



Community Advisory Committee Meeting

Monday, November 18, 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:

1343 Fairview Ct, Livermore CA 94550
3602 Thornton Ave. Fremont, CA 94536
Starbucks at 1857 11th St. Tracy, CA 95376
1234 W Oak St, Stockton CA, 95204
24015 Wilcox Ln, Hayward, CA 94541

Via Zoom:

<https://us02web.zoom.us/j/84794506189>

Or join by phone:

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 +1 312 626 6799 or 877 853 5257 (Toll Free)
Webinar ID: 847 9450 6189

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.

If you have anything that you wish to be distributed to the Committee, please email it to the clerk by 5:00 pm the day prior to the meeting.

C1. Welcome & Roll Call

C2. Public Comment

This item is reserved for persons wishing to address the Committee 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 Committee are customarily limited to three minutes per speaker and must complete an electronic [speaker slip](#). The Committee Chair may increase or decrease the time allotted to each speaker.

C3. Approval of Minutes from October 15, 2024

C4. CAC Chair Report

C5. CAC Work Plan Update (CAC Action Item)

C6. 2024 Legislative Year in Review (Board Informational Item)

2024 Legislative session update

C7. Bill Credits (Board Action Item)

Surplus revenue bill credits

C8. CAC Member and Staff Announcements including requests to place items on future CAC agendas

C9. Adjourn

The next Community Advisory Committee meeting will be held on Monday, December 16, 2024 at 6:00 pm.

The Lake Merritt Room
Cal State East Bay - the Oakland Center
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Oakland, CA 94607



Draft Minutes
Community Advisory Committee
Special Retreat

Tuesday, October 15, 2024
6:00 pm

In Person:

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Cal State East Bay - the Oakland Center
In the Transpacific Centre
1000 Broadway, Suite 109
Oakland, CA 94607

Or from the following remote locations:

- 4563 Meyer Park Circle, Fremont, CA 94536
- Starbucks at 1857 11th St. Tracy, CA 95376

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C1. Welcome & Roll Call

Present: Members: Landry, Weiner, Balkissoon, Stephenson, Gile, Swaminathan, Lakshman, Pacheco, DiFranco, Harper, Lutz, Vice-Chair Souza and Chair Hernandez

Not Present: Members: Kaur

Lisa Hu stepped down from the CAC. Peter Weiner was promoted from Alternate to Regular Member representing the North Region.

C2. Public Comment

This item is reserved for persons wishing to address the Committee 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 Committee are customarily limited to three minutes per speaker and must complete an electronic [speaker slip](#). The Committee Chair may increase or decrease the time allotted to each speaker.

C3. CAC Member/Alternate and Ava Staff ‘Meet and Greet’ Dinner

C4. CAC Strategic Planning Session

CAC will discuss priorities and consider updates to the CAC Work Plan

(5:36) Alex DiGiorgio introduced the Community Advisory Committee's (CAC) strategic planning session, outlining three primary objectives: fostering connections among members and new jurisdictions, updating the CAC work plan as mandated by the Joint Powers Agreement, and setting priorities aligned with agency goals for the upcoming year. He provided historical context on the agency's growth and spoke about the committee's unique governance structure and representation by jurisdictional load size.

(1:51:42) Public Comment – Jessica Tovar spoke about the origins of the CAC, the importance Local Development Business Plan, and called for continued focus on initiatives to address affordability and community resilience, especially for vulnerable populations.

(1:55:05) Public Comment – Alya Peters Paz spoke about the importance of the CAC's proactive involvement in decision-making processes and its unique role in strengthening community-focused energy solutions.

(1:57:13) Chair Hernandez adjourned the meeting at 8:30pm.

C5. Approval of Minutes from September 16, 2024

C6. CAC Chair Report

C7. CAC Member and Staff Announcements including requests to place items on future CAC agendas

C8. Adjourn

The next Community Advisory Committee meeting will be held on November 18, 2024 at 6:00 pm.

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CAC Item C5

Draft: CAC priorities/Work Plan update

After the productive CAC Strategic Planning Session in October, here is a summary outline of key points and priorities Members discussed. Priorities are broken down into three different categories, with example items and topics provided.

1. Reoccurring Board items

- Annual budgeting (May/June)
- Legislative priorities (annual)
- Integrated Resource Planning (biennial)

2. Non-recurring Board items/issues to be agendized/discussed at a CAC meeting

- Local Development/Programs (e.g. LDBP; equity; affordability)
- Policy (e.g., regulatory/legislative issues outside of annual legislative cycle)
- Marketing/Public Engagement (e.g., Stockton/Lathrop outreach; ad campaigns; brand updates, etc.)

3. CAC initiated items / Ad Hoc CAC Committee formation (examples below)

- Ad Hoc: Energy Affordability
- Ad Hoc: Emerging Tech Com: Bi-directional charging; offshore wind; etc.
- Ad Hoc: Local CAPs Com: City CAPs



**CAC Item C6
Staff Report Item 15:
2024 Legislative Year in Review**

To:	Ava Community Energy Authority
From:	Todd Edmister, Sr. Director of Public Policy and Deputy General Counsel Kendall Downie, Regulatory Fellow
Subject:	Updating the Board on 2024 Legislation
Date:	November 20, 2024

Summary/Recommendation

This memo updates the Board as detailed below on California legislation that Ava was tracking or on which Ava took a position during the 2024 legislative session.

Analysis and Context

The Board adopted positions on pending state legislation at the Board’s regular May 15, 2024 business meeting. See <https://avaenergy.org/wp-content/uploads/2024/04/Item-C6.-Legislative-Update-1.pdf> The Board elected to take a “support” position on Assembly Bill (“AB”) 817 (Pacheco), AB1834 (Garcia) AB 2329 (Muratsuchi), AB 2672 (Petrie-Norris), AB 2779 (Petrie-Norris), SB 1006 (Padilla), Senate Bill (“SB”), SB 1095 (Becker), SB 1130 (Bradford), SB 1165 (Padilla), SB 1210 (Skinner), and SB 1221 (Min).

