%
Unincorporated Alameda County	429,832,267	4.5%
Unincorporated San Joaquin County	987,486,751	10.4%
<b>Total</b>	<b>9,513,202,062</b>	<b>100.0%</b>

\*All data provided by PG&E

BEFORE THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN JOAQUIN  
STATE OF CALIFORNIA

RESOLUTION

R-24-68

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN  
JOAQUIN TO IMPLEMENT A COMMUNITY CHOICE AGGREGATION PROGRAM IN  
THE COUNTY OF SAN JOAQUIN AND JOIN A JOINT POWERS AGREEMENT WITH  
AVA COMMUNITY ENERGY AUTHORITY

-----

WHEREAS, the County of San Joaquin has an interest in achieving greater local involvement over the provision of electricity supply services, competitive electric rates, local control and investment, and environmental sustainability; and

WHEREAS, Assembly Bill 117 codified as Public Utilities Code Section 366. 2 the Act"), authorizes any California city or county whose governing body so elects, to combine the electricity load of its residents and businesses in a community- wide electricity aggregation program known as Community Choice Aggregation (CCA); and

WHEREAS, The Act allows a CCA program to be carried out under a joint powers agreement entered into by entities that each have capacity to implement a CCA program individually. The joint powers agreement structure reduces the risks of implementing a CCA program by immunizing the financial assets of participants; and

WHEREAS, on September 26, 2023 the Board of Supervisors received a presentation from Ava Community Energy Authority (Ava), formerly known as East Bay Community Energy, regarding the benefits of implementing a CCA program; and

WHEREAS, on April 9, 2023 the Board of Supervisors adopted County Ordinance Title 6, Division 5, Chapter 1 –Authorizing the Implementation of a Community Choice Aggregation Program in San Joaquin County; and

WHEREAS, implementing a CCA program will likely provide multiple benefits to the residents, including lower electrical rates, local control and investment, environmental sustainability; and

WHEREAS, San Joaquin County and cities in San Joaquin County have developed the Ava Community Energy Authority Joint Powers Agreement (JPA) which creates the Ava Community Energy Authority (Authority) which will govern and operate the CCA program; and

WHEREAS, the Authority provides alternate electric services to consumers under a JPA with San Joaquin County and some cities in that county; and

WHEREAS, The Authority is interested in providing potential services to the County of San Joaquin; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors of the County of San Joaquin does hereby approve this Resolution implementing a Community Choice

Aggregation Program in the County of San Joaquin by joining the Joint Powers Agreement with Ava Community Energy Authority with an effective date of May 9, 2024.

PASSED AND ADOPTED April 9, 2024, by the following vote of the Board of Supervisors, to wit:

AYES: **Canepa, Patti, Ding, Rickman, Villapudua**

NOES: **None**

ABSENT: **None**

ABSTAIN: **None**

**Miguel A. Villapudua**

---

MIGUEL A. VILLAPUDUA  
Chairman, Board of Supervisors  
County of San Joaquin  
State of California

ATTEST: RACHÉL DeBORD  
Clerk of the Board of Supervisors  
County of San Joaquin  
State of California



By **Rachél DeBord**

BEFORE THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN JOAQUIN,  
STATE OF CALIFORNIA

ORDINANCE NO. 4642

**AN ORDINANCE OF THE BOARD OF SUPERVISORS OF THE COUNTY OF  
SAN JOAQUIN TO IMPLEMENT A COMMUNITY CHOICE AGGREGATION  
PROGRAM TO PROVIDE ELECTRIC SERVICES IN THE COUNTY OF SAN  
JOAQUIN**

The Board of Supervisors of the County of San Joaquin ordains as follows:

**WHEREAS**, The County of San Joaquin has an interest in achieving greater local involvement over the provision of electricity supply services, competitive electric rates, local control and investment, and environmental sustainability; and

**WHEREAS**, Assembly Bill 117 codified as Public Utilities Code Section 366.2 (the "Act"), authorizes any California city or county whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation (CCA); and

**WHEREAS**, The Act allows a CCA program to be carried out under a joint powers agreement entered into by entities that each have capacity to implement a CCA program individually. The joint powers agreement structure reduces the risks of implementing a CCA program by immunizing the financial assets of participants; and

**WHEREAS**, implementing a CCA program will likely provide multiple benefits to the residents, including lower electrical rates, local control and investment, and environmental sustainability; and

**WHEREAS**, concurrent with the introduction of this ordinance, the Board of Supervisors considered a resolution approving the Ava Community Energy Authority Joint Powers Agreement; and

**WHEREAS**, proper notice of this public hearing was given to all respects as required by law; and

**WHEREAS**, the Board of Supervisors has reviewed all written evidence and oral testimony presented to date.

**NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY  
OF SAN JOAQUIN DOES HEREBY ORDAIN AS FOLLOWS:**

**Section 1 Findings.**

Based upon the findings set forth hereinabove, the Board of Supervisors elects to

participate in, and approves the implementation of a Community Choice Aggregation program within the County of San Joaquin's jurisdiction by and through the Ava Community Energy Authority.

This Ordinance is not intended to and shall not be construed or given effect in a manner that imposes upon the County or any officer or employee thereof a mandatory duty of care toward persons and property within or without the County so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

**Section 2 Environmental.**

The passage of this ordinance is not a project under the California Environmental Quality Act (CEQA) because it does not involve any commitment to a specific project which may result in a potentially significant physical impact on the environment, as contemplated by Title 14, California Code of Regulations, Sections 15378, therefore, not subject to CEQA pursuant to CEQA Guidelines Section 15060.

**Section 3. Severability**

If any provisions of this Ordinance or application thereof to any person or circumstances is held invalid, such invalidity shall not *effect* other provisions or applications of the ordinance which can be given *effect* without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The Board of Supervisors hereby declares that it would have adopted this Ordinance irrespective of the validity of any particular portions thereof.

**Section 4. Effective Date**

This Ordinance shall take legal *effect* and be in force thirty (30) days from and after the date of its passage.

**Section 5. Publication**

Within fifteen (15) days after its final passage, the County Clerk shall cause a copy of this Ordinance to be published in full accordance with Section 36933 of the Government Code.

PASSED AND ADOPTED at a regular meeting of the Board of Supervisors of the County of San Joaquin, State of California, on this 9<sup>th</sup> of April 2024 to wit:

AYES: **Canepa, Patti, Ding, Rickman, Villapudua**

NOES: **None**

ABSENT: **None**

ABSTAIN: **None**

**Miguel A. Villapudua**

---

MIGUEL A. VILLAPUDUA  
Chairman, Board of Supervisors  
County of San Joaquin  
State of California

ATTEST: RACHÉL DeBORD  
Clerk of the Board of Supervisors  
County of San Joaquin  
State of California



By: **Rachél DeBord**

**ARTICLE 9**  
**SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the Ava Community Energy Authority.

By: 

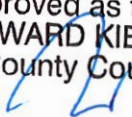
Name: Miguel A. Villapudva

Title: Chairman

Date: 6/26/2024

Party: County of San Joaquin

Approved as to Form  
EDWARD KIERNAN  
County Counsel

By   
Deputy County Counsel



# Inclusion of New Communities: San Joaquin County (unincorporated)



# Background

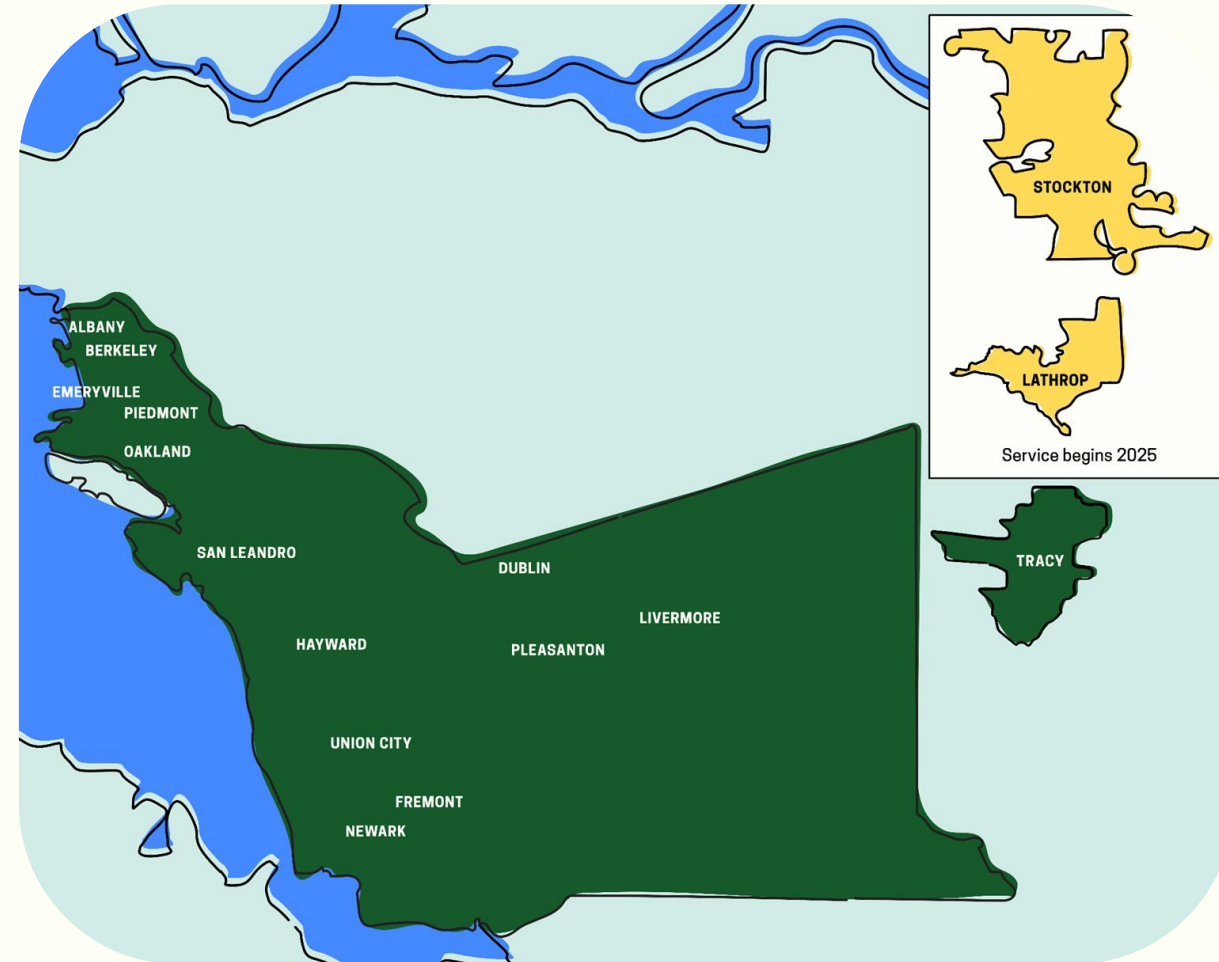
1. Ava Joint Powers Agreement (JPA) Sec. 3.1 ("Addition of Parties")
2. Previously invoked to include the following JPA members:
  - Cities of Newark, Pleasanton, and Tracy (2019)
  - City of Stockton (2022)
  - City of Lathrop (2023)
3. CPUC Reso E-4907: Requires one-year wait between JPA membership/CPUC Implementation Plan submission and start of Ava service to new JPA member-jurisdiction
  - Board approval re JPA membership during CY 2024 = Start of service CY 2026
4. In 2023, CPUC's new Resource Adequacy (RA) requirements delayed Stockton's start of service until 2025
5. Lathrop & Stockton: Ava service scheduled to begin April 2025
6. San Joaquin County (unincorporated): If approved CY 2024, service could begin CY 2026
  - Enrollment could be phased by sector/customer category:
    - E.g., three phases: Q 1/Jan: Muni/Com ----> Q2/April: Res ----> Q4/Oct: Agr (or Q1 '27)



# Ava Member Jurisdictions

Ava's current Joint Powers Authority (JPA) and service area include: Alameda County, all AC cities (except the City of Alameda), and the City of Tracy in San Joaquin County (SJC).

In 2019, Tracy became the first SJC jurisdiction to join Ava's JPA. The SJC cities of Stockton and Lathrop joined the JPA in 2022 and 2023, respectively. These latter two SJC cities are scheduled to begin service with Ava in 2025.

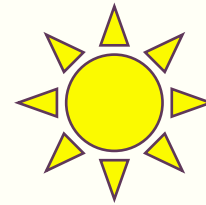


# San Joaquin County: Key Ava JPA Membership Milestones

- 1. July 28, 2022:** Ava staff invited by SJC Sup. Rickman (former Mayor of Tracy) to meet with County Administrator & staff;
  - PG&E load data forms requested by Ava
- 2. Sept. 26, 2023:** Ava staff invited to present to SJC Board of Supervisors (BOS). Unanimous vote to proceed with Ava membership & approve PG&E load data request for Ava's analysis;
- 3. October 12, 2023:** County's PG&E Load Data Request forms fully executed by SJC & PG&E
- 4. March 12, 2024:** BOS unanimously passes first reading of CCA/Ava ordinance
- 5. March 21, 2024:** PG&E provides SJC load data for Ava's analysis (w/errors & missing info)
- 6. April 9, 2024:** BOS unanimously passes CCA ordinance and Resolution to join Ava
- 7. June 27, 2024:** SJC's executed JPA signature page sent to Ava



# Timeline: San Joaquin County's Ava Membership & Service



\*Pending Board approval, SJC's 2026 start of service would be scheduled following additional staff analyses to optimize cost, customer experience, and power resource procurement.

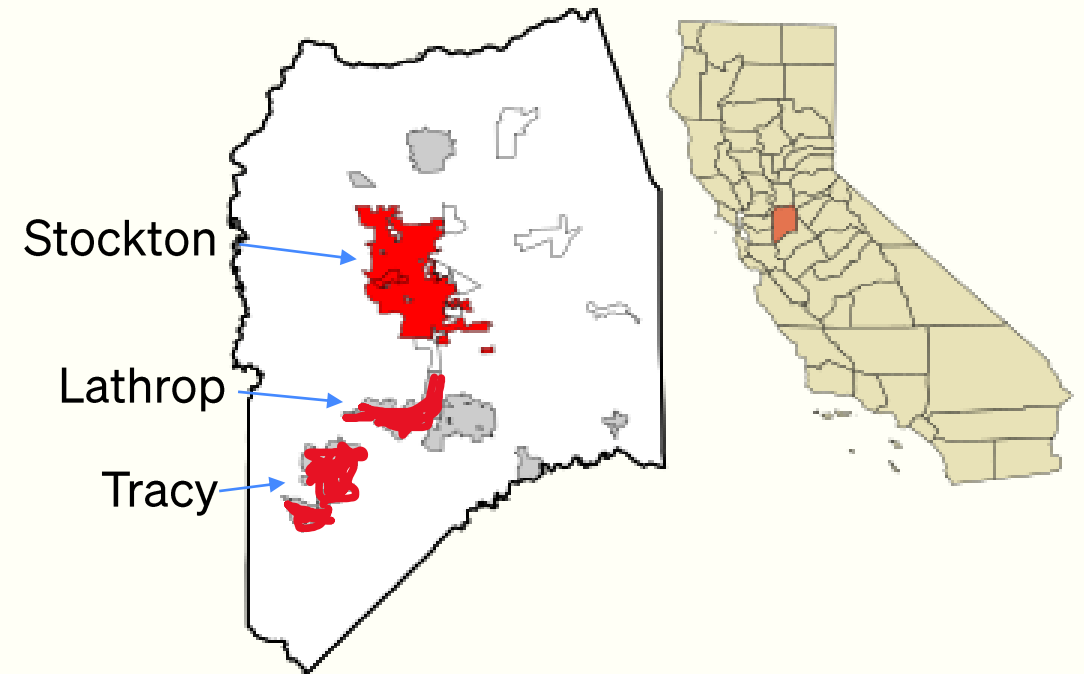
Customer enrollments could occur during a single month/year; or they could be phased by sector.