With the conclusion of the legislative session, we report in the table below on the fate of these bills. Bills now in law are highlighted.

AB 817	Pacheco	Permits a member of a subsidiary body (i.e.	Died
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		Community Advisory Committee) to call in remotely and not disclose their locations.	
AB 1834	Garcia	The CPUC and CEC must consider mitigating factors (like market scarcity) when determining Resource Adequacy capacity payments.	Vetoed
AB 2329	Muratsuchi	Establishes a Climate Equity Trust Fund to promote affordable electric rates.	Died
AB 2672	Petrie-Norris	Creates greater access to the CARE program for public housing facilities by ensuring direct benefits go to its residents.	Signed into law by Gov
AB 2779	Petrie-Norris	Directs CAISO to report on the use of new grid enhancing technologies in transmission plans.	Signed into law by Gov
SB 1006	Padilla	Requires IOUs to prepare strategic plans on grid enhancing technologies and evaluate which lines can be upgraded instead of replaced.	Signed into law by Gov
SB 1095	Becker	Streamlines transition from gas to all-electric in mobile and manufactured homes.	Died
SB 1130	Bradford	Expands FERA program eligibility by eliminating the requirement that a household consist of 3 or more persons	Signed into law by Gov
SB 1165	Padilla	Speeds up agency transmission project authorization by deeming them environmental leadership development projects.	Died
SB 1210	Skinner	Requires IOUs to post online schedules and fees for service connections to new housing construction.	Signed into law by Gov
SB 1221	Min	Requires IOUs to identify potential gas distribution line replacement projects, and evaluate the cost-	Signed into law by Gov

		effectiveness of replacing those projects with all-electric service.	
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In addition to the bills listed above, staff also reports here on AB 3264 (Petrie-Norris). AB 3264 established reporting requirements on demand-side management programs. The author amended AB 3264 late in the session to add CCAs to its scope. The Governor signed AB 3264 into law as amended to include CCAs.

Financial Impact

Of the bills that are now law:

AB 2672 may result in lower costs for Ava customers benefitting in public housing facilities.

AB 2779 is unlikely to have a fiscal impact on Ava in the near-term, but may eventually lower costs as Ava project delays are avoided and transmission bills are lowered.

AB 3264 will require additional reporting from Ava, with associated compliance costs in amounts to be determined. The CPUC is establishing detail around the reporting requirements.

SB 1006 is unlikely to have a fiscal impact on Ava in the near-term, but may eventually lower costs as Ava project delays are avoided and transmission bills are lowered.

SB 1130 may result in lower costs for Ava customers who qualify for the expanded FERA requirements, but slightly increase costs for other customers paying for the program.

SB 1210 is unlikely to have a fiscal impact on Ava.

SB 1221 may supplement funding for Ava electrification and building decarbonization programs.

Attachments

- A. November 20, 2024 Legislative Update (Slideshow)

Ava 2024 Fall Legislative Update



Agenda

- Background on California's state legislative process (Dan)
- Ava Legislative Program and Positions in the 2024 California Legislative Session (Todd)
- Outcomes of the 2024 Legislative Session (Todd and Kendall)
- 2025 Outlook



Key Deadlines for the 2024 Legislative Year

January 3: Legislature reconvenes

January 10: Governor submits budget

February 16: Bill introduction deadline

April 26: Policy committees to move fiscal bills to fiscal committees (1st house)

May 3: Policy committees to move nonfiscal bills to floor (1st house)

May 17: Fiscal committees to move bills to floor (1st house)

May 24: Last day for bills to be passed out of 1st house

June 15: Budget bill must be passed

July 3: Policy committees to meet and report bills (2nd house)

August 16: Fiscal committees to move bills to floor (2nd house)

August 31: Last day for each house to pass bills

September: Last day for Governor to sign/veto bills



Legislature – 2024 State of Play

Bills, Bills, Bills

- 2,124 bills introduced; of 1,206 bills on Gov's desk, he signed 1,017 and vetoed 189

- Major Areas Of Concern:
 - Retail Crime
 - AI
 - Insurance Crisis
 - Electricity Affordability



2024 Energy-related Bill Topics

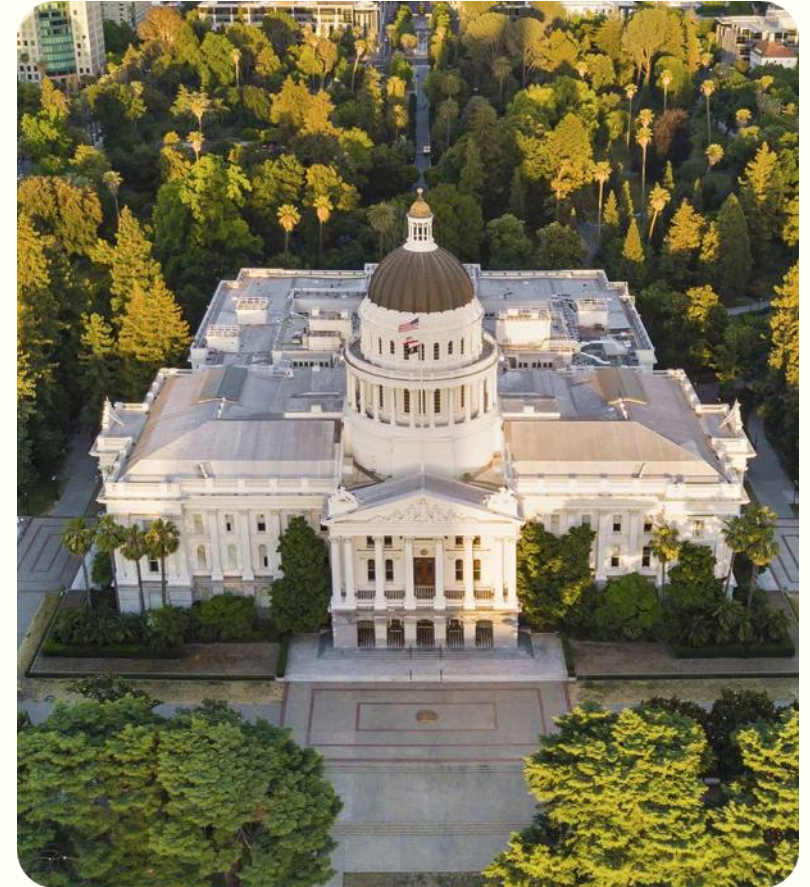
- Affordability
- Building decarbonization
- Clean Energy Finance
- Fixed charges
- Transmission
- Procurement
- EVs/charging
- Climate Bond