- E.g., three phases: Q1/Jan: Muni/Com ---> Q2/April: Res ---> Q4/Oct: Agr (or Q1 '27)



# San Joaquin County: Background

- **Features:** Highly agricultural economy; demographic diversity; major transportation corridors (highways and rail lines); Port of Stockton; rich culture/history
- **Pop:** ~800,000 (cities + unincorporated areas) in 2023
  - Unincorporated pop: ~200,000 (smaller than Fremont; larger than Hayward)
  - Growing population & development of new homes (especially Lathrop)
- **Incorporated cities:** Escalon, **Lathrop**, Lodi, Manteca, Ripon, **Stockton**, **Tracy**...Mountain House (tbd)
- **Notes:**
  - County Seat: Stockton
  - Mountain House in process of incorporating
  - [Valley Link](#) (hydrogen-powered train connecting AC & SJC—under construction 2025-2027)
  - Altamont = major commuter corridor of AC & SJC



# Qualitative Considerations: SJC re Ava's Mission & Strategy

## 1. Mission: Ava service to SJC accelerates progress toward JPA's express purpose

- Expand access to competitively-priced renewable energy
- Reduce greenhouse gas (GHG) emissions
- Provide lower rates than PG&E
- Catalyze local development & innovative programs
- Advance environmental justice

## 2. Strategy: Ava service to SJC creates strategic opportunities for the agency

- Economies of scale re long-term power procurement and retail rate savings
- Broader policy/political network re State/Federal legislative & regulatory issues
- Sector-specific programs & project development
  - e.g. AgFIT; Valley Link fuel cell (green hydrogen) train
- Transportation corridors for EV charging network
  - I 5; I 205; I 580; Hwy 4; Hwy 12; Hwy 26; Hwy 88; Hwy 99; Hwy 120
- Expanded stakeholder engagement in historically marginalized communities



# Unincorporated SJC : Membership Analysis Summary

## Notable Features of unincorporated SJC

- Similar in size to Stockton (load) and Hayward (number of accounts);
- Compared to unincorporated Alameda Co, SJC has ~12% more accounts—and ~2.5 times the load;
- Higher percentage of Agricultural (Agr) load
  - Agr represents nearly ~28% of load (but only 13% of accounts)
- Would nearly *triple* Ava's Agr load (from ~1.5% to 4.4%)
- Residential load is ~30% & Commercial (non-Agr) load is nearly 40%
- High solar adoption = potential for negative usage during certain hours of the day/year

## Parameters of Analysis

- Based on current Ava overhead costs and 10-year average energy market values/forecasts;
- Assumes 7% account opt out rate (slightly above Ava's current service area-wide opt out rate)
- Applies Ava's 2025 rates from 2024-25 budget development
- Data excludes ineligible loads (e.g., Irrigation Districts and Direct Access customers);
- Applies 2023 PG&E load data for County customers (the most recent available)





# Summary Data

	Customer Count	Annual Load (GWh)	Peak Load (Wholesale MW)	Peak Date & Time (Hour Starting)
Existing Ava	642,529	6,512	1233	2023-08-23 18:00
Stockton & Lathrop	118,089	1,221	391	2023-08-15 18:00
SJC Unincorporated	58,003	1,006	275	2023-08-15 18:00
Combined	818,621	8,739	1875	2023-08-15 18:00

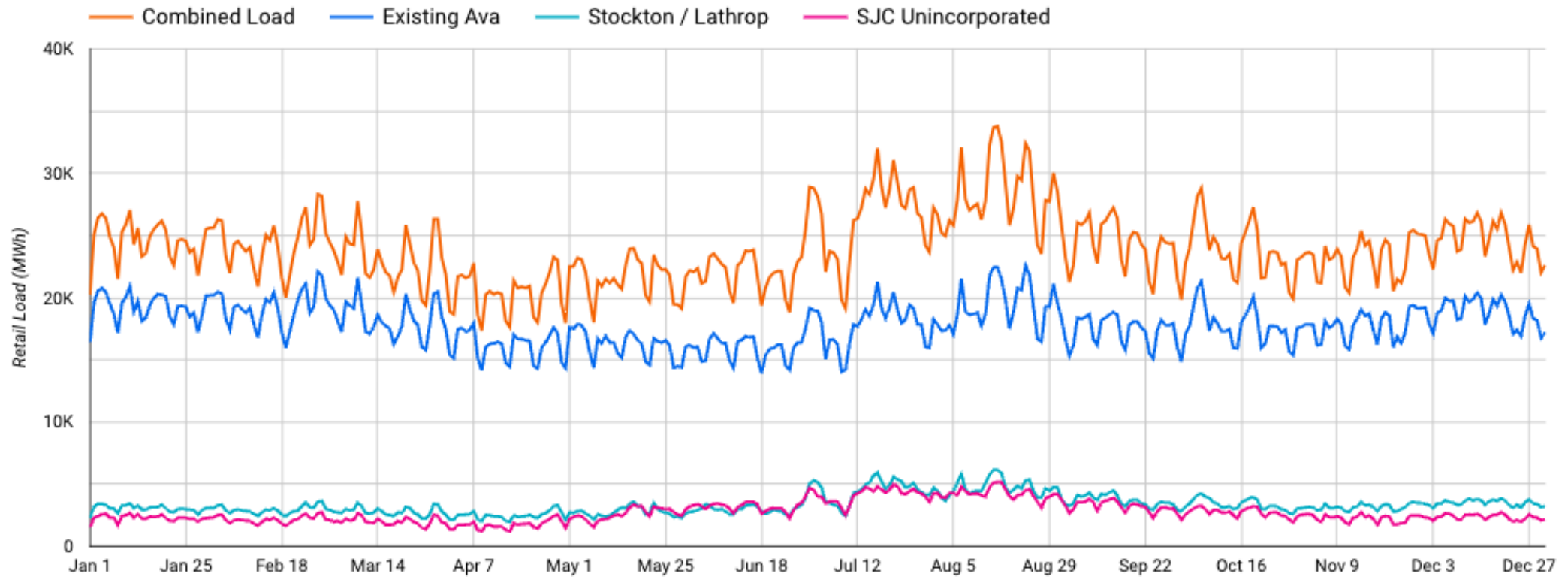
## Historical Load in 2023 (MWh)

Rate Class	Existing Ava		Stockton & Lathrop		SJC Unincorporated		Combined Load	
	2023 MWh	%	2023 MWh	%	2023 MWh	%	2023 MWh	%
A1	908,883	13.96%	139,081	11.39%	77,985	7.75%	1,125,949	12.88%
A10	946,153	14.53%	156,089	12.78%	68,099	6.77%	1,170,341	13.39%
AGR	96,789	1.49%	2,324	0.19%	282,028	28.04%	381,141	4.36%
E19	1,331,972	20.46%	241,138	19.74%	101,640	10.10%	1,674,750	19.16%
E20	597,945	9.18%	145,526	11.91%	153,006	15.21%	896,477	10.26%
RES	2,519,344	38.69%	519,306	42.51%	320,789	31.89%	3,359,439	38.44%
LS	40,771	0.63%	8,511	0.70%	237	0.02%	49,519	0.57%
TC	7,074	0.11%	1,015	0.08%	557	0.06%	8,645	0.10%
BEV	62,724	0.96%	8,478	0.69%	1,504	0.15%	72,706	0.83%
Total	6,511,655	100.00%	1,221,468	100.00%	1,005,844	100.00%	8,738,967	100.00%

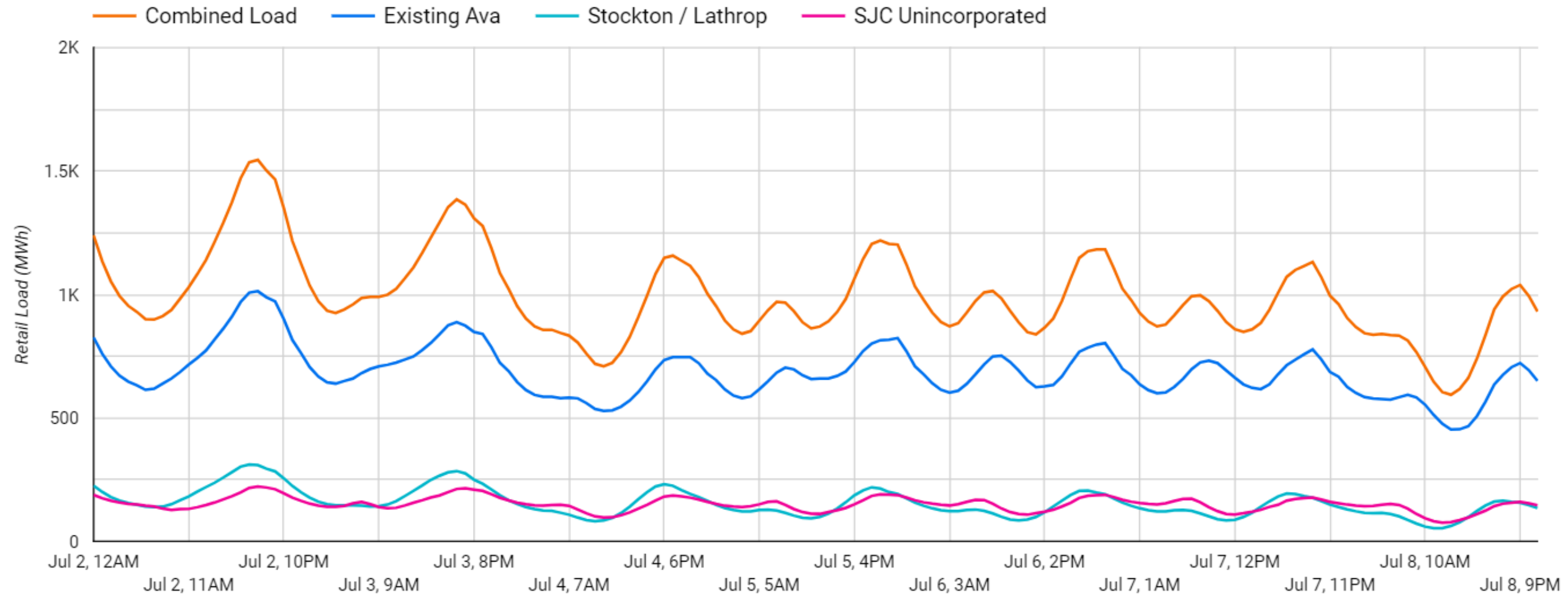


# 2023 Daily Load

2023 Historical Retail Load Comparison



# Summer Hourly Load Shape



# Quantitative Analysis: Base-Case

- Financial Base-Case scenario is based upon expected forward looking estimates for revenues and power resource/energy costs ("PR" = Power Resource)
- The table provides Base-Case assumptions and results for 2026; and are based on estimates as of July 2024
- Data reflects service to SJC for full CY 2026. Exact enrollment timing may be adjusted to optimize cost impacts

	A	B	C	D	(B+D)	(B+C)
	SJC (applying Ava's historical average PR costs)	SJC 2026 (high PR costs)	SJC 2026 (low PR costs)	Ava 2026 (w/out SJC)	Ava w/SJC 2026 (high PR costs)	Ava w/SJC 2026 (low PR costs)
Accounts	58,003	58,003	58,003	760,618	818,621	818,621
Annual Load (GWh/yr)	1,030	1,030	1,030	8,034	9,064	9,064
Peak Load (MW)	314	314	314	1,859	2,173	2,173
Net Position %	+7.95%	-23.4%	-4.6%	+4.6%	+1.9%	+4.1%
Net Position \$	\$10.3M	-\$30.3M	-\$5.7M	\$51.0M	\$20.7M	\$45.3M



# Staff Recommendation

1. **Extend JPA membership to unincorporated San Joaquin County; and**
2. **Authorize staff to update Ava's Implementation Plan (IP) to reflect SJC's membership & resubmit IP to the CPUC by end of 2024.**
  - Expected service in CY 2026, based on CPUC certification by EOY 2024
  - Consider phasing SJC enrollment through 2026 by customer sector
    - Additional analysis needed to optimize phasing

**Timing:** Bring to BOD for vote @ **July 17, 2024**, meeting

- To allow time for staff to submit updated Implementation Plan for CPUC certification by **Sept 30, 2024**.
  - CPUC has 90 days to certify Ava's updated plan
- December CPUC certification needed to make the 2026 Resource Adequacy (RA) filing including new County load;
- Back up timeline: Sept 18, 2024, BOD meeting (requires preemptive draft of updated IP)



# Thank you!



Online

[AvaEnergy.org](https://AvaEnergy.org)

Phone

+1 833.699.3223

Email

[customer-support@AvaEnergy.org](mailto:customer-support@AvaEnergy.org)

Social

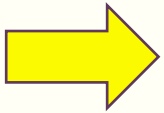
[PoweredWithAva](#)

# Additional slides



# Process of Joining Ava

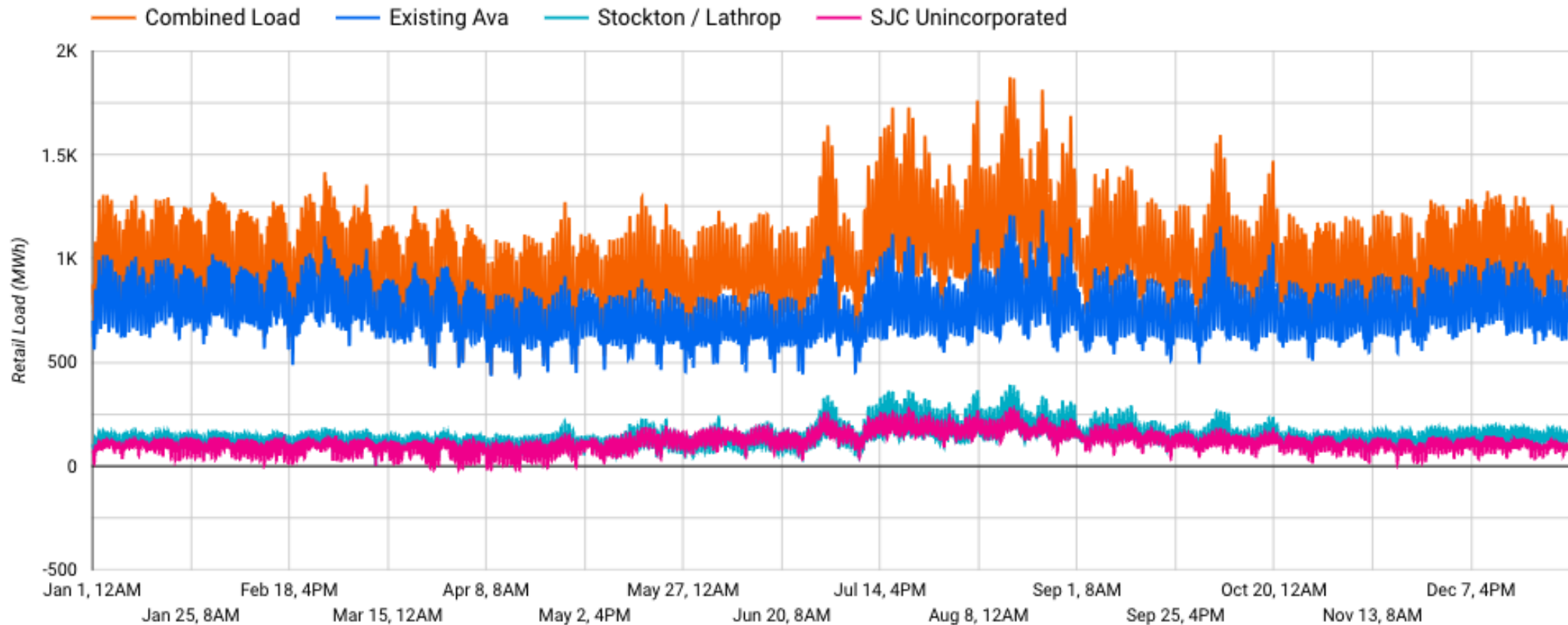
1. Initial meetings with City/County staff & elected officials
  - PG&E load data request forms
2. Presentations to City Council/BOS;
  - Discussion item --> PG&E load data request forms
  - Vote #1 - CCA Ordinance & Resolution to join Ava
  - Vote #2 - Second CCA Ordinance vote (*best completed by June to make Sept 30 RA deadline*)
3. Ava staff conducts quantitative membership analysis
4. **Ava Board/committees review analysis and Board considers including new community**
5. Pending Board approval, Ava updates JPA and files updated Implementation Plan with the CPUC before 9/30 for preferable RA compliance
6. Next CY: Initial community outreach in new community (e.g., meetings w/CBOs, Chambers, et al)
7. CY+1: Ava enrolls customers in new community, typically April (could be phased)





# 2023 Hourly Load

2023 Historical Retail Load Comparison





## Staff Report Item 18

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

**FROM:** Brett Wiley, Senior Program Associate

**SUBJECT:** Authorizing CEO to negotiate and execute a Consulting Services Agreement with APTIM for the Ava Bike Electric Program

**DATE:** July 17, 2024

---

### **Recommendation**

Approve a Resolution of the Board of Directors of Ava Community Energy Authority Authorizing the CEO To Negotiate and Execute a Consulting Services Agreement with APTIM for the Ava Bike Electric Program

### **Background and Discussion**

Ava Community Energy (“Ava”) is working to increase adoption of zero-emission micromobility options that are safe, affordable, and reduce motor vehicle trips across our service area. The Ava Bike Electric Program (“Program”) will provide Ava’s customers, and residents of Alameda County, with the opportunity to get hands-on experience using electric bikes (e-bikes), while reducing the cost of ownership. The Program will have the following components:

1. **(optional) E-Bike Lending:** Ava aims to stimulate e-bike ownership beyond the financial limits of Ava’s ability to provide ongoing, long-term incentives. Therefore, Ava solicited proposals for e-bike lending that will allow residents to borrow an e-bike for short-term periods. Borrowing an e-bike and receiving bike & road safety training will enable participants to gain hands-on experience to determine if an e-bike could meet the needs of their daily activities. Unlike our plan last year, this lending program would leverage existing and growing local bike shops, who offer e-bike lending and provide an incentive voucher to participants to utilize those services. The intent of the lending program will be to increase awareness and enthusiasm for e-bikes, resulting in residents eventually

purchasing e-bikes and more likely by those who are not already primed to do so. While coordinated with the incentive program discussed below, there is no commitment on the participant to purchase an e-bike to utilize the lending program. NOTE: This offer is optional based on Ava staff capacity, successfully launching the e-bike ownership incentive, and customer needs. Ava will determine at a future date whether to implement this Program component or not. If not launched, the funding set aside for lending would be allocated to the ownership incentive.