Ava's Legislative Program

Ava staff recommendations for bill positions are based on *Ava's Legislative Program*, last updated May 2024 (<https://avaenergy.org/about-ava/legislative-priorities/>)

- The Program prioritizes:
 - Accelerating Decarbonization
 - Promoting Local Development
 - Stabilizing Community Choice
- Ava Board determines final bill positions



Bill # (Author)	Description	Ava's Position	Bill Outcome
Affordability			
<u>AB 2329</u> (Muratsuchi)	Establishes a Climate Equity Trust Fund to promote affordable electric rates	Support	Died
<u>AB 3264</u> (Petrie-Norris)	Requires the CPUC to report on the cost effectiveness and ratepayer savings of energy efficiency and demand response programs	N/A	Signed into law by Gov.
<u>AB 2672</u> (Petrie-Norris)	Creates greater access to the CARE program for public housing facilities by ensuring direct benefits go to its residents	Support	Signed into law by Gov.
<u>SB 1130</u> (Bradford)	Expands FERA program eligibility by eliminating the requirement that a household consist of 3 or more persons	Support	Signed into law by Gov.
<u>SB 1142</u> (Menjivar)	Adds more protections for customers at-risk of disconnections	N/A	Signed into law by Gov.
<u>SB 1292</u> (Bradford)	Orders PUC to report on the income-graduated fixed charge (IGFC) adoption by July 1, 2027	N/A	Vetoed by Gov.
<u>AB 1999</u> (Irwin)	Sunsets the IGFC set by the PUC on July 1, 2028; after 2028, IGFC caps at \$5 for CARE and \$10 for non-CARE	N/A	Died



Bill # (Author)	Description	Ava's Position	Bill Outcome
Building Decarbonization			
<u>SB 1054 (Rubio)</u>	Requires the CEC to award grants to support low-income households and their purchase of zero-emitting household appliances	N/A	Died
<u>SB 1095 (Becker)</u>	Streamlines transition from gas to all-electric in mobile and manufactured homes	Support	Died
<u>SB 1210 (Skinner)</u>	Requires IOUs to post online schedules and fees for service connections to new housing construction	Support	Signed into law by Gov.
<u>SB 1221 (Min)</u>	Requires IOUs to annually file a gas map to show foreseeable gas community-wide replacements, and determines cost-effectiveness process for electrification	Neutral	Signed into law by Gov.
Clean Energy Bonds			
<u>SB 867 (Allen)</u>	Authorizes \$10 billion in bonding for safe drinking water, climate resilience, wildfire prevention, extreme heat mitigation, biodiversity, clean air, and outdoor access programs	N/A	Passed



Bill # (Author)	Description	Ava's Position	Bill Outcome
Transmission			
<u>AB 2779</u> (Petrie-Norris)	Directs CAISO to report on the use of new grid enhancing technologies in transmission plans	Support	Signed into law by Gov.
<u>SB 1006</u> (Padilla)	Requires IOUs to prepare strategic plans on grid enhancing technologies and evaluate which lines can be upgraded instead of replaced	Support	Signed into law by Gov.
<u>SB 1165</u> (Padilla)	Speeds up agency transmission project authorization by deeming them environmental leadership development projects	Support	Died
Procurement			
<u>AB 1834</u> (Garcia)	The CPUC and CEC must consider mitigating factors (like market scarcity) when determining Resource Adequacy capacity payments	Support	Vetoed
<u>AB 2368</u> (Petrie-Norris)	Will include provisions to more closely coordinate Integrated Resource Planning and Resource Adequacy planning and processes	N/A	Signed into law by Gov.
<u>SB 1374</u> (Becker)	Allows eligible customer-generators to elect to aggregate their electric load	N/A	Vetoed



Bill # (Author)	Description	Ava's Position	Bill Outcome
EV's			
AB 2427 (McCarty)	Orders GO-Biz to create checklists and best practices to help local govts permit curbside charging stations	N/A	Signed into law by Gov.
AB 2453 (Villapudua)	Prohibit requiring retesting the electric vehicle supply equipment (EVSE) by an agent or sealer until 2028	N/A	Signed into law by Gov.
SB 59 (Skinner)	Enables CARB/CEC/CPUC to require bidirectional charging capabilities if they deem beneficial	N/A	Signed into law by Gov.
Utilities			
AB 2054 (Bauer-Kahan)	Prohibits CEC/CPUC commissioners from being employed by an entity they regulate (including IOUs and CCAs) for 3 years after their role, and increased oversight in IOU overspending	N/A	Died
Brown Act			
AB 817 (Pacheco)	Permits a member of a subsidiary body (i.e. CAC) to call in remotely and not disclose their locations	Support	Died



2025 Outlook

Significant Member Turnover

- 32 new legislators this past session and another 34 newly elected this fall
- New Ava delegation members (pending official election results):
- Sen. Jerry McNerney (D, SD-9), Sen. Tim Grayson (D, SD-5), Sen. Jesse Arreguín (D, SD-7), Asm. Rhodesia Ransom (D, SD-13)
- New Sen Leadership and Committee Chairs (Sen Energy)

Continuing Budget Deficit Projected

- While tax receipts since June are exceeding budget projections, expenses are also exceeding projections, and new costs will offset gains
- Strong cash position (\$92B in “borrowable” money) will help address deficits



2025 Outlook

Expected Areas of Concern: Todd to Review

- Electricity Affordability
- Insurance Crisis
- Cap and Trade Reauthorization
- AI
- Permit Streamlining

Legislative Special Session:

- Convened by Gov in response to election of incoming President Trump to ensure sufficient litigation resources



Key Deadlines for the 2025 Legislative Year

January 6: Legislature reconvenes

January 10: Governor submits budget

February 21: Bill introduction deadline

May 2: Policy committees to move fiscal bills to fiscal committees (1st house)

May 9: Policy committees to move nonfiscal bills to floor (1st house)

May 23: Fiscal committees to move bills to floor (1st house)

June 6: Last day for bills to be passed out of 1st house

June 15: Budget bill must be passed

July 18: Policy committees to meet and report bills (2nd house)

August 29: Fiscal committees to move bills to floor (2nd house)

September 12: Last day for each house to pass bills

October 12: Last day for Governor to sign/veto bills





**CAC Item C7
Staff Report Item 19**

To:	Ava Community Energy Authority
From:	Kelly Brezovec, Sr. Director, Account Services
Subject:	Request that the Board adopt a resolution regarding on-bill credit allocation of surplus revenue from Fiscal Year 2023-2024.
Date:	November 20, 2024

Summary/Recommendation

Staff requests that the Board adopt a Resolution on proposed Fiscal Year 2023-2024 surplus revenue bill credit options based on the January 2024 Fiscal Year Budget Surplus Allocation Resolution.

To review, the plan allocation is as follows:

1. \$50 million to be retained for working capital needs
2. \$100 million to be contributed to reserve funds
3. The remaining balance to be split 60/40 between:
 - a. One-time on-bill credits to customers, with some portion applied specifically to California Alternate Rates for Energy (CARE) / Family Electric Rate Assistance (FERA) customers
 - b. Incentives for an Ava Solar and Storage Program

Table 1 identifies the credits available for the on-bill credits and the Ava Solar and Storage Program, following the allocation approved in January 2024. A discussion of the budget and performance compared to forecast is available in the Budget to Actuals, Waterfall, and Reserves presentation at the November 13, 2024, Finance, Administration, and Procurement Subcommittee.

	Allocation	Budget	Actuals	% Change
Net Revenues		\$179,484,000	\$187,404,824	4.4%
Contributions				
Working Capital	\$50,000,000	\$129,484,000	\$137,404,824	6.1%
Reserve Funds	\$100,000,000	\$29,484,000	\$37,407,824	26.9%
Remaining				
On-Bill Credits	60%	\$17,690,400	\$22,444,694	26.9%
Ava Solar + Storage Program	40%	\$11,793,600	\$14,963,130	26.9%

Table 1: FY 2023-2024 Net Revenues and Fund Allocations

Staff recommends allocating the one-time on-bill credits to customers as follows:

- \$75 for CARE/FERA customers,
- \$11.68 for non-CARE/FERA residential customers, and
- \$0.0026 per kilowatt-hour used during fiscal year 2023-2024.

This credit allocation provides each customer class with a larger credit than they received from the FY2022-2023 surplus revenue credits. Later in this Staff Report this series of credits is identified as “Option 3.”

Financial Impact

Allocation of surplus funds from the previous fiscal year has already been approved by the Ava Board and does not have an impact on ongoing operations. The financial impact on customer bills is discussed below in the Analysis section.

Analysis and Context

History

In the January 2024 resolution, [Fiscal Year Budget Surplus Allocation](#), The Board agreed to move forward with the Finance, Administrative, and Procurement subcommittee’s recommendation where 60% of the unallocated budget surplus is to be dedicated to on-bill credits with some portion specifically applied to CARE and FERA customers.

Since the assignment of the unallocated budget surplus credit is by customer class, and exactly what portion will go to CARE and FERA customers is still to be determined, the Board is expected to provide guidance at the November Board meeting in advance of customers seeing these credits in December - February.

Credits have been applied to customer bills in 2022 and 2023; staff recommend reviewing the proposed credits for 2023-2024 through the lens of previous customer experiences and potential expectations.

Fiscal Year 2022-2023:

The [2022-2023](#) budget included a \$50 credit for CARE customers, specifically to be applied in Q1/Q2. In August/September 2022, CARE/FERA customers received a \$50 “EBCE CARE Customer 2022” credit.

The 2022-2023 budget also allowed for a Budget Surplus Waterfall Allocation as follows:

1. Working Capital Needs: \$50MM
2. Reserve Account Funding: \$75MM
3. 50/50% split of any excess to:
 - a. Incremental Long-term Renewable Energy/Clean Energy Storage Investments
 - b. One-time On-Bill Credits to customers

Based on the 2022-2023 surplus, \$10,504,837 was allocated to “revenue share” customer credits. The credits were split pro-rata based on total load between the residential and non-residential segments. Approximately 40% of total usage was attributed to Residential customers. Every active residential customer received the same credit amount, \$7.27. Non-residential customers received a credit based on a volumetric calculation of \$0.002 per kWh of FY 2022-2023 usage. Table 1 identifies credits provided by customer class.

The non-residential credits were provided based on annual consumption; Table 1 provides average credits for common commercial rates.

Non-residential Customer Size	Average Annual Usage (kWh)	Average Credit
Small (B1)	16,632	\$33
Medium (B10)	205,176	\$410
Large (B19)	2,676,288	\$5,353

Table 1: FY 2022-2023 Average Non-residential Surplus Revenue Credits

On the bill, these credits were identified as “Ava Customer Dividend.” Residential credits were applied to the bill in December and non-residential in January/February.

Fiscal Year 2023-2024:

The [2023-2024](#) budget again included a special \$50 CARE or FERA credit. On the bill, these credits were the “Ava Customer Credit.” These were applied in November 2023.

To review, in January 2024, the Board approved a surplus [allocation plan](#):

1. \$50 million to be retained for working capital needs
2. \$100 million to be contributed to reserve funds
3. The remaining balance to be split 60/40 between:
 - a. One-time on-bill credits to customers, with some portion applied specifically to CARE/FERA customers
 - b. Incentives for an Ava Solar and Storage Program

Note: The 2024-2025 budget did NOT include a special Q1/Q2 CARE allocation. The 2023-2024 surplus will be the “fall” credit that CARE customers may be accustomed to receiving from Ava.