2. **E-Bike Ownership Incentive:** The incentive is intended to increase adoption and ownership of e-bikes in Ava’s service area. Incentives will be provided as point-of-sale vouchers and available at all income levels, with at least 40% of incentives dedicated to income-qualified customers on CARE/FERA electricity rates. The incentive amounts are indicated in the table below.

Customer Type	Base Incentive	Adders	Safety Equipment Voucher
CARE/FERA Customers	\$1,000	+\$500 Cargo or Adaptive e-bikes	\$100
All Other Customers	\$400		n/a

Table 1. E-bike incentives for qualified participants and eligible e-bikes.

Cargo and adaptive e-bikes have a higher incentive, since they tend to be more expensive, can offset more vehicle trips, and can provide mode-shifting options to people, who may not be comfortable using a traditional two-wheeled bicycle. Cargo e-bikes have increased weight capacity and an elongated frame & seats to especially help, for example, parents to travel with their kids in tow. Adaptive e-bikes are uniquely designed for those with mobility-related disabilities and can remove the barriers of biking for those who are dependent on additional equipment, such as a wheelchair, for mobility. Safety equipment vouchers for income qualified participants are expected to increase the likelihood that the additional expenses of helmets, locks, and lights are reduced at the point-of-sale for e-bikes, rather than an afterthought, further advancing more safe rides post-purchase.

As a result of this program, roughly 8,300 people would newly own an e-bike, with the primary purpose of mode shifting personal trips and work commute, while at least roughly 3,100 would be income qualified participants. If optioned, Ava has a budget for roughly 5,700 lending sessions. Ava will stagger incentive distributions, while randomizing selection, to ensure they last for a long duration of the Program and are fairly distributed.

While e-bikes rise in popularity, disparities exist in how common biking is based on where someone lives and who is riding those bikes across Ava's service area. In Alameda County, commuting by bike as the primary mode varies widely between Berkeley (5.9%), neighboring Oakland (2.0%), and Emeryville (3.0%), and there is even greater variation with Fremont (0.3%)<sup>1</sup>. Across the Bay Area, those who commute on bikes are disproportionately male (2-to-1), white (61%), and affluent (25% earn more than \$225,000/year)<sup>2</sup>.

Ava recognizes these disparities and barriers to bike commuting, as well as the opportunity this program provides to reduce those barriers. Ava will prioritize engaging those in harder to reach communities and have key performance indicators to track progress with Program participants that fully reflect the entire service area, instead of those who are likely to participate regardless of this Program.

### 2024 Request for Proposals

Ava issued a new RFP on March 20, 2024, to solicit proposals for program development and implementation of a consumer facing e-bike adoption program available across our growing service area, building on lessons learned from the work-to-date in the program, after ending the contract with previous implementer.

Ava received eight bids in response to its RFP for e-bike program implementers, of which five were conforming. None of the respondents applied to Ava's Fall 2022 solicitation, demonstrating the growing experience and market development in e-bikes since then. After reviewing bids and interviewing respondents, Ava selected the team led by APTIM as the primary implementer. APTIM is a private company with over 20 years of experience, over 3,000 employees worldwide (410 of which are in California), and extensive experience managing energy projects, including completing 1,600 in California over the past 10 years. They've also implemented three of the top e-bike programs in the U.S., including the largest nationally with the City of Denver. In total, they've distributed over 15,000 e-bike vouchers, over 5,000 safety equipment vouchers, and processed over \$15 Million in e-bike incentives across those three programs.

Ava believes APTIM will successfully implement the Program due to their e-bike program experience, program management expertise and infrastructure, flexibility to adapt and apply lessons learned across those they work with and the field, and a clearly outlined proposal and solicitation response that demonstrates ambitious yet realistic outcomes.

### Coordination with Additional E-Bike Programs

The number of programs helping consumers access and own e-bikes continues to grow. In Ava's service area, comparable – but not the same – programs exist through the City of Oakland (short-term lending), City of Berkeley (long-term lending), and via an upcoming low-income incentive program through the State of California. Ava is working

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<sup>1</sup> <https://www.vitalsigns.mtc.ca.gov/indicators/commute-mode-choice>

<sup>2</sup> <https://www.sfchronicle.com/bayarea/philmatier/article/One-place-where-white-men-still-reign-supreme-15084274.php>

closely with these partners and many others to ensure we are leveraging and supporting each other's programs, while filling in gaps (i.e. geographic, income levels) across peer programs to provide the best service for residents of Alameda County and our growing service area in San Joaquin County.

### **Fiscal Impact**

The Consulting Services Agreement would be funded through the previous Board approved \$6,000,000 allocation to the Local Development Transportation Electrification budget for \$2,000,000 allotments in FY22, FY23, and FY24. These funds are derived from Ava's net revenue. Ava will also allocate an additional \$4,000,000 in funding via a previous Board approved and signed grant from the Alameda County Transportation Commission ("ACTC").

### **Attachments**

- A) Resolution of the Board of Directors of Ava Community Energy Authority Authorizing the CEO to Negotiate and Execute a Consulting Services Agreement with APTIM for the Ava Bike Electric Program
- B) Presentation
- C) Consulting Services Agreement
- D) Scope of Work, in final draft

**RESOLUTION NO. R-2024-XX**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF AVA COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CEO TO**  
**NEGOTIATE AND EXECUTE A CONSULTING SERVICES AGREEMENT WITH**  
**APTIM FOR THE AVA BIKE ELECTRIC 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 section 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 Joint Powers Agreement (“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, Ava 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 seeks to support the adoption of electric bikes (e-bikes) across its service area to reduce vehicle miles traveled and reduce greenhouse gas and particulate emissions that disproportionately impact lower income and disadvantaged communities; and

**WHEREAS** Ava issued a Request for Proposals (“RFP”) for the Ava Bike Electric Program (“Program”) implementation in March 2024 and received a conforming bid from APTIM; and

**WHEREAS** The Program proposed by APTIM will leverage their market-leading experience and significantly increase e-bike usage and adoption in Ava’s service area; and

**WHEREAS** Ava has negotiated the scope, implementation timeline, goals, and budget to ensure a successful and transformative program that integrates lessons learned from Ava’s experience to-date and from other e-bikes programs; and

**WHEREAS** Ava has already allocated \$6 million dollars for an e-bike program through the annual budgeting process and will allocate an additional \$4,000,000 in funding via a previous Board approved and signed grant from the Alameda County Transportation Commission (“ACTC”).

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

Section 1. The CEO, in consultation with staff and legal counsel, is hereby authorized to negotiate and execute a Consulting Services Agreement with APTIM for the development and implementation of the Ava Bike Electric Program with total compensation not to exceed \$10,000,000.

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

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Jack Balch, Chair

ATTEST:

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Adrian Bankhead, Clerk of the Board



# Ava Bike Electric Program and Vendor Selection

Board Presentation  
7/17/24





Ava issued a new e-bike program solicitation in March 2024, after cancelling the contract with the prior vendor due to poor performance prior to program launch. After a highly competitive bidding process, Ava selected a market-leading e-bike program vendor, APTIM.

With Board approval, Ava will leverage the work previously done on the program and lessons learned, for a more informed launch in December 2024.



# Program Overview



# Program Overview

Ava Bike Electric seeks to increase adoption of zero-emission micro-mobility options that are safe and affordable and to reduce motor vehicle trips across our service area. The program will provide an opportunity to get hands-on experience using e-bikes and reduce the cost of ownership, while partnering with peer programs in member jurisdictions and the State of California.

**Target Segment:** Ava customers or residents of Alameda County

**Enrollment Goal:** ~8,200 e-bike vouchers, ~3,000 safety equipment vouchers, and (optional) ~5,700 e-bike lending sessions

- At least 40% of e-bike vouchers and lending sessions for income qualified (CARE/FERA) participants with 100% equipment safety vouchers for those participants.

**Target Launch Date:** December 2024

**Budget:** \$10M, of which 80% for e-bike incentives and 20% for lending; and

- \$6M Ava Local Development budget, already approved by the Ava Board through the annual budgeting process for \$2M allocations in FY22, FY23, & FY24
- \$4M from Alameda County Transportation Commission (ACTC) grant agreement for e-bike incentives

# Program Priorities

- Increase Ava awareness among our customers with a fully Ava branded marketing campaign that will be Ava's largest residential program so far
- Issue universal vouchers through a randomized selection mechanism for participation fairness and a smooth customer experience from interest to voucher redemption at local bike shops
- Ensure that at least 40% of the program benefits delivered to CARE/FERA income qualified participants
- Increase transportation mode shift among participants toward clean, active transportation and public transportation
- Demonstrate how e-bike lending could pedal participation for those who otherwise would not consider e-bikes and the program (optional based on Ava staff capacity and customer needs). If Ava does not execute the lending program, the funding will be used for additional e-bike incentives.



# Solicitation Details and Why APTIM



# Ava Bike Electric Solicitation Background & Overview

## Background:

- RFP for a program implementer released on March 20, 2024
- Received 8 bids, 5 were conforming. No bidders applied to our Fall 2022 solicitation.
- Responses were evaluated based on:
  - Experience in managing scaled point-of-sale incentive programs, especially those with e-bikes
  - Understandings and ability to articulate how to leverage what's already been by developed by/for Ava in the first program's iteration
  - How the vendor would staff and resource this program as a high priority and maintain the program over its duration
  - Supply side engagement and retailer contracting plan
  - Competitive and performance-based pricing aligned with a reasonable & clear program budget

## Recommendation:

- Select **APTIM** as Ava's program implementer
- Contract Term: through 2026
- Budget: \$10 million (previously approved in FY22, FY23, FY24) <sup>7</sup>



# Why APTIM



- **Market leading experience in e-bikes:**
  - Launched and manages 3 top programs in the U.S. including City of Denver
  - >20K vouchers processed totaling \$15.5M incentives
- **Clear program staffing plan, including 100% dedicated manager and coordinator**
- **98% of contract value based on impact delivered for participants**
  - Incentives: \$8.7M
  - Admin Fee: \$1.3M, of which 84% performance-based on incentives redeemed
- **Full demo of existing technology that neatly aligns with Ava’s program design**
- **Lending proposal (optional) leverages existing retailers, rather than new brick-and-mortar stores**
- **No changes to Ava’s standard agreement**



## Requested Action:

Authorize CEO to negotiate and execute provided Agreement and final scope with APTIM

Financial impact: \$6M from previously approved Local Development budget, with additional \$4M from ACTC grant





# Thank you!



Online

[AvaEnergy.org](https://AvaEnergy.org)

Phone

+1 833.699.3223

Email

[customer-support@AvaEnergy.org](mailto:customer-support@AvaEnergy.org)

Social

[PoweredWithAva](#)

**Consulting Services Agreement for  
Services By And Between Ava Community Energy Authority and  
[Vendor's Legal Name]**

This Consulting Services Agreement (“Agreement”) is made this [xx] day of [Month], 202X (“Effective Date”) by and between Ava Community Energy Authority, a joint powers authority formed under the laws of the State of California (“Ava”) and [Vendor's Legal Name], a [legal form of business, state of formation, i.e. a California corporation] (“Consultant”) for the purpose of providing [brief description of services i.e. regulatory support, videography, etc] services to Ava. Ava and Consultant are herein referred to as “Parties” or individually as a “Party.”

**Section 1. Recitals**

1.1 Ava is an independent joint powers authority duly organized under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.) (“Act”) with the power to conduct its business and enter into agreements.

1.2 Consultant possesses the skill, experience, ability, background, certification and knowledge to complete the Work described in this Agreement pursuant to the terms and conditions described herein.

**NOW THEREFORE**, for good and valuable consideration, the amount and sufficiency of which is hereby acknowledged, the Parties to this Agreement, agree as follows:

**Section 2. Term**

The term of this Agreement is from the Effective Date of this Agreement through [termination date], unless terminated earlier pursuant to Section 8.

**Section 3. Scope of Work/Compliance with Laws and Regulations**

3.1 Consultant agrees to perform the scope of work (the “Work”) in Exhibit A in accordance with the compliance schedule in Exhibit B.

3.2 Consultant represents and warrants that it has the skill and expertise to perform the Work. Consultant agrees to obtain any and all necessary licenses, approvals or permits necessary to perform the Work.

3.3 Consultant and its sub-suppliers, affiliates, agents and any other person or entity with whom the Consultant contracts in furtherance of this Agreement (collectively “Subconsultants”) must comply with all federal, state and local laws and regulations in performing the Work under this Agreement.

#### **Section 4. Consultant Staffing**

Exhibit C contains a list of Consultant's project manager and all team members. Consultant will not change or substitute the project manager or any team members or add additional team members without consultation with Ava.

#### **Section 5. Subconsultants**

**5.1** Consultant agrees to use only those Subconsultants listed on Exhibit D. Consultant shall notify Ava within a reasonable period of time of any changes, additions, or removals of a Subconsultant.

**5.2** Consultant agrees to require all Subconsultants to comply with the terms of this Agreement, including without limitation, maintaining insurance in compliance with the insurance obligations under Section 9, the Confidentiality requirements under Section 11 and indemnifying Ava under Section 12.

#### **Section 6. Compensation and Payment**

**6.1** The maximum compensation under this Agreement is [\$\$\$\$].

**6.2** If the Work under this Agreement is to be performed on a time and materials basis, Consultant must submit invoices to Ava on a monthly basis, complete with the name of the individual that conducted the Work, the time spent, and a brief description of the tasks performed during that time. On all invoices, Consultant must include the contract number provided by Ava and the total compensation left on the Agreement after deducting the amount of the invoice. Notification to Ava is required once the contract budget has been used up by 80% (including invoiced work and work that may not have been invoiced yet) which is \$\_\_\_\_\_ for this Agreement. Invoices must be submitted to Ava by the 20<sup>th</sup> of the month following the month in which Consultant performed the Work.

**6.3** If the Work under this Agreement is to be performed on a task or project basis, the Consultant will submit an invoice within thirty (30) days of completing the project to the satisfaction of Ava for full payment, unless other arrangements have been made.

**6.4** Ava will not agree to pay any markups on Subconsultant services or supplies unless such markups are included in Exhibit E, Compensation/Budget and such markups were included in Consultant's bid, if applicable.

**6.5** The following are conditions on Ava's obligation to process any payments under this Agreement:

**6.5.1** If the Consultant is a U.S. based person or entity, the Consultant must provide to Ava a properly completed Internal Revenue Service Form W-9 before Ava will process

payment. If the Consultant is a U.S based person or entity but has neither a permanent place of business in California nor is registered with the California Secretary of State to do business in California, the Consultant must provide Ava with a properly completed California Franchise Tax Board form related to nonresident withholding of California source income before Ava will process payment.

**6.5.2** If the Consultant is not a U.S. based person or entity, the Consultant must provide Ava with the applicable Internal Revenue Service form related to its foreign status and a California Franchise Tax Board form related to nonresident withholding before Ava will process payment.

**6.6** Ava agrees to pay invoices within forty-five (45) days of receipt. Invoices may be sent to Ava by U.S. mail or electronic mail to [AP@avaenergy.org](mailto:AP@avaenergy.org). Invoices will be deemed received on the next business day following the date of transmission via electronic mail or three days after placement in the U.S. mail.

**6.7** Ava, as a Joint Powers Authority, is a separate public entity from its constituent members and will be solely responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Consultant acknowledges that it will have no rights and agrees not to make any claims, take any actions or assert any remedies against any of Ava's constituent members in connection with this Agreement.

## **Section 7. Records Retention and Ownership of Work Product**

**7.1** The Consultant must retain all ledgers, books of accounts, invoices, vouchers, cancelled checks, background materials, or other records relating to its performance under this Agreement for a period of three years following termination of this Agreement.

**7.2** Ava owns all rights, including without limitation, all licenses, copyrights, service marks and patents, in and to all Work Product(s), whether written or electronic, without restriction or limitation upon their use and immediately when and as created by the Consultant, any Subconsultants, or any other person engaged directly or indirectly by the Consultant to perform under this Agreement. "Work Product(s)" means all writings, reports, drawings, plans, data, video, media, photographs, renderings, plans, software, models, and other similar documents and materials developed or created by Consultant or its Subconsultants on behalf of or for use by Ava under this Agreement. All Work Product(s) will be considered "works made for hire," and together with any and all intellectual property rights arising from their creation will be and remain the property of Ava without restriction or limitation upon their use, duplication or dissemination by Ava. Consultant agrees not to obtain or attempt to obtain copyright protection in its own name for any Work Product.