2023-2024 Surplus and Credit Options

Following the direction of the Board’s resolution from January 2024, for the credit assignments described in table 3, staff first assigned a value to credits for CARE/FERA customers. Then, using the same methodology applied to the FY 2022-2023 surplus, staff divided the remaining funds proportionally between residential and non-residential, based on 2022-2023 actual load (annual usage). Also, based on the operational success of applying the FY 2022-2023 surplus, residential credits are divided equally among all customers. Non-residential, or commercial, credits are applied based on actual usage in the previous fiscal year. In options 1, 2, and 3, CARE/FERA customers receive only the CARE credit, so their load is not included in the proportional division. In options 4 and 5, CARE/FERA customers receive both their unique credit and the residential credit, so their load is included in the total residential load.

Staff used the following assumptions in developing Options 1, 2 and 3, shown in Table 4.

CARE/FERA Customer Count	108,415
Residential Customer Count, total	512,850
Non-residential load, 2023-2024	3,747,420,727 kWh
Residential load, total, 2023-2024	2,189,688,525 kWh
CARE/FERA load, 2023-2024	368,023,164 kWh
Total Surplus Available	\$22,444,694

Table 2: Assumptions for analysis

Option 1: \$125 for CARE/FERA Credit

Customer Class	% Funds	Total	Bill Credit	Note
Residential	13%	\$2,934,630	\$7.26	Similar to 2023 credit
CARE/FERA	60%	\$13,551,875	\$125.00	Does not receive Residential Credit
Non-residential	27%	\$5,958,189	\$0.0016	Same to 2023 credit

Option 2: \$100 for CARE/FERA Credit

Customer Class	% Funds	Total	Bill Credit	Note
Residential	17%	\$3,829,054	\$9.47	Nearly double 2023 credit
CARE/FERA	48%	\$10,841,500	\$100.00	Does not receive Residential Credit
Non-residential	35%	\$7,774,140	\$0.0021	Similar to 2023 credit

Option 3: \$75 for CARE/FERA Credit

Customer Class	% Funds	Total	Bill Credit	Note
Residential	21%	\$4,723,478	\$11.68	Nearly double 2023 credit
CARE/FERA	36%	\$8,131,125	\$75.00	Does not receive Residential Credit
Non-residential	43%	\$9,590,091	\$0.0026	1.5x 2023 credit

Option 4: \$50 for CARE/FERA Credit

Customer Class	% Funds	Total	Bill Credit	Note
Residential	28%	\$6,298,859	\$12.28	Nearly double 2023 credit
CARE/FERA	24%	\$5,420,750	\$50.00	Also receives Residential Credit
Non-residential	48%	\$10,725,085	\$0.0029	1.5x 2023 credit

Option 5: \$40 for CARE/FERA Credit

Customer Class	% Funds	Total	Bill Credit	Note
Residential	30%	\$6,699,995	\$13.06	Nearly double 2023 credit
CARE/FERA	19%	\$4,336,600	\$40.00	Also receives Residential Credit
Non-residential	51%	\$11,408,099	\$0.0030	1.5x 2023 credit

Option 6: No special credit to CARE/FERA

Customer Class	% Funds	Total	Bill Credit	Note
Residential	37%	\$8,304,537	\$16.19	More than double 2023 credit
Non-residential	63%	\$14,140,157	\$0.0038	Almost double 2023 credit

Table(s) 3: Staff identified options for 2023-2024 bill credits

Staff recommends the middle option, Option 3. Table 4 provides an overview of all options provided with a comparison to the previous credits shared with customers.

	FY22/23	FY23/24 Budget	To be applied Dec-24 to Feb-25					
			Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Residential Credit	\$7.27 (Dec-23)		\$7.26	\$9.47	\$11.68	\$12.28	\$13.06	\$16.19
CARE Credit (Total)	\$50 (Aug-22) \$7.27 (Dec-23)	\$50 (Nov-23)	\$125	\$100	\$75	\$62.28	\$53.06	\$16.19
Non-Residential (per kWh)	\$0.002/kWh (Jan-24)		\$0.0016	\$0.0021	\$0.0026	\$0.0029	\$0.003	\$0.0038

Table 4: Summary of Options

Customer Bill Impact

The non-residential credits by option vary widely based on annual usage; table 6 provides context. Staff recommends option 3. For a small or medium commercial customer, this is an extra \$10 and \$120 credit, respectively, compared to 2023.

Non-residential Customer Size	Average Annual Usage (kWh)	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Small (B1)	16,632	\$27	\$35	\$43	\$48	\$50	\$63
Medium (B10)	205,176	\$328	\$431	\$533	\$595	\$616	\$780
Large (B19)	2,676,288	\$4,282	\$5,620	\$6,958	\$7,761	\$8,029	\$10,170

Table 5: Example credits for average commercial customers

With significantly less usage variability, residential bills are more meaningful to compare year-to-year and for an “average” household. Tables 6 and 7 provide a snapshot of average annual electricity bills for residential CARE/FERA customers and residential customers respectively; annual bills are inclusive of generation and delivery charges. Staff used the default rate, which was E-1, a flat generation rate with tiered delivery charges, until 2021 when the new default was a time-of-use rate, TOU-C.

Default CARE/FERA Rate

Rate	Year	Average Monthly Usage (kWh)	PG&E Average Annual Bill (\$)	Ava Average Annual Bill (\$)	Ava Average Annual with Credits (\$)
E-1	2019	338	\$659	\$651	
E-1	2020	338	\$693	\$689	
E-1	2021	429	\$925	\$919	
E-TOUC	2022	339	\$889	\$871	\$821
E-TOUC	2023	343	\$934	\$904	\$846
E-TOUC	2024	341	\$1,080	\$1,050	\$975

Table 6: Average annual CARE/FERA residential bills, 2019-2024

In 2022, compared to 2021, CARE customers experienced lower annual bills due to a decrease in average monthly usage, annual electricity bills were lowered further through the Ava \$50 bill credit. In 2023, customers would have seen average monthly bills increase from \$871 to \$904, however the \$57 in bill credits from Ava effectively offset this increase. Should Ava apply a \$75 credit to customer bills in 2024, customers would again be shielded from the bulk of the nearly \$100 annual increase.