## **Section 8. Termination**

**8.1** Ava may terminate this Agreement for any reason by giving Consultant written notice. The termination notice may set the date of termination, but if no such date is given, termination is effective seven (7) days following the date of the written notice.

**8.2** Ava may terminate this Agreement immediately upon written notice for any material breach of this Agreement by Consultant or any of its Subconsultants. If Ava terminates this Agreement for cause and obtains the same services from another consultant at a greater cost, the Consultant is responsible for such excess costs in addition to any other remedies available to Ava.

**8.3** Upon termination for any reason, Ava has the option of requiring the Consultant to complete work up to the date of termination or to cease work immediately. Ava has the further option to require Consultant to provide Ava any finished or unfinished Work or Work Product prepared by the Consultant up to the date of termination.

**8.4** Ava will pay Consultant the reasonable value of services satisfactorily rendered by the Consultant to Ava up to the date of written notice of termination. If Ava authorizes Consultant to continue performing the Work through the date of termination, Ava will pay Consultant the reasonable value of services satisfactorily rendered up through the date of termination, providing such services are in compliance with the Compensation/Budget in Exhibit E.

**8.5** Upon termination of this Agreement, and at no cost to Ava, Consultant, its Subconsultants and anyone working for Ava under control of Consultant must return all Work Product to Ava. Consultant may only retain copies of the Work Product by express written permission of Ava.

## **Section 9. Insurance**

**9.1** Consultant must procure, maintain and comply with the insurance requirements in Exhibit F throughout the full term of this Agreement. Consultant must provide proof of insurance either in the form of a certificate of insurance or, if requested by Ava, a copy of the insurance policy, prior to performing any work under this Agreement.

**9.2** Consultant agrees to stay in compliance with the insurance coverage requirements during the term of this Agreement. Consultant must give Ava ten (10) days written notice and obtain Ava's written approval prior to making any modifications that would reduce its insurance coverage.

**9.3** Consultant must either include Subconsultants under its insurance policies or require each Subconsultant to comply with the insurance obligations in Exhibit F.

## **Section 10. No Discrimination or Conflict of Interest**

**10.1** Consultant represents and warrants, on behalf of itself and its Subconsultants, that it has not and will not discriminate against anyone based on his/her age, color religion, sex, sexual orientation, disability, race or national origin.

**10.2** Consultant represents and warrants, on behalf of itself and its Subconsultants, that it is familiar with local, state and federal conflict of interest laws, that in entering into this Agreement it is not violating any of the conflict of interest laws, that it will avoid any conflicts of interest during the term of this Agreement, and that it will notify Ava immediately if it identifies any conflicts of interest Consultant understands that violations of this Section 10 could result in immediate termination of this Agreement and disgorgement of compensation.

**10.3** In accordance with the California Political Reform Act (Cal. Gov't Code section 81000 *et seq.*), Consultant will cause each of the following people performing services under this Agreement to file a Form 700 within 30 days after the person begins performing services under this Agreement and subsequently on an annual basis in conformance with the requirements of the Political Reform Act by filing the original with the Ava Clerk to the Board of Directors. Form 700 submissions should be sent to [cob@avaenergy.org](mailto:cob@avaenergy.org), with carbon copy to the AVA contact. Each of the identified positions must disclose interests in accordance with the AVA Resolution-2018-7, Conflict of Interest Code, which may be amended from time to time. For the work currently outlined in Exhibit A, this Agreement **does/ does not** require the Filing of Form 700 at this time.

Name	Position or Assignment

## **Section 11. Confidentiality**

**11.1** Except as authorized by Ava or as otherwise required by law, Consultant shall not disclose to any third party/ies any draft or final Work Product, discussions or written correspondence between Consultant and its Subconsultants or discussions or written correspondence between Consultant and Ava staff. In the event Consultant receives a request from any third party requesting disclosure of any Work Product, discussions, communications or any other information Consultant is prohibited from disclosing,

Consultant will immediately notify Ava and wait for direction from Ava before disclosing the information.

**11.2** For the purposes of this Section 11, “third parties” refers to any person or group other than Ava staff and Board members. For example, “third parties” include community groups, Board advisory groups, other governmental agencies, other consultants or members of the community.

**11.3** This Section 11 will survive the expiration or termination of this Agreement.

**11.4 The Parties acknowledge that this Consulting Services Agreement, and any future agreement between the Parties, will be subject to public disclosure under the California Public Records Act.**

## **Section 12. Indemnity**

**12.1** Except with regard to any matter involving professional negligence, Consultant agrees, at its sole cost and expense, to indemnify, defend with counsel reasonably approved by Ava, and protect and hold harmless Ava, its officers, directors, employees, agents, attorneys, designated volunteers, successors and assigns, and those Ava agents serving as independent contractors in the role of Ava staff (collectively “Ava Indemnitees”) from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, penalties, judgements, liens and losses of whatever nature (“Claims”) that arise, directly or indirectly, in whole or in part, out of or are in any way related to Consultant’s or Subconsultant’s performance or failure to perform the Work under this Agreement, regardless of whether the Consultant or its Subconsultants acted or failed to act intentionally, willfully, recklessly or negligently. Consultant agrees that its indemnity and defense obligations include all costs and expenses, including all attorney fees, expert fees, mediation, arbitration, or court costs in connection with the defense. Consultant further agrees to indemnify, defend, protect and hold harmless Indemnitees from and against any breach of this Agreement and any infringement of patent rights, trade secret, trade name, copyright, trademark, service mark or any other proprietary right of any person(s) caused by Ava’s use of any services, Work Product or other items provided by Consultant or its Subconsultants under this Agreement.

**12.2** With regard to any matter involving professional negligence, Consultant agrees, at its sole cost and expense, to indemnify, defend with counsel reasonably approved by Ava, and protect and hold harmless the Ava Indemnitees from and against any and all Claims to the extent arising out of or resulting from Consultant’s or Subconsultant’s negligence, recklessness, or willful misconduct. In no event shall the cost to defend charged to Consultant exceed the Consultant’s proportionate percentage of fault.

**12.3** Consultant’s obligations in Subsection 12.1 and 12.2 do not apply to the extent any Claim results from the negligence or willful misconduct of the Ava Indemnitees.

**12.4** Except as limited by Subsection 12.2, Consultant's obligation to defend Ava applies to the maximum extent allowed by law and includes defending Indemnitees as set forth in California Civil Code sections 2778 and 2782.8.

**12.5** The Consultant's obligations under Section 12 applies regardless of the existence or amount of insurance the Consultant carries or has made available to Ava.

**12.6** The Parties agree that this Section 12 survives the expiration or earlier termination of the Agreement.

### **Section 13. Consultant is an Independent Contractor**

**13.1** Consultant and its Subconsultant(s) are and at all times will be independent contractors. Consultant has complete control over its operations and employees and is not an agent or employee of the Ava and must not represent or act as the Ava's agent or employee. Consultant agrees, on behalf of itself and its employees and Subconsultants, that it does not have any rights to retirement benefits or other benefits accruing to Ava employees, and expressly waives any claim it may have to any such rights.

**13.2** As an independent contractor, Consultant has complete control over its Subconsultants. Subject to the requirements of Section 5 of this Agreement, Consultant is solely responsible for selecting, managing and compensating its Subconsultants, and for ensuring they comply with this Agreement.

### **Section 14. Miscellaneous Terms and Conditions**

#### **14.1 Ava Authority.**

The Chief Executive Officer or his/her designee is authorized to take all actions under this Agreement, including without limitation, amendments that fall within the Chief Executive Officer's signing authority, termination or modification of terms.

#### **14.2 Waiver.**

Waiver by either party of any one or more conditions, Sections, provisions or performance of this Agreement will not be a waiver of any other provision; nor will failure to enforce a provision or Section in one instance waive the right to enforce such provision or Section in the future. In no event will payment by Ava to Consultant constitute or be construed as a waiver by Ava of any breach or default of this Agreement, nor will such payment prejudice any of Ava's other rights or remedies.

#### **14.3 Governing Law.**

Consultant and Ava agree that this Agreement will be interpreted under the laws of the State of California.



**14.4 Venue.**

Any litigation resulting from this Agreement will be filed and resolved by a state court in Alameda County, California, or if appropriate, the federal courts in the Northern District of California located in San Francisco.

**14.5 Audit Rights.**

All records or documents required to be kept pursuant to this Agreement must be made available for audit at no cost to Ava, at any time during regular business hours, upon written request by Ava. Copies of such records or documents shall be provided to Ava at Ava's offices unless an alternative location is mutually agreed upon.

**14.6 Recitals and Exhibits.**

The Recitals in Section 1 above are intentionally made a part of this Agreement. All Exhibits and any other documents incorporated by reference are a part of this Agreement.

**14.7 Notices.**

Any notices required to be given under this Agreement must be made in writing and may be delivered a) personally, in which case they are effective upon receipt; b) by U.S. Mail, in which case they are effective three (3) days following deposit in the U.S. Mail, unless accompanied by a return receipt in which case, they are effective upon the date on the receipt; or c) by electronic mail, in which case they are effective upon confirmation of receipt, and if no confirmation of receipt, they are effective one day after transmission, providing that a hard copy is also sent via U.S. mail. All notices must be sent to the addresses below:

AVA

Attn: [relationship owner]  
Ava Community Energy  
1999 Harrison Street, Suite 2300  
Oakland, CA 94612  
Email: [your email] @avaenergy.org  
Phone: [your number]

Consultant

Attn: [relationship owner with vendor]  
[Vendor legal name]  
[Vendor address]  
[Vendor address]  
Email: [vendor relationship owner email]  
Phone: [vendor relationship number]

**14.8 Assignment.**

Except to the extent this Agreement authorizes Consultant to use Subconsultants, Consultant will not assign any part of this Agreement without Ava's prior written consent. Ava, at its sole discretion, may void this Agreement if a violation of this provision occurs.

**14.9 Integrated Agreement.**

The Recitals, this Agreement and the Exhibits attached to this Agreement contain the complete understanding between Ava and Consultant and supersedes any prior or contemporaneous negotiations, representations, agreements, understandings and statements, written or oral respecting the Work up through the Effective Date of this Agreement.

**14.10 Amendments.**

Any and all amendments or modifications to this Agreement must be made in writing and signed by each Party before such amendment will be effective.

**14.11 Government Claims Act.**

Nothing in this Agreement waives the requirements to comply with the California Government Claims Act (Government Code Section 810 et seq.) , where applicable.

**14.12 Severability.**

If a court of competent jurisdiction holds any Section or part of this Agreement to be invalid or unenforceable for any reason and the Work can still be performed, the Parties agree to sever the invalid or unenforceable Section from this Agreement and that all remaining Sections or parts of this Agreement will continue to be enforceable.

**14.13 Counterparts.**

This Agreement may be executed in one or more counterparts, all of which taken together will constitute one and the same instrument and each of which will be deemed an original.

**14.14 No Party Deemed Drafter.**

This Agreement will be considered for all purposes as prepared through the joint efforts of the Parties and will not be construed against one Party or the other as a result of the preparation, substitution, submission, or other event of negotiation, drafting or execution hereof.

**14.15 Supplier Diversity.**

Ava is required to report to the California Public Utilities Commission ("CPUC") on their diverse suppliers, as defined by CPUC General Order 156. Consistent with the California Public Utilities Code and California Public Utilities Commission policy objectives, Consultant agrees to document and provide information to Ava regarding Consultant's status and any engagement of women, minority, disabled veteran, and LGBT owned business enterprises in its completion of the Work under this Agreement. Specifically, Consultant agrees to complete Ava's Supplier Diversity

questionnaire, which may be updated or revised during the term of the Agreement, and otherwise reasonably cooperate with Ava to provide the information described above. Consultant shall provide such information in the timeframe requested by Ava and in no event later than January 31 of the year following the Effective Date of this Agreement.

## Section 15. Authorized Signatories

### 15.1 Proper Countersignatures

Type of Entity	Authorized Signatories		
For a corporation:	Pursuant to California Corporations Code Section 313 proof of authority to execute the Agreement is established if one of the corporate officers listed in Column A below and one of the corporate officers listed in Column B below both sign the documents.		
	<b>Column A</b>	<b>AND</b>	<b>Column B</b>
	Chairman of the Board, or		Secretary, or
	President, or		Assistant Secretary, or
	Vice President		Chief Financial Officer, or
			Assistant Treasurer
	If the agreement is signed by any combination of persons other than those listed above or by an individual, then the agreement must be accompanied by a copy of the Board minutes, resolution, Corporate Secretary's certificate, or articles of incorporation stating that the signatories have the authority to bind the corporation.		
For a general partnership, a limited partnership, or a limited liability partnership:	All the general partners must sign the Agreement (a general partnership agreement is sufficient to establish the names of all general partners) unless the person signing the Agreement provides proof that he/she has authority to bind the partnership.		
For a limited liability company (LLC)	Copies of the following documents should be provided to establish who has authority to bind the LLC: (1) State Forms LLC-1 and LLC-12 if the company was formed in California; and (2) the operating agreement for the LLC – whether formed in California or another state.		
For a sole proprietor, or a sole proprietor doing business under another name:	Only the individual who owns the business can sign. Either a Fictitious Business Name Statement or a Business Tax Certificate is sufficient to establish the authority of an individual to bind a sole proprietorship.		

[signatures on following page]



**IN WITNESS WHEREOF**, the Parties have caused the Agreement to be executed as of the date set forth above.

**[VENDOR'S LEGAL NAME]**

**Legal form of business, state of formation**

By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

**By** \_\_\_\_\_

**Title** \_\_\_\_\_

**Date** \_\_\_\_\_

**[\*remove if chart in 15.1 confirms only one signature is required]**

AVA COMMUNITY ENERGY AUTHORITY  
A Joint Powers Authority

By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Ava Counsel

**LIST OF EXHIBITS**

EXHIBIT A: SCOPE OF WORK

EXHIBIT B: SCHEDULE

EXHIBIT C: CONSULTANT STAFFING

EXHIBIT D: SUBCONSULTANTS

EXHIBIT E: COMPENSATION/BUDGET

EXHIBIT F: INSURANCE REQUIREMENTS

## Exhibit A

### SCOPE OF WORK

[Draft Scope of Work here and remove italicized language below when finalizing]

*A Scope of work should aim to be as concise as possible while ensuring all necessary details of the services are captured. A good Scope should include:*

- *Summary of Services*
- *Purpose and Objectives of Services (This could be in narrative form and provide the general purpose of the services)*

*And may include:*

- *Definitions of any Critical Terms (Any definitions, clarifications could be included here)*
- *List of any Supplemental Documents (If there is a lengthy document that does not make sense to copy and paste into the Scope of Work it could be referenced here)*
- *Tasks and Deliverables*
  - *List each task (and any related subtasks)*
  - *List required updates/reports on progress*
  - *List deliverable for each task*
  - *List schedule/due date for each task and for each deliverable*
  - *List any other milestone dates*
- *Exclusions/Exceptions and Additional Services (If there is anything that is specifically excluded from the Scope of Work that can be listed here. If there are additional services or costs (such as new services or travel costs), we can list the proposed costs and the process for selecting them here)*
- *Any Other Conditions (If there is something unique to the project that does not fit into the other categories).*

#### Additional Services:

Consultant will not provide additional services outside of the services identified in Exhibit A, unless it obtains advance written authorization from the project manager or lead Ava representative prior to commencement of any additional services.

**Exhibit B**

**SCHEDULE**

[Schedule - can be detailed or as simple as "As directed by Ava."]



**Exhibit C**

**CONSULTANT STAFFING**

[Include names of all team members who will be providing Ava services.]

**Exhibit D**

**SUBCONSULTANTS**

[If subconsultants are authorized in advance, they should be listed here, otherwise it can state either of these: "Subconsultants are not authorized under this Agreement." or "Subconsultants must be authorized in advance, in writing by Ava."]

**Exhibit E**

**COMPENSATION/BUDGET**

[If the compensation is hourly, a table of hourly rates by title should be included. If fixed fee, describe what amounts are to be paid based on what milestones]

The maximum compensation under this Agreement is [\$\$\$\$].

**Exhibit F**

**INSURANCE REQUIREMENTS**

A. Minimum Scope and Limits of Insurance. Consultant must procure, and at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

1) Commercial General Liability Insurance with a minimum limit of One Million Dollars (\$1,000,000.00) per occurrence for bodily injury, personal injury and property damage and a general aggregate limit of Two Million Dollars (\$2,000,000.00) per project or location. If Consultant is a limited liability company, the commercial general liability coverage must be amended so that Consultant and its managers, affiliates, employees, agents and other persons necessary or incidental to its operation are insureds.

2) Automobile Liability Insurance for any owned, non-owned or hired vehicle used in connection with the performance of this Agreement with a combined single limit of One Million Dollars (\$1,000,000.00) per accident for bodily injury and property damage.

3) Workers' Compensation Insurance as required by the State of California and Employer's Liability Insurance with a minimum limit of One Million Dollars (\$1,000,000.00) per accident for bodily injury or disease. If Consultant has no employees while performing the Work under this Agreement, workers' compensation policy is not required, but Consultant must execute a declaration that it has no employees.

4) Professional Liability/Errors & Omissions Insurance with minimum limits of Two Million Dollars (\$2,000,000.00) per claim and in aggregate.

B. Acceptability of Insurers. The insurance policies required under this Exhibit E must be issued by an insurer admitted to write insurance in the State of California with a rating of A:VII or better in the latest edition of the A.M. Best Insurance Rating Guide.

C. Additional Insured/Additional Named Insured. The automobile liability policies must contain an endorsement naming Ava, its officers, employees, agents and volunteers as additional insureds. The commercial general liability policy must contain an endorsement naming Ava, its officers, employees, agents and volunteers as additional named insureds.

D. Primary and Non-Contributing. The insurance policies required under this Agreement must apply on a primary non-contributing basis in relation to any other insurance or self-insurance available to Ava. Any insurance or self-insurance maintained by Ava, its officers, employees, agents or volunteers, will be in excess of Consultant's insurance and will not contribute with it.

E. Consultant's Waiver of Subrogation. The insurance policies required under this Agreement will not prohibit Consultant and Consultant's employees, agents or Subconsultants from waiving the right of subrogation prior to a loss. Consultant hereby waives all rights of subrogation against Ava.

F. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by Ava. At Ava's option, Consultant must either reduce or eliminate the deductibles or self-insured retentions with respect to Ava, or Consultant must procure a bond guaranteeing payment of losses and expenses.

G. Cancellations or Modifications to Coverage. Consultant agrees not to cancel any insurance coverage during the term of this Agreement. Consultant further agrees not to reduce or otherwise modify the insurance policies required by this Agreement during the term of this Agreement, without the prior written approval of Ava. The commercial general and automobile liability policies required under this Agreement must be endorsed to state that should the issuing insurer cancel the policy before the expiration date, the issuing insurer will endeavor to mail 30 days' prior written notice to Ava. If any insurance policy required under Agreement is canceled or reduced in coverage or limits, Consultant must, within two business days of notice from the insurer, phone and notify Ava via electronic mail and certified mail, return receipt requested, of the cancellation of or reductions to any policy.

H. Ava Remedy for Noncompliance. If Consultant does not maintain the policies of insurance required under this Agreement in full force and effect during the term of this Agreement, or in the event any of Consultant's policies do not comply with the requirements of this Exhibit F, Ava may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, Ava may, but has no duty to, take out the necessary insurance and pay, at Consultant's expense, the premium thereon. Consultant must promptly reimburse Ava for any premium paid by Ava or Ava, in its sole discretion, may withhold amounts sufficient to pay the premiums from payments due to Consultant.

I. Evidence of Insurance. Prior to the performance of the Work under this Agreement, Consultant must furnish Ava with a certificate or certificates of insurance and all original endorsements evidencing and effecting the coverages required under this Agreement. The endorsements are subject to Ava's approval. Ava may request, and Consultant must provide complete, certified copies of all required insurance policies to Ava. Consultant must maintain current endorsements on file with Ava. Consultant must provide proof to Ava that insurance policies expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Consultant must furnish such proof at least two weeks prior to the expiration of the coverages.

J. Indemnity Requirements not Limiting. Procurement of insurance by Consultant will not be construed as a limitation of Consultant's liability or as full performance of Consultant's duty to indemnify Ava under Section 12 of this Agreement.

K. Subconsultant Insurance Requirements. Consultant's insurance coverage must include its Subconsultants or Consultant must require each of its Subconsultants that perform Work under this Agreement to maintain insurance coverage that meets all the requirements of this Exhibit F.

[Scope of Work: Ava Bike Electric Incentive Program](#)

[Scope of Work: Ava Bike Electric Lending Program](#)

[Exhibit A: Budget](#)

[Exhibit B - Schedule](#)

[Exhibit C - Staffing Plan](#)

[Exhibit D - Subcontractors](#)

[Exhibit E - Service Level Agreement](#)

## Scope of Work: Ava Bike Electric Incentive Program

### Task 1: Program Establishment

APTIM will submit a program design and supporting documentation consistent with our existing, successful e-bike rebate programs. The program design may include, but is not limited to, the following components, with a launch date no later than 120 days after contract execution.

- A. **Kick-off meeting.** APTIM will facilitate a kickoff meeting to establish the plan and schedule for pre-launch activities. The meeting will include the following:
  - a. **Review communication and project management approach.** This will include meeting cadence, decision making, documentation, collaboration, and communication approaches.
  - b. **Schedule overview and major milestones.** This will include a high-level, draft schedule, highlighting critical path decision, approval and deliverable dates needed to maintain the proposed timeline.
  - c. **Review rebate program process overview.** APTIM will conduct a live portal demo that illustrates the core portal design configured for Ava. The demo will review the workflow of applicants and bike retailers through the portal as well as report templates that will be available to Ava and expectations for the necessary application software interface (API) to send and receive data from Ava's system. The purpose of this review will be to determine if there are any gaps or roadblocks for Ava related to the core portal design for follow up and ensure that both parties have the same expectations for data exchanges. This is a critical step since changes to the core portal design that require new coding or workflow changes will impact the proposed launch timeline and require a change order and level of effort determination.
  - d. **Introduce configuration playbook.** The playbook is used to document recommendations and approved decisions for all necessary program design

attributes. The attributes to be reviewed and defined include all portal attributes related to the portal experience, workflow and rules.a.

The goal of the playbook exercise and documentation is to define the program such that design documentation and development may proceed in a timely manner. To manage change control and maintain program schedule, approved decisions within the playbook will be considered final. Changes to previously approved decisions or requested design attributes that require significant solution engineering may lead to a change control process where scope, schedule and cost impacts will be reviewed, options considered and agreed upon prior to implementation. APTIM and Ava will work closely and transparently to resolve any such barriers.

- B. **Finalize program portal configuration.** APTIM will work with Ava to review portal configurations, program attributes and data exchanges through the use of APIs. Once Ava approves these configurations, a workflow validation session will review the end-to-end applicant and bike retailer experience for final approval of configurations. Final decisions and approvals will be critical to maintaining the launch schedule.

Activities will include:

- a. **Finalize applicant participation rules, product eligibility definitions and recommended terms & conditions (T&Cs).** APTIM will provide these for review and approval by Ava.
  - i. Participant rules will include information for applicants that define key process requirements, timelines for completing a valid application and redeeming a rebate for a qualifying e-bike with a qualified bike retailer.
  - ii. Clear product eligibility definitions of bike types and equipment types eligible for rebates.
  - iii. APTIM will provide a draft of participant terms and conditions for Ava's review and approval of the terms and conditions document that each applicant must electronically sign to participate in the program. APTIM legal will be required to approve any changes suggested by Ava.
  - iv. Update existing Agreements for customers, e-bike manufacturers, and e-bike retailers to account for any changes in the program implementation model (PIM) and their ability to participate in the program
- b. **Finalize bike retailer participation rules, eligibility guidelines and recommended terms & conditions (T&Cs).** APTIM will provide these for review and approval by the City.
  - i. Bike retailer rules will include information for bike retailers that define qualification requirements, transaction requirements, and timelines for becoming qualified and redeeming a rebate for a qualifying e-bike with an applicant.



- ii. APTIM will provide bike retailer eligibility guidelines recommendations on acceptable documents to qualify for participation, applying definitions provided by Ava. Upon Ava's review and approval, these will be finalized into the program design.
- C. **Engage, contract, and manage relationships with manufacturers and local e-bike retailers.** Ongoing training of retailer staff and evaluating that participating providers are meeting program requirements, including incentive verification and on-site signage, will be conducted.
- D. **Create portal workflow validation.** Once all configuration decisions have been made and approved, APTIM will review and finalize for final approval by Ava. Upon approval, this will be the source document for the implementation of all configurable elements of the portal and operations.
- E. **Validate program design.** We will review the program design to ensure it meets required specifications.
- F. **Provide marketing review and experience-based knowledge to assist Ava's marketing team.** Review and provide suggestions to assist Ava Marketing Team's development of marketing materials for the E-Bike program, leveraging APTIM experience from other successful programs.
- G. **Finalize bike retailer requirements and registration.** APTIM will prepare materials and lead bike retailer recruitment and training, while providing guidance for Ava and other stakeholders to support this effort. Ava may utilize these materials and integrate them into Ava's website's landing page for the program to provide access to the bike retailers.
- a. **Conduct bike retailer enrollment.** Open and monitor bike retailer enrollments on the portal. Approve or provide feedback to bike retailers upon receipt of their registrations.
  - b. **Develop bike retailer instructions.** Develop clear instructions for bike retailers to access, enter information and use the rebate administration portal in a training presentation in PowerPoint to be uploaded to Ava's website. Additionally, develop a one-page reference document for bike retailers to utilize at the point of purchase to remind them of requirements to complete a rebate redemption properly.
  - c. **Conduct bike retailer webinar.** Deliver one live kick-off webinar presenting the retailer instructions PowerPoint to retailers. This webinar will be recorded and uploaded to Ava's website to provide ongoing access to bike retailers. This webinar will also be provided on the program portal, together with the training presentation. Future webinars will be conducted ahead of the launch of meaningful program changes.
  - d. **Create applicant and retailer contact plan.** Advise Ava and other stakeholders on how to recruit approved bike retailers and participants. This will include

development of a recommended outreach timeline and email templates to, if necessary, be sent by Ava to retailers.

**H. Develop and implement automated email customer communications during the customer journey.**

- a. Provide a customer communications plan for Ava approval aligned with the customer journey to ensure a customer receives key information and reminders at key stages in the journey.

**I. Advise Ava's Marketing team about:**

- a. Transfer relevant knowledge from previous programs to educate Ava marketing team on program communication and marketing best practices, both to drive demand and manage expectations with stakeholders
- b. Understanding interest and participation volume expectations for marketing campaign deployment that aligns with program goals and bike retailer capacity
- c. Benchmarks to determine whether marketing channels are performing as intended from peer programs
- d. Uncovering unique channels to engage potential Ava Bike Electric participants
- e. As requested, provide feedback on Ava developed marketing material within five (5) business days of receipt
- f. Marketing acumen that could contribute to performance of marketing activities, conversion rates, and appropriately setting expectations for a high demand program
- g. Regular meetings (weekly in the two months prior to launch and one per month after. Can be adjusted after this point by mutual agreement) to review and align marketing activities, customer support and feedback, and program performance.

**J. Update Program Implementation Manual.** APTIM to update the existing PIM to ensure it is consistent with program designs and contains the following information:

- a. Rules and requirements for program customers, vendors, and other participants. This includes in-store signage and training requirements for participating retail locations.
- b. Mitigation plans for the unauthorized reselling of e-bikes
- c. Process for returned incentive funds
- d. Incentive Program oversubscription and wait lists
- e. Customer Journey
- f. Customer segmentation analysis
- g. E-bike technical specifications
- h. Qualified Product List (QPL)
- i. Program Participation Agreements and T&Cs
- j. Eligible e-bikes on Qualified Product List ("QPL") – ongoing updates, especially considering UL standards. Data to be tracked and reported to Ava.
- k. Data Exchange Methods and Protocols (APIs)

## Task 2: Configuration of the Rebate Administration Portal

Configure APTIM's proprietary application system, to match the configuration requirements and funding streams for the program. APTIM assumes this program will make use of pre-configured, existing program layouts, workflows, rules, dashboards, survey tools, design materials, and reporting dashboards; pricing is based upon use of the existing designs, program, and design materials, reporting templates and program parameters.

- A. **Configure the program portal.** Prepare and test an online portal to allow qualified participants to apply for vouchers. The portal will:
  - a. Ensure each budget stream remains within required limits
  - b. Make available a customer portal that's accessible on a desktop and mobile device (iOS and Android) and create a point-of-sale e-bike incentive that uniquely applies to an eligible participants' purchase and subsequently redeemed by a bike retailer. Ideally, the incentive would be universally applied to any participating bike shop.
  - c. Allow for follow up if applications are deemed incomplete
  - d. Allow for random selection of participants
  - e. Issue a Standard or California Alternate Rates for Energy (CARE)/Family Electric Rate Assistance Program (FERA) incentive voucher via random selection to purchase a standard, cargo, or adaptive e-bike for purchase at a participating retailer
  - f. Upon approval, email the participant a voucher code to approved participants that can be redeemed at approved e-bike retailers
  - g. Utilize google translate function to offer translations of portal screens to users
  - h. Provide an online mechanism to allow bike retailers to determine if vouchers are active
  - i. Provide an online mechanism to allow retailers to submit voucher redemption requests for payment processing
- B. **Provide program introduction content.** Create landing page content (text and hyperlinks) for program based upon brand requirements on Ava's website that will direct residents and approved retailers to APTIM's application portal. Ava will integrate this content into its website.

## Task 3: Establish a Customer Service Help Desk

APTIM will establish a dedicated program email address and inbox. APTIM will provide contact center staffing to respond to applicant and bike retailer emails and phone calls.

- A. **Establish contact center email and phone number.** Create a dedicated phone number and email address to assist with applicant and bike retailer questions. Available

during participating bike shop hours to reduce the likelihood that contacts will reach a non-response, with available hours as defined below.

- B. **Manage phone and email inquiries.** APTIM will review and respond via phone and email to applicants in a first come-first served basis, with an objective to respond to and resolve applicant and bike retailer questions, issues and/or barriers to participation as quickly as possible per Exhibit E. Customer Service representatives will be available 9am-5pm PST, Monday to Friday and able to handle calls and emails in English, Spanish, and Simplified Chinese.
- C. **Escalate complex email inquiries as needed.** APTIM may escalate customer or bike retailer inquiries to Ava, with recommendations, in cases where the resolution is not clear based on program rules or may require special consideration.
- D. **Direct customer response.** In some cases, if more convenient than email-only communication, APTIM contact center staff may work to resolve customer or bike retailer emails by phone.
- E. **Document process.** Provide Ava with the process to document customer issues, escalations, and resolutions for Contractor to resolve.

#### Task 4: Rebate Application Processing

APTIM will establish dedicated staff to actively review submitted rebate redemptions from bike retailers (with adequate time to ensure payment within 15 business days). These staff will review and respond to applicants with scripted or customized feedback to assist their progress through the rebate redemption processes. APTIM processing staff will:

- A. **Notifications.** Notify applicants of status once a voucher has been issued.
- B. **Review rebate redemption requests.** Review rebate redemptions submitted by bike retailers to confirm program requirements are met. When requirements are met, notify the bike retailer and process payment to the bike retailer for payment within 15 business days. When requirements are not met, notify the bike retailer and advise on how to meet the requirements within 2 business days.
- C. **Monitor and manage rebate approvals and redemptions.** Continuously assess the number of rebates approved and redeemed to help ensure the budgets are not exceeded or at risk.

#### Task 5: Rebate Distribution

APTIM will distribute rebate payments to bike retailers in accordance with the approved program design. Tasks will include:

- A. **Issue rebate checks.** Paper rebate checks will be sent to bike retailers. These retailers will have the option to enroll for electronic payment (ACH) for faster receipt of checks. Printed materials, including but not limited to stationery and paper checks related to the

Incentive Program shall bear the desired program or Ava's logo, to be provided to APTIM. Use of the logo is limited to the e-bike Incentive Program.

- B. **Issue 1099s.** APTIM will be responsible for issuing 1099s to bike retailers.

## Task 6: Reporting and Database

Administer the program, track, and analyze key metrics, and report program budgets and status.