Standard residential customer bills, shown below in Table 7 do not experience this same benefit, as the credit has not been nearly as significant.

Default Residential Rate

Rate	Year	Average Monthly Usage (kWh)	PG&E Average Total Annual Bill (\$)	Ava Average Total Annual Bill (\$)	Ava Average Total Annual Bill with Credits (\$)
E-1	2019	359	\$1,070	\$1,063	
E-1	2020	359	\$1,165	\$1,160	
E-1	2021	402	\$1,358	\$1,353	
E-TOUC	2022	373	\$1,525	\$1,505	
E-TOUC	2023	365	\$1,549	\$1,516	\$1,502
E-TOUC	2024	360	\$1,776	\$1,744	\$1,732

Table 7: Average annual residential bills, 2019-2024

Another way to look at this information is shown in Figures 1 and 2, with the same information provided graphically.

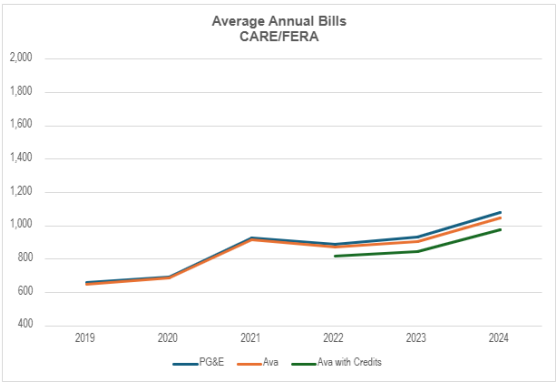


Figure 1: Average annual CARE/FERA residential bills, 2019-2024

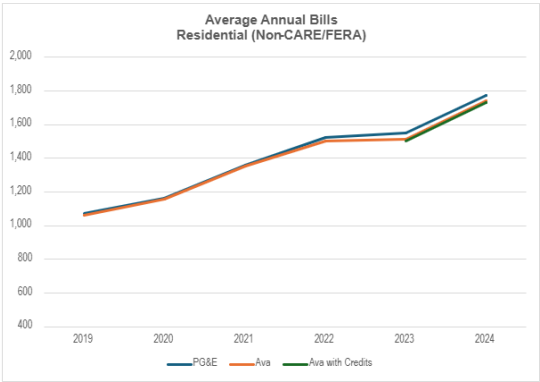


Figure 2: Average annual residential bills, 2019-2024

Review of Option 3

Staff recommends Option 3, as this provides a larger credit than all three customer groups received last year. These bill credits would be applied to customer bills one to three months after Board approval.

Customer Group	Proposed Credit from FY23-24 Surplus
Residential	\$11.68
CARE/FERA	\$75
Non-Residential	\$0.0026 per kWh
Small (B1)	\$43
Medium (B10)	\$533
Large (B19)	\$6,958

Table 8: Option 3, review

Committee Recommendation

This item was prepared for the Finance, Administration, and Procurement Subcommittee meeting on November 13, 2024. There was not a quorum at that meeting.

Attachments

- A. Resolution
- B. PowerPoint

RESOLUTION NO. R-2024-xx
A RESOLUTION OF THE BOARD OF DIRECTORS
OF AVA COMMUNITY ENERGY AUTHORITY ON ON-BILL CREDIT
ALLOCATION OF SURPLUS REVENUE FROM FISCAL YEAR 2023-2024

WHEREAS, Ava Community Energy Authority (“Ava”) was formed as a community choice aggregation agency (“CCA”) on December 1, 2016, under the Joint Exercise of Powers 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 Agreement (“JPA”) in March of 2020. The city of Stockton was added as a member to Ava in September of 2022. The city of Lathrop was added as a member to Ava in October of 2023. San Joaquin County was added as a member to Ava in July 2024. 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, on January 17, 2024, the Board of Directors (the “Board”) approved a plan to allocate Fiscal Year 2023-2024 revenues to working capital, reserve, incentives for net-billing tariff projects (Ava Solar and Storage Program), and on-bill credits with some portion specifically applied to California Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA) customers;

WHEREAS, staff have completed the financial audit for Fiscal Year 2023-2024, and the Board has approved the audit results; and

WHEREAS, approximately \$22 million is available for on-bill credits, which will be shared among customers through a credit on their Ava bill.

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

Section 1. Apply credits to customer bills as follows: \$75 to each active CARE or FERA customer first, then split the remaining funds proportionally based on load from July 1, 2023 to June 30, 2024 between residential and non-residential customers. Residential customers will receive the same credit while non-residential customers will receive a credit proportional to their usage from July 1, 2023 to June 30, 2024.

ADOPTED AND APPROVED this 20th day of November 2024.

Jack Balch, Chair

ATTEST:

Adrian Bankhead, Clerk of the Board

Fiscal Year 2023-2024 Surplus Allocation: On-bill Customer Credits

Board of Directors
November 20, 2024



Summary

The January 2024 Budget Surplus Allocation resolution identified the following allocation:

1. \$50 million to be retained for working capital needs
2. \$100 million to be contributed to reserve funds
3. The remaining balance to be split 60/40 between:
 - One-time on-bill credits to customers, with some portion applied specifically to CARE/FERA customers
 - Incentives for an Ava Solar and Storage Program

Staff seeks feedback on proposed FY2023-2024 surplus revenue bill credit options. Based on the 23-24 financial audit ~ \$22M is available for on-bill credits.



History

- Previous budgets have provided for on-bill customer credits as follows:

	FY 22/23	FY23/24
Residential Credit	\$7.27, Dec 2023	TBD
CARE Customer Credit	\$50, Aug 2022 \$7.27 Dec 2023	\$50, Nov 2023
Commercial Credit	\$0.002/kWh, Jan 2024	TBD

- The CARE customer credits provided in 2022 and 2023 were authorized by the board at \$50 each
- Credits that were funded by surplus revenue were calculated by staff, splitting the total amount available into residential and commercial based on percentage of total load.
 - Commercial customers were provided a custom credit based on actual usage
 - Residential customers all received the same amount



Summary of Options: FY23-24 Surplus Revenue On-bill Credits

		One-time Bill Credit				
Customer Class	2023	Option 1	Option 2	Option 3	Option 4	Option 5
Residential	\$7.27	\$7.26	\$9.47	\$11.68	\$12.28	\$13.06
CARE/FERA	\$57.27	\$125.00	\$100.00	\$75.00	\$62.28	\$53.06
Non-Residential Credit (per kWh)	\$0.0020	\$0.0016	\$0.0021	\$0.0026	\$0.0029	\$0.0030
Small (B1)	\$33	\$27	\$35	\$43	\$48	\$50
Medium (B10)	\$410	\$328	\$431	\$533	\$95	\$616
Large (B19)	\$5,353	\$4,282	\$5,620	\$6,958	\$7,761	\$8,029

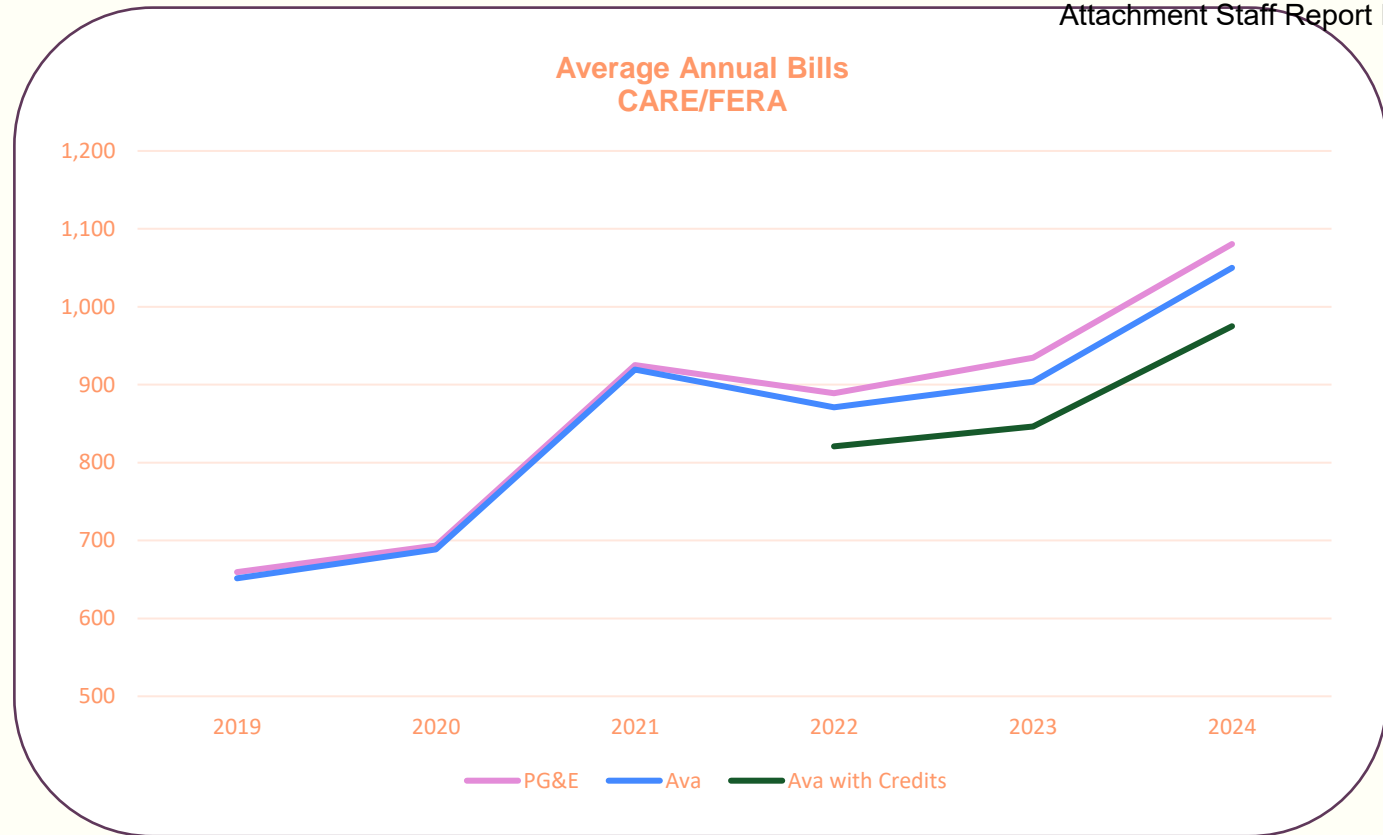


Recommendation (Option 3)

Customer Group	Customer Credits Received 2023	Proposed Credit from FY23-24 Surplus
Residential	\$7.27	\$11.68
CARE/FERA	\$57.27	\$75
Non-Residential	\$0.0020 per kWh	\$0.0026 per kWh
Small (B1)	\$33	\$43
Medium (B10)	\$410	\$533
Large (B19)	\$5,353	\$6,958



Effect on Customer Bills: CARE/FERA Customers with Option 3



Rate	Year	Average Monthly Usage (kWh)	PG&E Average Annual Bill (\$)	Ava Average Annual Bill (\$)	Ava Average Annual with Credits (\$)
E-TOUC	2022	339	\$889	\$871	\$821
E-TOUC	2023	343	\$934	\$904	\$846
E-TOUC	2024	341	\$1,080	\$1,050	\$975



Subcommittee Recommendation and Next Steps

- This item was prepared for the Finance, Administration, and Procurement Subcommittee meeting, which did not have a quorum.
- Following the Board's approval, staff will move forward with on-bill credits



Thank you!