- A. **Conduct ongoing Administration.** Provide ongoing management of the program and coordination with Client in the following:
- a. Schedule, facilitate, lead, and report out from weekly project management meetings with Ava during the Start Up Phase and no less than bi-weekly project management meetings after the Go Live Date. A draft agenda will be sent no later than 1 business day prior to the meeting and assign next steps no later than 1 business day after meetings in the mutually agreed upon project management software, with a preference for Asana.
  - b. Train all staff in project management software and ensure ongoing and active use for effective program delivery.
    - i. Provide Ava with the ability to access reports and download raw data directly through web-based views of the data tracking. Specific data to be tracked will be mutually decided via email and will be described in the PIM.
- B. **Regularly weekly marketing report the following to the Client:**
- a. Email Metrics: including emails sent within Vendor-managed portion of customer journey, open rate, bounce rate, and click-through rates.
  - b. Azure Telemetry/Insights: related to any customer engagement with APTIM's owned/managed program web properties, including: page views, demographics, campaign source, site duration, and bounce rate.
- C. **Establish a monthly report** format and key performance indicators (KPI) with Ava in the PIM to track Program performance, including Program updates, outreach status compared to Response Times, customer Information updates, any customer complaints, feedback, escalations, and Scheduled Uptime (as described in attached SLA), budget status, milestone activities, risks/issues/resolutions, incentives, and e-bikes delivered, and a line-item invoice. Monthly reports will provide the following, but not limited to, information, including,
- a. Total Incentive budget spent compared to funds allocated to-date
  - b. Total percent of the Incentive Budget spent on CARE/FERA customers, to be measured no sooner than 3 months after Program Launch
  - c. Number of e-bikes delivered to non-CARE/FERA and CARE/FERA customers, to be measured immediately upon Program Launch, and then monthly thereafter
  - d. Total number of participants per customer journey stage, zip code, and percentage of those by CARE/FERA participants
  - e. Bike purchase statistics by retailer, type, make, and model

- f. Program budget status, including invoices paid out to retailers compared to what's been requested
- D. **Establish Quarterly Reports.** Provide Ava with quarterly reports including data listed in monthly reports with additional narrative and graphical representations of accomplishments, trends, and market intel, program activity, and proposed Program enhancements, improvements, and areas of concern. Quarterly Report will include the following, but not limited to, metrics:
- a. Number of customer calls, emails
  - b. Number of customer experience escalations, and time to resolution
  - c. # of additional e-bike SKUs added to QPL, if applicable
  - d. # of additional Participating Retailers added, if applicable
- E. **Annual Reports.** Provide Ava with annual reports summarizing Program results and accomplishments in narrative and numerical format, including summary of progress and highlights for the year and any significant changes in strategies or services and indirect savings acquisition activities, and program design recommendations for the upcoming Program year, as applicable.
- F. **Reporting Dashboards.** Each dashboard described below has an option to be emailed in PDF form. A direct link to the live, Power BI version will be provided to Ava. Using the Power BI version, the recipient will be able to filter the report on available fields and export the report data to Excel, PowerPoint, or PDF. The data fields available in these reports, as illustrated by the example dashboards below, may be customized by change order process only.
- G. **E-Bike Rebate Status Dashboard.** This dashboard will summarize the current total of redeemed, expired/canceled and valid (unredeemed but still redeemable) rebate vouchers.
- a. Application Status Dashboard will summarize the current total of redeemed, expired/canceled and valid (unredeemed but still redeemable) rebate vouchers.
  - b. Pre-Application Status Dashboard will summarize the current total of pre-applications the program has received. Pre-applications represent all of the applicants seeking a rebate voucher through the random selection process. Some of these pre-applicants may be selected to receive a voucher through the random selection process after this step.
  - c. Date rebate voucher
  - d. Date issued
  - e. Date rebate voucher redeemed (if purchase made)
  - f. Date rebate voucher expired (if applicable)
  - g. If rebate was redeemed:
    - i. Manufacturer, model, and serial number of e-bike purchased
    - ii. Total Cost of e-bike purchased
    - iii. Rebate amount paid
    - iv. Bike retailer that redeemed rebate

- h. Bike retailer data collected
  - i. Bike retailer contact information (address, email, and phone number)
  - ii. Bike retailer business information (Business name, tax ID)
  - iii. Bike retailer W9
- i. Rebate redemption payment details

## Task 7: Invoicing

APTIM will establish an escrow account for rebate funds. After the first quarter of implementation and every quarter thereafter, APTIM will send an incentive invoice to Ava for the incentive amount paid in the previous quarter (net 45-day terms) such that the account is intended to always have at least three months' worth of projected incentive payments available at any given time until the program winds down. If the incentive bank account balance is reduced where there are insufficient funds to pay the next batch of incentive payments, the payments will be held until the account is sufficiently funded.

- A. APTIM will invoice monthly for our administrative fees.
- B. Administrative fees will be billed as follows:
  - a. \$180,000.00 upon delivery of the portal and successful launch of program, 120 days after contract execution
  - b. Payment processing and issuance for CARE Customers = 12.5% of every \$1 processed
  - c. Payment processing and issuance for Non-CARE customers = 12.5% of every \$1 processed
- C. APTIM will submit the following invoice components to Ava for each invoice, whether for rebate reimbursement or for our administrative fees. With each of these components submitted, the invoice will be considered complete, and Ava will process payment for each invoice per the terms of the contract, to be paid within 45 days of invoice date.
- D. **Invoice.** The monthly invoice will include project details as shown below in the invoice cover page and invoice detail page.
  - a. Invoice cover page will provide the total amount of charges and the information in the blue headings shown below, such as Project Number, Date, Invoice Number, etc.
  - b. Invoice detail page will provide a breakdown of current month rebate counts and billed amounts and summarize APTIM fees separately from rebate amounts.
  - c. Rebate Transaction Report will detail each rebate check issued to Bike Retailers on behalf of program applicants and the total sum of rebates issued during the previous calendar month. This report will be submitted as a PDF attachment to the invoice.

## Task 8: Refund of all Remaining Funds

APTIM will be responsible for returning any unused funds upon cessation of the program.

- A. APTIM will be responsible for adhering to all escheatment requirements
- B. At the end of the agreement term, the balance left unspent in the incentive account will be returned to Ava

## Task 9: Technology Requirements

APTIM will follow all required guidelines and protocols for technology used for this program.

- A. **Data Model:** APTIM will follow Ava's guidelines with the development of a data model that both parties will work from in order to enable data exchanges.
- B. **Data transfers.** APTIM will use the Ava API to retrieve participant leads and will also use it to push notifications related to customer status. Data to include in these transfers could include but is not limited to updates to customer statuses, dates, addresses, and any other fields related to customer eligibility as it relates to e-bike incentives.
- C. **UAT Plan.** APTIM will present a UAT plan to evaluate and test all specified technical requirements towards the full implementation of a customer journey and platform integration. APTIM will lay out a plan for independent UAT to test different aspects of the customer journey, and a joint UAT plan (with Ava) where both parties are updating statuses and other criteria along the customer journey. Independent UAT, however, should also allow for testing of data transfers without needing external files or support from Ava staff. The latter might require the use of toy data, test users and other mechanisms. Independent means that APTIM is leading UAT without the need of Ava to be involved in the UAT process.
- D. **Test Data.** APTIM will develop a minimal viable product (MVP) of the products specified in this document with schematics of the customer journey, system data flows, data schemas (i.e., data expected but don't have yet) and complete system testing with sample data.



## Optional Scope of Work: Ava Bike Electric Lending Program

### Task 1: Program Establishment

If Ava issues a notice to proceed to APTIM, APTIM will submit an e-bike lending rebate program design and supporting documentation consistent with our existing, successful e-bike rebate programs. Issuance of a Notice to Proceed with the Optional Lending Program and Ava agrees to provide APTIM with at least 60 days notice prior to launch of the Lending Program Development (i.e., 60 days before “Day 0” in the Lending Program Schedule, see Exhibit B). The program design may include, but is not limited to, the following components.

- A. **Kick-off meeting.** APTIM will facilitate a kickoff meeting to establish the plan and schedule for pre-launch activities. The meeting will include the following:
  - a. **Review communication and project management approach.** This will include meeting cadence, decision making, documentation, collaboration, and communication approaches.
  - b. **Schedule overview and major milestones.** This will include a high-level, draft schedule, highlighting critical path decision, approval and deliverable dates needed to maintain the proposed timeline.
  - c. **Review e-bike lending rebate program process overview.** APTIM will review the workflow of applicants and e-bike lenders/retailers through the portal as well as report templates that will be available to Ava and expectations for the necessary application software interface (API) to send and receive data from Ava’s system. The purpose of this review will be to determine if there are any gaps or roadblocks for Ava related to the core portal design for follow up and ensure that both parties have the same expectations for data exchanges. This is a critical step since changes to the core portal design that require new coding or workflow changes will impact the proposed launch timeline and require a change order and level of effort determination.
  - d. **Introduce configuration playbook.** The playbook is used to document recommendations and approved decisions for all necessary program design attributes. The attributes to be reviewed and defined included all portal attributes related to the portal experience, workflow and rules.

The goal of the playbook exercise and documentation is to define the program such that design documentation and development may proceed in a timely manner. To manage change control and maintain program schedule, approved decisions within the playbook will be considered final. Changes to previously approved decisions or requested design attributes that require significant solution

engineering may lead to a change control process where scope, schedule and cost impacts will be reviewed, options considered and agreed upon prior to implementation. APTIM and Ava will work closely and transparently to resolve any such barriers.

- B. Finalize program portal configuration.** APTIM will work with Ava to review portal configurations, program attributes and necessary data exchanges through the use of API. Once Ava approves these configurations, a workflow validation session will review the end-to-end applicant and e-bike lender experience for final approval of configurations. Final decisions and approvals will be critical to maintaining the launch schedule. Activities will include:
- a. **Finalize applicant participation rules, product eligibility definitions and recommended terms & conditions (T&Cs).** APTIM will provide these for review and approval by Ava.
    - i. Participant rules will include information for applicants that define key process requirements, timelines for completing a valid application and redeeming a rebate for a qualifying e-bike with a qualified e-bike lender.
    - ii. Clear product eligibility definitions of e-bike types eligible for rebates.
    - iii. APTIM will provide a draft of participant terms and conditions for Ava's review and approval of the terms and conditions document that each applicant must electronically sign to participate in the program. APTIM legal will be required to approve any changes suggested by Ava.
    - iv. Update existing Agreements for customers, e-bike manufacturers, and e-bike lenders to account for any changes in the program implementation model (PIM) and their ability to participate in the program
  - b. **Finalize e-bike lender participation rules, eligibility guidelines and recommended terms & conditions (T&Cs).** APTIM will provide these for review and approval by Ava.
    - i. E-bike lender rules will include information for e-bike lenders that defines qualification requirements, transaction requirements, and timelines for becoming qualified and redeeming a rebate for a qualifying e-bike with an applicant.
    - ii. APTIM will provide e-bike lender eligibility guidelines recommendations on acceptable documents to qualify for participation, applying definitions provided by Ava. Upon Ava's review and approval, these will be finalized into the program design.
- C. Engage, contract, and manage relationships with manufacturers and local e-bike lenders.** Ongoing training of e-bike lender staff and evaluating that participating e-bike lenders are meeting program requirements, including incentive verification and on-site signage, will be conducted.

- D. **Create portal workflow validation.** Once all configuration decisions have been made and approved, APTIM will review and finalize for final approval by Ava. Upon approval, this will be the source document for the implementation of all configurable elements of the portal and operations.
- E. **Validate program design.** We will review the program design to ensure meets required specifications.
- F. **Provide marketing review and experience-based knowledge to assist Ava's marketing team.** Review and provide suggestions to assist Ava Marketing Team's development of marketing materials for the E-Bike program, leveraging APTIM experience from other successful programs.
- G. **Finalize e-bike lender requirements and registration.** APTIM will prepare materials to lead e-bike lender recruitment and training, while providing guidance for Ava and other stakeholders to support this effort.. Ava may utilize these materials and integrate them into Ava's website's landing page for the program to provide access to the e-bike lenders.
  - a. **Conduct e-bike lender enrollment.** Open and monitor e-bike lender enrollments on the portal. Approve or provide feedback to e-bike lenders upon receipt of their registrations.
  - b. **Develop e-bike lender instructions.** Develop clear instructions for e-bike lenders to access, enter information and use the rebate administration portal in a training presentation in PowerPoint to be uploaded to Ava's website. Additionally, develop a one-page reference document for e-bike lenders to utilize at the point of purchase to remind them of requirements to complete a rebate redemption properly.
  - c. **Conduct e-bike lender webinar.** Deliver one live kick-off webinar presenting the e-bike lender instructions PowerPoint to lenders. This webinar will be recorded and uploaded to Ava's website to provide ongoing access to e-bike lenders. This webinar will also be provided on the program portal, together with the training presentation. Future webinars will be conducted ahead of the launch of meaningful program changes.
  - d. **Create applicant and lender contact plan.** Advise Ava and other stakeholders on how to recruit approved e-bike lenders and participants. This will include development of a recommended outreach timeline and email templates to, if necessary, be sent by Ava to lenders.
- H. **Develop and implement automated email customer communications during the customer journey.**
  - a. Provide a customer communications plan for Ava approval aligned with the customer journey to ensure a customer receives key information and reminders at key stages in the journey.
- I. **Advise Ava's Marketing team about:**

- a. Transfer relevant knowledge from previous programs to educate Ava marketing team on program communication and marketing best practices, both to drive demand and manage expectations with stakeholders
  - b. Understanding interest and participation volume expectations for marketing campaign deployment that aligns with program goals and e-bike lender capacity
  - c. Benchmarks to determine whether marketing channels are performing as intended from peer programs
  - d. Uncovering unique channels to engage potential Ava Bike Electric participants
  - e. As requested, provide feedback on Ava developed marketing material within five (5) business days of receipt
  - f. Marketing acumen that could contribute to performance of marketing activities, conversion rates, and appropriately setting expectations for a high demand program
  - g. Regular meetings (weekly in the two months prior to launch and one per month after. Can be adjusted after this point by mutual agreement) to review and align marketing activities, customer support and feedback, and program performance.
- J. **Update Program Implementation Manual.** APTIM to update the existing PIM to ensure it is consistent with program designs and contains the following information:
- a. Rules and requirements for program customers, vendors, and other participants. This includes in-store signage and training requirements for participating lending locations.
  - b. Process for returned incentive funds
  - c. Incentive Program oversubscription and wait lists
  - d. Customer Journey
  - e. Customer segmentation analysis
  - f. E-bike technical specifications
  - g. Qualified Product List (QPL)
  - h. Program Participation Agreements and T&Cs
  - i. Eligible e-bikes on Qualified Product List (“QPL”) – ongoing updates, especially considering UL standards. Data to be tracked and reported to Ava.
  - j. Data Exchange Methods and Protocols (APIs)

## **Task 2: Configuration of the Rebate Administration Portal**

Configure APTIM's proprietary application system, to match the configuration requirements and funding streams for the program. APTIM assumes this program will make use of pre-configured, existing program layouts, workflows, rules, dashboards, survey tools design materials, and reporting dashboards; pricing is based upon use of the existing designs, program, and design materials, reporting templates and program parameters.

- A. **Configure the program portal.** Prepare and test an online portal to allow qualified participants to apply for vouchers. The portal will:
  - a. Ensure each budget stream remains within required limits

- b. Make available a customer portal that's accessible on a desktop and mobile device (iOS and Android) and create a point-of-sale e-bike incentive that uniquely applies to an eligible participants' purchase and subsequently redeemed by a e-bike lender. Ideally, the incentive would be universally applied to any participating e-bike lender.
  - c. Allow for follow up if applications are deemed incomplete
  - d. Allow for random selection of participants
  - e. Issue a Standard or California Alternate Rates for Energy (CARE)/Family Electric Rate Assistance Program (FERA) incentive voucher via random selection to borrow a standard, cargo, or adaptive e-bike for purchase at a participating lender
  - f. Upon approval, email the participant a voucher code to approved participants that can be redeemed at approved e-bike lenders
  - g. Utilize google translate function to offer translations of portal screens to users
  - h. Provide an online mechanism to allow e-bike lenders to determine if vouchers are active
  - i. Provide an online mechanism to allow e-bike lenders to submit voucher redemption requests for payment processing
- B. Provide program introduction content.** Create landing page content (text and hyperlinks) for the program based upon brand requirements on Ava's website that will direct residents and approved retailers to APTIM's application portal. Ava will integrate this content into its website.

### **Task 3: Establish a Customer Service Help Desk**

APTIM will establish a dedicated program email address and inbox. APTIM will provide contact center staffing to respond to applicant and e-bike lender emails and phone calls.

- A. **Establish contact center email and phone number.** Create a dedicated phone number and email address to assist with applicant and e-bike lender questions. Available during participating e-bike shop hours to reduce the likelihood that contacts will reach a non-response, with available hours as defined below.
- B. **Manage phone and email inquiries.** APTIM will review and respond via phone and email to applicants in a first come-first served basis, with an objective to respond to and resolve applicant and e-bike lender questions, issues and/or barriers to participation as quickly as possible, per Exhibit E. Customer Service representatives will be available 9am-5pm PST, Monday to Friday and able to handle calls and emails in English, Spanish and Simplified Chinese.
- C. **Escalate complex email inquiries as needed.** APTIM may escalate customer or e-bike lender emails to Ava, with recommendations, in cases where the resolution is not clear based on program rules or may require special consideration.

- D. **Direct customer response.** In some cases, if more convenient than email-only communication, APTIM contact center staff may work to resolve customer or e-bike lender emails by phone.
- E. **Document process.** Provide Ava with the process to document customer issues, escalations, and resolutions for Contractor to resolve.

#### **Task 4: Rebate Application Processing**

APTIM will establish dedicated staff to actively review submitted rebate redemptions from e-bike lenders (with adequate time to ensure payment within 15 business days). These staff will review and respond to applicants with scripted or customized feedback to assist their progress through the rebate redemption processes. APTIM processing staff will:

- A. **Notifications.** Notify applicants of status once a voucher has been issued.
- B. **Review rebate redemption requests.** Review rebate redemptions submitted by e-bike lender to confirm program requirements are met. When requirements are met, notify the e-bike lender and process payment to the e-bike lender for payment within 15 business days. When requirements are not met, notify the e-bike lender and advise on how to meet the requirements within 2 business days.
- C. **Monitor and manage rebate approvals and redemptions.** Continuously assess the number of rebates approved and redeemed to help ensure the budgets are not exceeded or at risk.

#### **Task 5: Rebate Distribution**

APTIM will distribute rebate payments to e-bike lenders in accordance with the approved program design. Tasks will include:

- A. **Issue rebate checks.** Paper rebate checks will be sent to e-bike lenders. These lenders will have the option to enroll for electronic payment (ACH) for faster receipt of checks. Printed materials, including but not limited to stationery and paper checks related to the Incentive Program shall bear the desired program or Ava's logo, to be provided to APTIM. Use of the logo is limited to the e-bike Incentive Program.
- B. **Issue 1099s.** APTIM will be responsible for issuing 1099s to e-bike lenders.

#### **Task 6: Reporting and Database**

Administer the program, track, and analyze key metrics, and report program budgets and status.

- A. **Conduct ongoing Administration.** Provide ongoing management of the program and coordination with Client in the following:
  - a. Schedule, facilitate, lead, and report out from weekly project management meetings with Ava during the Start Up Phase and no less than bi-weekly project management meetings after the Go Live Date. A draft agenda will be sent no later than 1 business day prior to the meeting and assign next steps no later than

1 business day after meetings in the mutually agreed upon project management software, with a preference for Asana.

- b. Train all staff in project management software and ensure ongoing and active use for effective program delivery.
  - i. Provide Ava with the ability to access reports and download raw data directly through web-based views of the data tracking. Specific data to be tracked will be mutually decided via email and will be described in the PIM.
- B. Regular weekly marketing report the following to the Client:**
  - a. Email Metrics: including emails sent within Vendor-managed portion of customer journey, open rate, bounce rate, and click-through rates.
  - b. Azure Telemetry/Insights: related to any customer engagement with APTIM's owned/managed program web properties, including: page views, demographics, campaign source, site duration, and bounce rate.
- C. Establish a monthly report** format and key performance indicators (KPI) with Ava in the PIM to track Program performance, including Program updates, outreach status compared to Response Times, customer Information updates, any customer complaints, feedback, escalations, and Scheduled Uptime (as described in attached SLA), budget status, milestone activities, risks/issues/resolutions, incentives, and a line-item invoice. Monthly reports will provide the following, but not limited to, information, including,
  - a. Total Incentive budget spent compared to funds allocated to-date
  - b. Total percent of the Incentive Budget spent on CARE/FERA customers, to be measured no sooner than 3 months after Program Launch
  - c. Number of e-bikes lent to non-CARE/FERA and CARE/FERA customers, to be measured immediately upon Program Launch, and then monthly thereafter
  - d. Total number of participants per customer journey stage, zip code, and percentage of those by CARE/FERA participants
  - e. Bike lending statistics by retailer, type, make, and model
  - f. Program budget status, including invoices paid out to lenders compared to what's been requested

Please note that other metrics will be negotiated later based upon available information from lenders.

- D. Establish Quarterly Reports.** Provide Ava with quarterly reports including data listed in monthly reports with additional narrative and graphical representations of accomplishments, trends, and market intel, program activity, and proposed Program enhancements, improvements, and areas of concern. Quarterly Report will include the following, but not limited to, metrics:
  - a. Number of customer calls, emails
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  - c. # of additional e-bike SKUs added to QPL, if applicable
  - d. # of additional Participating Retailers added, if applicable

- E. **Annual Reports.** Provide Ava with annual reports summarizing Program results and accomplishments in narrative and numerical format, including summary of progress and highlights for the year and any significant changes in strategies or services and indirect savings acquisition activities, and program design recommendations for the upcoming Program year, as applicable.
- F. **Reporting Dashboards.** Each dashboard described below has an option to be emailed in PDF form. A direct link to the live, Power BI version will be provided to Ava. Using the Power BI version, the recipient will be able to filter the report on available fields and export the report data to Excel, PowerPoint, or PDF. The data fields available in these reports, as illustrated by the example dashboards below, may be customized by change order process only.
- G. **E-Bike Lending Rebate Status Dashboard.** This dashboard will summarize the current total of redeemed, expired/canceled and valid (unredeemed but still redeemable) lending rebate vouchers.
- a. Application Status Dashboard will summarize the current total of redeemed, expired/canceled and valid (unredeemed but still redeemable) lending rebate vouchers.
  - b. Pre-Application Status Dashboard will summarize the current total of pre-applications the program has received. Pre-applications represent all of the applicants seeking a lending rebate voucher through the random selection process. Some of these pre-applicants may be selected to receive a voucher through the random selection process after this step.
  - c. Date lending rebate voucher
  - d. Date issued
  - e. Date lending rebate voucher redeemed (if used for lending session)
  - f. Date lending rebate voucher expired (if applicable)
  - g. If rebate was redeemed
    - i. Manufacturer, model, and serial number of e-bike
    - ii. Total Cost of e-bike lending session
    - iii. Rebate amount paid
    - iv. E-bike lender that redeemed rebate
  - h. E-bike lender data collected
    - i. E-bike lender contact information (address, email, and phone number)
    - ii. E-bike lender business information (Business name, tax ID)
    - iii. E-bike lender W9
    - iv. Rebate redemption payment details

## Task 7: Invoicing

APTIM will establish an escrow account for rebate funds. After the first quarter of implementation and every quarter thereafter, APTIM will send an incentive invoice to Ava for the incentive amount paid in the previous quarter (net 45-day terms) such that the account is



intended to always have at least three months' worth of projected incentive payments available at any given time until the program winds down. If the incentive bank account balance is reduced where there are insufficient funds to pay the next batch of incentive payments, the payments will be held until the account is sufficiently funded.

- A. APTIM will invoice monthly for our administrative fees.
- B. Administrative fees will be billed as follows:
  - a. \$35,000.00 upon Lending Program Launch and Portal Configuration, 8 months after contract execution; assumes current workflows and reimbursement process.
  - b. Payment processing and issuance for CARE Customers = 12.5% of every \$1 processed
  - c. Payment processing and issuance for Non-CARE customers = 12.5% of every \$1 processed
- C. APTIM will submit the following invoice components to Ava for each invoice, whether for rebate reimbursement or for our administrative fees. With each of these components submitted, the invoice will be considered complete, and Ava will process payment for each invoice per the terms of the contract, to be paid within 45 days of invoice date.
- D. **Invoice.** The monthly invoice will include project details as shown below in the invoice cover page and invoice detail page.
  - a. Invoice cover page will provide the total amount of charges and the information in the blue headings shown below, such as Project Number, Date, Invoice Number, etc.
  - b. Invoice detail page will provide a breakdown of current month rebate counts and billed amounts and summarize APTIM fees separately from rebate amounts.
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## **Task 8: Refund of all Remaining Funds**

APTIM will be responsible for returning any unused funds upon cessation of the program.

- A. APTIM will be responsible for adhering to all escheatment requirements
- B. At the end of the agreement term, the balance left unspent in the incentive account will be returned to Ava

## **Task 9: Technology Requirements**

APTIM will follow all required guidelines and protocols for technology used for this program.

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- B. **Data transfers.** APTIM will use the Ava API to retrieve participant leads and will also use it to push notifications related to customer status. Data to include in these transfers could include but is not limited to updates to customer statuses, dates, addresses, and any other fields related to customer eligibility as it relates to e-bike incentives.
- C. **UAT Plan.** APTIM will present a UAT plan to evaluate and test all specified technical requirements towards the full implementation of a customer journey and platform integration. APTIM will lay out a plan for independent UAT to test different aspects of the customer journey, and a joint UAT plan (with Ava) where both parties are updating statuses and other criteria along the customer journey. Independent UAT, however, should also allow for testing of data transfers without needing external files or support from Ava staff. The latter might require the use of toy data, test users and other mechanisms. Independent means that APTIM is leading UAT without the need of Ava to be involved in the UAT process.
- D. **Test Data.** APTIM will develop a minimal viable product (MVP) of the products specified in this document with schematics of the customer journey, system data flows, data schemas (i.e., data expected but don't have yet) and complete system testing with sample data..

### **Additional Services Scope of Work**

For either Incentive or Lending, APTIM and/or Ava may incorporate additional services beyond the originally defined scope of the Program. These must be mutually agreed upon in writing, as necessary, to fulfill substantial changes unforeseen after establishing core parameters in the development & design of the program prior to launch. The additional scope request, sent by either Ava or APTIM, for review and approval, must include objectives, deliverables, any relevant timelines, and cost. These services are deemed necessary to fulfill project requirements and achieve desired outcomes. The terms and conditions outlined in the original agreement shall apply to these additional services.

## Exhibit A: Budget

### Incentive Program

Project Phase	Cost	Notes
Program and Portal Launch	\$ 180,000	Due upon delivery
Voucher Processing	\$ 868,800	or 12.5% of every incentive dollar paid to retailers
<b>Total Administrative Cost</b>	<b>\$1,048,800</b>	
Incentives - CARE Customer (40%)	\$2,780,480*	
Incentives - Non-CARE Customer (60%)	\$4,070,720	
<b>Total Budget</b>	<b>\$7,900,000</b>	

\*Assumes 14,000 vouchers issued, of which 8,200 will be redeemed. APTIM will work to surpass the minimum requirement that 40% of incentive funds go to CARE/FERA customers, targeting up to 50% of incentive funds going to CARE/FERA customers across approximately 3,945 vouchers. Voucher numbers assume 60% of CARE/FERA qualified participants redeeming vouchers will select regular and, 40% cargo, e-bikes. These figures reflect what APTIM has seen by income customers in their existing programs but may not be reflective of choices made by Ava's program participants.

### Optional Scope - Lending Program

Project Phase	Cost	Notes
Program and Portal Launch	\$ 35,000	Due upon delivery
Voucher Processing	\$ 180,167	or 12.5% of every incentive dollar paid to lenders
<b>Total Administrative Cost</b>	<b>\$ 215,167</b>	
Incentives - CARE Customers (40%)	\$ 576,533	\$250/Voucher
Incentives - Non-CARE Customer	\$ 864,800	\$250/Voucher
<b>Total Budget</b>	<b>\$1,656,500</b>	

\*Assumes to have 5,765 vouchers redeemed, assuming an incentive of \$250 per lending session, with at least 2,300 (40%) of these vouchers serving CARE/FERA customers.

### Equipment Vouchers

Project Phase	Cost	Notes
Voucher Processing	\$ 43,500*	\$14.50 per voucher processed

<b>Total Administrative Cost</b>	<b>\$ 43,500</b>	
Incentives - CARE/FERA Customers	\$ 300,000*	\$100/voucher
<b>Total Budget</b>	<b>\$ 343,500</b>	

Note: If implemented, the funding for the equipment voucher would reduce the overall incentive and/or lending budget.

\*Assumes 3,000 vouchers redeemed by CARE/FERA customers, based upon assumptions above about breakdown of regular and cargo e-bike selections and 50% of funds flowing to CARE/FERA customers.

### Additional Services Budget

Project Phase	Cost	Notes
Determined based on mutually agreed upon scope	\$ 100,000	Structured upon mutual agreement
<b>Total Budget</b>	<b>\$ 100,000</b>	

Note: Contingency funds are set aside for any costs associated with the Additional Services Scope of Work. Any contingency funds unspent by June 2026 will be redistributed through participant incentives in the latter half of that year.

## Exhibit B - Schedule

<b>E-Bike Rebate Program Development &amp; Launch Schedule</b>						
<b>Task</b>	<b>Responsible Party</b>	<b>Dependencies</b>	<b>Duration (Days)</b>	<b>Start Date</b>	<b>End Date</b>	
<b>0. Contract Execution</b>	<b>Ava, APTIM</b>		<b>1</b>	<b>7/18</b>	<b>7/19</b>	
<b>1.0 Kick-off Meeting</b>	<b>APTIM</b>	<b>0</b>	<b>1</b>	<b>7/19</b>	<b>7/24</b>	
<b>1.1 Weekly Meetings/Design Sessions</b>	<b>APTIM</b>	<b>1</b>	<b>120</b>	<b>7/31</b>	<b>11/28</b>	
<b>2. Program Portal Configuration</b>						
<b>2.1 Program Portal Configuration Playbook</b>						
<b>2.1.1</b>	<b>Configuration Playbook High Priority Items Complete &amp; Signed Off</b>	<b>APTIM, Ava</b>	<b>1.1</b>	<b>22</b>	<b>7/24</b>	<b>8/15</b>
<b>2.1.2</b>	<b>Configuration Playbook Medium Priority Items Complete &amp; Signed Off</b>	<b>APTIM, Ava</b>	<b>2.1.1</b>	<b>27</b>	<b>7/24</b>	<b>8/20</b>
<b>2.1.3</b>	<b>Configuration Playbook All Items Complete &amp; Signed Off</b>	<b>APTIM, Ava</b>	<b>2.1.2</b>	<b>37</b>	<b>7/24</b>	<b>8/30</b>
<b>2.2. Program Workflow, Design, and Implementation Manual</b>						
<b>2.2.1</b>	<b>Program Workflow &amp; Design DRAFT</b>	<b>APTIM</b>	<b>1.0; 2.1.2</b>	<b>21</b>	<b>8/15</b>	<b>9/5</b>

2.2.2	Program Workflow & Design DRAFT Review and Feedback	Ava	2.2.1	5	9/5	9/10
2.2.3	Program Workflow & Design DRAFT Review and Approval	APTIM, Ava	2.2.2	5	9/11	9/16
2.2.4	Program Implementation Manual (PIM) DRAFT	APTIM	2.2.3	28	9/5	10/3
2.2.5	PIM DRAFT Review and Feedback	Ava	2.2.4	7	10/3	10/10
2.2.6	PIM Iteration and Approval	APTIM, Ava	2.2.5	5	10/10	10/15
<b>2.3 Establish Customer &amp; Retailer Service Plan, Provide Marketing Support</b>						
2.3.1	Create DRAFT landing page	APTIM	2.1.3	10	9/1	9/11
2.3.2	Create DRAFT Customer & Retailer Service Plan and Help Desk Kit (processes, scripts & email templates)	APTIM	2.1.3	20	9/1	9/21
2.3.3	Review and Feedback	APTIM	2.3.2	7	9/21	9/28
2.3.4	Iteration and Approval	APTIM, Ava	2.3.3	5	9/28	10/3
2.3.5	Provide marketing support to Ava Marketing/Comms Team (review & recommendations)	APTIM, Ava	1.0	99	7/24	10/31
<b>2.4 Reporting &amp; Data Management Plan</b>						
2.4.1	Create DRAFT Reporting, Dashboard & Data Management Plan DRAFT	APTIM	2.1.3	14	9/1	9/15

2.4.2	Review and Feedback	Ava	2.4.1	7	9/15	9/22
2.4.3	Iteration and Approval	APTIM, Ava	2.4.2	5	9/22	9/27
<b>2.5 Retailer Recruiting &amp; Training Plan Design</b>						
2.5.1	Create DRAFT Retailer Recruitment, Enrollment & Training Plan	APTIM	2.1.3	15	9/1	9/16
2.5.2	Review and Feedback	Ava	2.5.1	7	9/16	9/23
2.5.3	Iteration and Approval	APTIM, Ava	2.5.2	5	9/23	9/28
2.5.4	Recruit retailers	APTIM	2.5.3	45	10/1	11/15
<b>2.6 Technical Integration Design (data exchanges, comprehensive UAT plan)</b>						
2.6.1	Define and document data transfer (API) specifications	Ava, APTIM	2.1.1; 2.2.3	15	7/24	8/8
2.6.2	Build, test and iterate APIs	Ava, APTIM	2.6.1	14	8/8	8/22
2.6.3	Finalize and approve APIs	Ava, APTIM	2.6.2	7	8/22	8/29
2.6.4	Create DRAFT System Test and UAT Plans	Stralto, APTIM	2.2.3; 2.4	22	8/10	9/1
2.6.5	Review and Feedback	Ava	2.6.4	7	9/1	9/8
2.6.6	Iteration and Approval	APTIM, Ava	2.6.5	5	9/8	9/13
<b>3. Portal Configuration</b>						
<b>3.1 Technical Integration</b>						