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Community Energy



Appendix: Options

Option 1: \$125 for CARE/FERA Credit

Customer Class	% Funds	Total	Bill Credit	Note
Residential	13%	\$2,934,630	\$7.26	Similar to 2023 credit
CARE/FERA	60%	\$13,551,875	\$125.00	Does not receive Residential Credit
Non-residential	27%	\$5,958,189	\$0.0016	Same to 2023 credit

Option 4: \$50 for CARE/FERA Credit

Customer Class	% Funds	Total	Bill Credit	Note
Residential	28%	\$6,298,859	\$12.28	Nearly double 2023 credit
CARE/FERA	24%	\$5,420,750	\$50.00	Also receives Residential Credit
Non-residential	48%	\$10,725,085	\$0.0029	1.5x 2023 credit

Option 2: \$100 for CARE/FERA Credit

Customer Class	% Funds	Total	Bill Credit	Note
Residential	17%	\$3,829,054	\$9.47	Nearly double 2023 credit
CARE/FERA	48%	\$10,841,500	\$100.00	Does not receive Residential Credit
Non-residential	35%	\$7,774,140	\$0.0021	Similar to 2023 credit

Option 5: \$40 for CARE/FERA Credit

Customer Class	% Funds	Total	Bill Credit	Note
Residential	30%	\$6,699,995	\$13.06	Nearly double 2023 credit
CARE/FERA	19%	\$4,336,600	\$40.00	Also receives Residential Credit
Non-residential	51%	\$11,408,099	\$0.0030	1.5x 2023 credit

Option 3: \$75 for CARE/FERA Credit

Customer Class	% Funds	Total	Bill Credit	Note
Residential	21%	\$4,723,478	\$11.68	Nearly double 2023 credit
CARE/FERA	36%	\$8,131,125	\$75.00	Does not receive Residential Credit
Non-residential	43%	\$9,590,091	\$0.0026	1.5x 2023 credit

Option 6: No special credit to CARE/FERA

Customer Class	% Funds	Total	Bill Credit	Note
Residential	37%	\$8,304,537	\$16.19	More than double 2023 credit
Non-residential	63%	\$14,140,157	\$0.0038	Almost double 2023 credit



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Dear Community Advisory Committee Members and Alternates,

I am formally extending an offer on behalf of Local Clean Energy Alliance (LCEA) to organize a study session on resilience hubs for the Community Advisory Committee (CAC). LCEA recognizes that this has been a topic of interest to the CAC, and there is a strong desire to better understand resilience hubs and their role in enhancing climate and energy resilience.

We appreciate the CAC's enthusiasm and commitment to learning more about social resilience needs and community-oriented solutions to climate change. We believe a community's ability to address their community's daily needs and tackle climate disaster impacts are closely linked to robust resilience hub programming and energy independence. We are confident that through a study session, the CAC will understand the importance of resilience hubs in pursuing a clean energy system.

LCEA also wants to emphasize the importance of including community voices in this study session. Resilience hubs serve as trusted sources of knowledge and resources in their communities, both during everyday situations and in times of crisis. These spaces have deep understandings of how to address energy and climate resilience needs in their communities. Failing to include them would prevent the CAC from learning from experts in community resilience.

We would like to formally invite the CAC to participate in a study session organized by LCEA. LCEA has many strong and long-lasting relationships with resilience hubs in Ava Community Energy territory. We would be very excited to bring together CAC members and resilience hubs for a formal conversation around resilience. If this is of interest to the CAC, please feel free to email Ayla Paz at ayla@localcleanenergy.org.

Clean Power to the People. Thank you.

Ayla Peters-Paz
Local Clean Energy Alliance

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Subject: Need for Specifically-Allocated Funding for Community-Driven Resilience Hubs from 2023-2024 Budget Surplus

November 20, 2024

Dear Ava Community Energy Board Members, Alternates, and Community Advisory Committee,

We urge the Board of Directors of Ava Community Energy to **allocate funding from the 2023-2024 budget surplus for a Community Resilience Hub program**, beyond what has been outlined in the current budget surplus description. This funding would support Community-Driven Resilience Hubs in day-to-day operations, microgrid readiness, and immediate needs in the face of climate crises and other disasters.

Local Clean Energy Alliance has long advocated for Ava Community Energy to allocate funding for resilience hubs in their budget or fiscal year surplus, in addition to solar and storage offerings. Although Solar and Storage incentives are necessary for resilience hubs, they are not enough to fully address a community's resilience needs.

Local Clean Energy Alliance seeks to ensure that resilience hubs receive funding and resources not just for their energy resilience efforts, but also for other forms of resilience as well. With more comprehensive funding, resilience hubs could provide other vital services to their communities, such as food refrigeration, cooling and heating centers, air filtration, and access to portable solar batteries.

Local Clean Energy Alliance asks Ava Community Energy to fulfill its larger responsibility to its constituents by funding a diverse range of resilience hub programs in community trusted locations that support environmental justice needs. We urge the Ava Community Energy Board of Directors to prioritize energy justice and equity by:

1. Committing funding from the 2023-2024 surplus budget for a Community Resilience Hub program,
2. Making sure that part of the Community Resilience Hub program funding is accessible to smaller, less resourced Community-Based Organizations. This funding should target established and trusted community spaces in Environmental Justice and frontline communities,
3. Allotting funding for a training and coalition building program (a “network”) for resilience hubs and their partners to ensure they develop into robust community spaces,
4. Providing a grants program for smaller CBOs at \$50,000 annually over 3 years (totaling \$150,000 per grant).

As climate change worsens and with uncertainty in a new federal administration, there will be an increased need for access to localized energy emergency services. Now, more than ever, communities need stronger infrastructure to withstand the impacts of destabilizing climate events and investments in their day-to-day needs. BIPOC and low-income communities are often the first and most vulnerable victims of climate crises. In light of that, we must invest in creative, holistic solutions to make sure these communities thrive.

Clean Power to the People,

Local Clean Energy Alliance

Jessica Tovar

Ayla Peters-Paz

Hernando Sanchez

Jesse Gutierrez

Karin Krisdiva

Kathy Liang