3.1.1	Configure program portal	APTIM	2.1.3; 2.2.3; 2.6.3	60	7/29	9/27
3.1.2	Create landing page	APTIM	2.3.4	14	9/11	9/25
3.1.3	Rebate program landing page deployed internally; portal connections created	APTIM, Ava	3.1.1; 3.1.2	2	9/29	10/1
3.1.4	Preparations for testing complete (data, scripts, plans, participants, criteria, etc.)	APTIM	3.1.3	5	10/1	10/6
<b>4. Portal Testing</b>						
4.1	System (End-to-End) Testing Round 1	APTIM	3.1.3	7	10/7	10/14
4.2	System (End-to-End) Testing Round 2	APTIM, Ava	4.1	5	10/25	10/19
4.3	System (End-to-End) Testing Iteration and Approval	APTIM, Ava	4.2	5	10/19	10/24
4.4	UAT Round 1	APTIM	4.3	7	10/24	10/31
4.5	UAT Round 2	APTIM, Ava	4.4	7	10/29	11/5
4.6	UAT Iteration and Approval	APTIM, Ava	4.5	5	11/5	11/25
<b>5. Portal Go-Live</b>						
5.1	Ava customer data import	Ava, APTIM	2.6.6; 4.3	1	11/25	11/26
5.2	Ava customer data import review, iteration, and finalization	Ava, APTIM	5.1	2	11/26	11/28



5.3	Publish landing page	APTIM	4.6	1	11/28	11/29
5.4	Final review and iteration	APTIM, Ava	5.1; 5.2, 5.3	2	11/29	12/1
5.5	Platform Go Live	APTIM	5.1; 5.2, 5.3; 5.4	0	12/1	12/2

*\*These timelines require the Ava team to complete its assigned tasks within the allotted time allocation. Any delays in these Ava-specific tasks will delay the entire timeline*

<b><u>E-Bike Lending Program Development &amp; Launch Schedule</u></b>						
Task		Responsible Party	Dependencies	Duration (Days)	Start	End
0. Launch Lending Development “Day 0”					0	1
1.0 Kick-off Meeting		APTIM	0	1	1	2
1.1 Weekly Meetings/Design Sessions		APTIM	1	120	9	129
<b>2. Program Portal Configuration</b>						
<b>2.1 Program Portal Configuration Playbook</b>						
2.1.1	Configuration Playbook High Priority Items Complete & Signed Off	APTIM, Ava	1.1	20	2	22
2.1.2	Configuration Playbook Medium Priority Items Complete & Signed Off	APTIM, Ava	2.1.1	30	2	32
2.1.3	Configuration Playbook All Items Complete & Signed Off	APTIM, Ava	2.1.2	35	2	37

<b>2.2. Program Workflow, Design, and Implementation Manual</b>						
<b>2.2.1</b>	<b>Program Workflow &amp; Design DRAFT</b>	<b>APTIM</b>	<b>1.0; 2.1.2</b>	<b>30</b>	<b>22</b>	<b>52</b>
<b>2.2.2</b>	<b>Program Workflow &amp; Design DRAFT Review and Feedback</b>	<b>Ava</b>	<b>2.2.1</b>	<b>5</b>	<b>52</b>	<b>57</b>
<b>2.2.3</b>	<b>Program Workflow &amp; Design DRAFT Review and Approval</b>	<b>APTIM, Ava</b>	<b>2.2.2</b>	<b>5</b>	<b>57</b>	<b>62</b>
<b>2.2.4</b>	<b>Program Implementation Manual (PIM) DRAFT</b>	<b>APTIM</b>	<b>2.2.3</b>	<b>28</b>	<b>52</b>	<b>80</b>
<b>2.2.5</b>	<b>PIM DRAFT Review and Feedback</b>	<b>Ava</b>	<b>2.2.4</b>	<b>7</b>	<b>80</b>	<b>87</b>
<b>2.2.6</b>	<b>PIM Iteration and Approval</b>	<b>APTIM, Ava</b>	<b>2.2.5</b>	<b>5</b>	<b>87</b>	<b>92</b>
<b>2.3 Establish Customer &amp; Retailer Service Plan, Provide Marketing Support</b>						
<b>2.3.1</b>	<b>Create DRAFT landing page</b>	<b>APTIM</b>	<b>2.1.3</b>	<b>10</b>	<b>40</b>	<b>50</b>
<b>2.3.2</b>	<b>Create DRAFT Customer &amp; Retailer Service Plan and Help Desk Kit (processes, scripts &amp; email templates)</b>	<b>APTIM</b>	<b>2.1.3</b>	<b>20</b>	<b>40</b>	<b>60</b>
<b>2.3.3</b>	<b>Review and Feedback</b>	<b>APTIM</b>	<b>2.3.2</b>	<b>7</b>	<b>60</b>	<b>67</b>
<b>2.3.4</b>	<b>Iteration and Approval</b>	<b>APTIM, Ava</b>	<b>2.3.3</b>	<b>5</b>	<b>67</b>	<b>72</b>
<b>2.3.5</b>	<b>Provide marketing support to Ava Marketing/Comms Team (review &amp; recommendations)</b>	<b>APTIM, Ava</b>	<b>1.0</b>	<b>99</b>	<b>9</b>	<b>108</b>
<b>2.4 Reporting &amp; Data Management Plan</b>						

2.4.1	Create DRAFT Reporting, Dashboard & Data Management Plan DRAFT	APTIM	2.1.3	14	40	54
2.4.2	Review and Feedback	Ava	2.4.1	7	54	61
2.4.3	Iteration and Approval	APTIM, Ava	2.4.2	5	61	66
<b>2.5 Retailer Recruiting &amp; Training Plan Design</b>						
2.5.1	Create DRAFT Retailer Recruitment, Enrollment & Training Plan	APTIM	2.1.3	15	40	55
2.5.2	Review and Feedback	Ava	2.5.1	7	55	62
2.5.3	Iteration and Approval	APTIM, Ava	2.5.2	5	62	67
2.5.4	Recruit retailers	APTIM	2.5.3	50	67	117
<b>2.6 Technical Integration Design (data exchanges, comprehensive UAT plan)</b>						
2.6.1	Define and document data transfer (API) specifications	Ava, APTIM	2.1.1; 2.2.3	15	2	17
2.6.2	Build, test and iterate APIs	Ava, APTIM	2.6.1	20	17	37
2.6.3	Finalize and approve APIs	Ava, APTIM	2.6.2	7	37	44
2.6.4	Create DRAFT System Test and UAT Plans	Stralto, APTIM	2.2.3; 2.4	20	17	37
2.6.5	Review and Feedback	Ava	2.6.4	7	37	44
2.6.6	Iteration and Approval	APTIM, Ava	2.6.5	5	44	49

<b>3. Portal Configuration</b>						
<b>3.1 Technical Integration</b>						
<b>3.1.1</b>	<b>Configure program portal</b>	<b>APTIM</b>	<b>2.1.3; 2.2.3; 2.6.3</b>	<b>50</b>	<b>32</b>	<b>82</b>
<b>3.1.2</b>	<b>Create landing page</b>	<b>APTIM</b>	<b>2.3.4</b>	<b>14</b>	<b>37</b>	<b>51</b>
<b>3.1.3</b>	<b>Rebate program landing page deployed internally; portal connections created</b>	<b>APTIM, Ava</b>	<b>3.1.1; 3.1.2</b>	<b>1</b>	<b>82</b>	<b>83</b>
<b>3.1.4</b>	<b>Preparations for testing complete (data, scripts, plans, participants, criteria, etc.)</b>	<b>APTIM</b>	<b>3.1.3</b>	<b>5</b>	<b>78</b>	<b>83</b>
<b>4. Portal Testing</b>						
<b>4.1</b>	<b>System (End-to-End) Testing Round 1</b>	<b>APTIM</b>	<b>3.1.3</b>	<b>7</b>	<b>84</b>	<b>91</b>
<b>4.2</b>	<b>System (End-to-End) Testing Round 2</b>	<b>APTIM, Ava</b>	<b>4.1</b>	<b>5</b>	<b>91</b>	<b>96</b>
<b>4.3</b>	<b>System (End-to-End) Testing Iteration and Approval</b>	<b>APTIM, Ava</b>	<b>4.2</b>	<b>5</b>	<b>96</b>	<b>101</b>
<b>4.4</b>	<b>UAT Round 1</b>	<b>APTIM</b>	<b>4.3</b>	<b>7</b>	<b>101</b>	<b>108</b>
<b>4.5</b>	<b>UAT Round 2</b>	<b>APTIM, Ava</b>	<b>4.4</b>	<b>5</b>	<b>108</b>	<b>113</b>
<b>4.6</b>	<b>UAT Iteration and Approval</b>	<b>APTIM, Ava</b>	<b>4.5</b>	<b>15</b>	<b>113</b>	<b>128</b>
<b>5. Portal Go-Live</b>						
<b>5.1</b>	<b>Ava customer data import</b>	<b>Ava, APTIM</b>	<b>2.6.6; 4.3</b>	<b>1</b>	<b>128</b>	<b>129</b>

5.2	Ava customer data import review, iteration, and finalization	Ava, APTIM	5.1	1	129	130
5.3	Publish landing page	APTIM	4.6	0	130	130
5.4	Final review and iteration	APTIM, Ava	5.1; 5.2, 5.3	1	130	131
5.5	Platform Go Live	APTIM	5.1; 5.2, 5.3; 5.4	1	131	132

*\*These timelines require the Ava team to complete its assigned tasks within the allotted time allocation. Any delays in these Ava-specific tasks will delay the entire timeline*

### Exhibit C - Staffing Plan

The staffing plan below assumes that Ava provides APTIM a formal notice to proceed with the optional Lending Program scope at least 60 days prior to Rebate Program launch. As an example, the staffing plan estimates resources needed to begin work on the Optional Lending scope in the days immediately following Rebate Program launch.

Rebate and Lending Programs Staffing Estimates 2024							
		JUL	AUG	SEP	OCT	NOV	DEC
Title	Name	Rebate Development				Rebate Launch / Lending Dev.	

National Director, Energy Programs	Dan Reese	20%	0%	20%	20%	20%	20%
Senior Program Manager	Marcus Rozbitsky	80%	80%	80%	80%	80%	50%
Program Manager	PM - TBD <sup>1</sup>	–	100%	100%	100%	100%	100%
Project Specialist	Madeline Gulley	–	–	10%	75%	75%	75%
Project Manager, Retail Outreach	Tim Olson	50%	75%	75%	75%	70%	50%
Project Specialist	Rhea Grover	–	25%	75%	75%	50%	25%
Project Coordinator	Tanairy Alfaro Salazar	–	–	10%	100%	100%	100%
Customer Service	12 APTIM FTE <sup>2</sup> s	–	–	–	–	20%	75%
Business Analyst	LaRael Dixon	20%	20%	50%	50%	50%	50
Project Manager	Maura Sartwell (Stralto)	–	75	75%	75%	75%	75%
Senior Developer	Vikas Maurya (Stralto)	–	60%	60%	80%	80%	40%
Business/ Quality Analyst	Janani Shrinivas (Stralto)	–	25%	50%	80%	80%	20%

Rebate and Lending Programs Staffing Estimates 2025							
	JAN	FEB	MAR	APR	MAY	JUN- End of Contract	

<sup>1</sup> Expect to have the PM hired and starting in August.

<sup>2</sup> Up to 12 APTIM employees are available to meet customer demand during this period. The percentages listed by month indicate the average % FTE across 12 staff. For example, if a month shows “100%” then all 12 staff members are estimated to be full-time. If a month shows “50%” then the 12 staff members will average 50% time.

Title	Name	Lending Development (cont.)			Lending Launch	Both Programs Implemented	
National Director, Energy Programs	Dan Reese	10%	10%	10%	10%	5%	5%
Senior Program Manager	Marcus Rozbitsky	50%	50%	50%	50%	10%	10%
Program Manager	PM - TBD*	100%	100%	100%	100%	100%	100%
Project Specialist	Madeline Gulley	25%	25%	50%	50%	50%	50%
Project Manager, Retail Outreach	Tim Olson	50%	20%	20%	20%	10%	10%
Project Specialist	Rhea Grover	50%	75%	75%	75%	10%	10%
Project Coordinator	Tanairy Alfaro Salazar	100%	100%	100%	100%	100%	100%
Customer Service	12 APTIM FTE <sup>3</sup>	33%	33%	33%	75%	50%	25%
Business Analyst	LaRael Dixon	20%	50%	80%	80%	20%	20%
Project Manager	Maura Sartwell (Stralto)	75%	75%	75%	75%	20%	20%
Senior Developer	Vikas Maurya (Stralto)	100%	100%	75%	75%	10%	10%
Business/ Quality Analyst	Janani Shrinivas (Stralto)	25%	50%	80%	80%	–	–

<sup>3</sup> Up to 12 APTIM employees are available to meet customer demand during this period. The percentages listed by month indicate the average % FTE across 12 staff. For example, if a month shows “100%” then all 12 staff members are estimated to be full-time. If a month shows “50%” then the 12 staff members will average 50% time.

## Exhibit D - Subcontractors

APTIM may subcontract with the following companies to support the scope of work. Additional subconsultants must be authorized in advance, in writing by Ava:

Stralto, Inc. is a Microsoft Gold Platform Partner and will assist with the configuration and maintenance of APTIM's APTracks system (APTIM's Dynamics-based e-bike platform) and will lead the implementation of the API to allow data flows between APTracks and Ava's data system. Stralto has assisted APTIM with its IT platform for the City of Boulder's and State of Colorado's e-bike programs, as well as the City and County of Denver's Home Energy Program.

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## Exhibit E - Service Level Agreement

Both Parties shall comply at all times during the Term with the following Ava SLAs that provides Ava's expectations for customer interactions by Contractor:

- Ava to review deliverables provided by Contractor during launch period, and approve or revise within 5 business days.
- Contractor shall keep a 99% platform uptime.
- Contractor will train and deploy 12 staff to respond to customer inquiries (email and phone). The number of staff deployed at a given time will depend on expected contact volume and will increase during initial program launch, voucher releases and marketing or promotional events.
  - The Contractor's customer contact system will provide 3 language options (English, Spanish, Simple Chinese). Based on the customer selection, calls will be routed to the next available staff member in the contact center tree that meets the language requirement selected by the caller. If no qualifying staff members are available, the call will be automatically routed to voicemail.
  - The Contractor's portal will include a "chat-bot" to support bike retailers with answers and resources related to common questions.
- Contractor and all subcontractors responding to, or engaging directly with, Ava customers shall respond to direct customer inquiries no later than 2 business days after the inquiry is received. Unless otherwise agreed to, Contractor and subcontractors are to provide at least two options for customer contact (email and phone). Unless otherwise agreed to, the Contractor shall provide Ava with the process to document customer issues, escalations, and resolutions for Contractor to resolve.
  - Customer Average Hold Time (AHT) when calling into the Contractor managed call-center shall not exceed 5 minutes. The maximum hold time shall not exceed 15 minutes. If an agent is unavailable, the customer will be routed to voicemail, which would notify customers they will be called back within the next 2 business days. Voicemails will be returned within 2 business days.
- Contractor will provide the following customer information to Ava within the Program Implementation Manual: when and how participants and potential Program participants will be contacted, what data will be collected, how that information will be stored, how that information will be shared with Ava, and the resources & process for handling customer support & complaint escalation.

SLAs for the Program Website and Platform:

### A) Availability

#### a) Definitions.

- i) "Maintenance Window" shall mean the total minutes in the reporting month represented by the mutually agreed day(s) and time(s) during which Contractor shall perform maintenance on the services.
- ii) "Scheduled Downtime" shall mean the total minutes in the reporting months represented by the Maintenance Window.
- iii) "Scheduled Uptime" shall mean the total minutes in the reporting month less the total minutes represented by the Scheduled Downtime.

- b) Service Level Standard. Services will be available to authorized users for normal use 99% of the Scheduled Uptime.

B) Technical Support Problem Response and Resolution.

- a) Any technical issues with the online application portal(s) and/or landing page(s) must be communicated in writing to Ava on the same day of discovery of the issue.
- b) APTIM shall post notifications on the online application portal alerting potential applicants, applicants, awarded applicants, and bike retailers about any technical issue and timeline for resolution within one (1) business day of discovery of the issue. APTIM will submit in writing an explanation with a clear plan and timeline for resolution to Ava within one (1) business day of discovery of the issue.
- c) APTIM shall resolve any technical issues with the online application portal(s) and/or landing page(s) within one (1) calendar week of discovery of the issue, or submit in writing an explanation with an updated plan and timeline for resolution to Ava.

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Adrian Bankhead <abankhead@avaenergy.org>

## Misleading Ava Community Energy marketing message

Jim Lutz <jlutz@lmi.net>

Mon, Jul 15, 2024 at 3:45 PM

To: Adrian Bankhead <abankhead@avaenergy.org>, cob@avaenergy.org

Adrian,

Would you please pass this message as a public comment to the CAC meeting tonight and the Board meeting on Wednesday.

thanks,

Jim

----

Dear Ava Community Energy Community Advisory Committee and Board members,

I recently received a postcard from Ava Community Energy. See the attached photo of the card.

The card claims I'm getting 100% California wind and solar power. I assume this is because I'm on the Renewable 100 rate.

Would you please ensure that marketing claims like this are vetted by technical staff before they are sent out. The claim that all the renewable power for Ava customers is from California is false. Propagating erroneous messages like this will only hurt Ava's credibility in reaching customers.

thanks,

Jim



Ava Shine on Oakland.jpg  
1076K