



Consent Item 10

To:	Ava Community Energy Authority
From:	Joanie Brooke – Manager, Power Resources
Subject:	Adopt a Resolution of the Board of Directors of Ava Community Energy Authorizing the Chief Executive Officer to Negotiate and Execute a Second Amendment to the Resource Adequacy Confirmation Letter with IP Aramis II, LLC
Date:	February 19, 2025

Recommendation

Adopt a Resolution of the Board of Directors (“Board”) of Ava Community Energy (“Ava”) Authorizing the Chief Executive Officer (“CEO”) to Negotiate and Execute a Second Amendment to the Resource Adequacy Confirmation Letter with IP Aramis II, LLC (“Seller”).

Background

Ava executed a Resource Adequacy Confirmation Letter with the Seller on November 20, 2020, in accordance with the Master Power Purchase and Sale Agreement between Seller and Ava and dated November 20, 2020. The First Amendment to the Confirmation Letter with Seller was executed on September 3, 2021 (collectively the “Confirm”).

The Confirm is for up to 25 Mega-watts (“MW”) of Firm Resource Adequacy (“RA”) from a 100 MW Solar and Storage Development (“Project”), located in North Livermore, California. The Project was submitted to Ava’s 2018 California Renewable Energy RFP and approved by the Board for execution on November 18, 2020.

The developer for the Project is Intersect Power, the delivery term is 10 years, and the expected Delivery Period was to start on April 1, 2024. The First Amendment provided the Seller with the

option to extend the Delivery Start Date up to December 31, 2025. and included a contract price reduction for a later Delivery Start Date.

The Project encountered permitting delays due to local opposition to the development of a solar plant in designated open space. The dispute played out in the courts where the opposition's claims were ultimately rejected, allowing the Seller to proceed with development and permitting activities. The final permit required to start construction was obtained in August 2024.

In October 2024, the Seller approached Ava to initiate a Second Amendment to the Confirm to memorialize a Delivery Start Date that aligns with the revised Project schedule and allows the Project to be built for Ava customers.

The Project is located in Ava's service territory and is valuable for Ava customers, providing local Resource Adequacy with competitive terms and pricing. Ava plans to use the Project to meet a portion of the 2027 Mid-Term Reliability procurement obligations. The Project is expected to begin construction in 2025 and will create approximately 400 local construction jobs. The Seller signed a Project Labor Agreement ("PLA") with 5 local construction crafts and has a goal of hiring 100% of its labor from Alameda County. When built, the Project will be one of the largest renewable energy projects in Alameda County.

Attachments

- A. Resolution of the Board of Directors of Ava Community Energy Authorizing the Chief Executive Officer to Negotiate and Execute a Second Amendment to the Resource Adequacy Confirmation Letter with IP Aramis II, LLC

RESOLUTION NO. R-2025-XX

A RESOLUTION OF THE BOARD OF DIRECTORS

OF AVA COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE A SECOND AMENDMENT TO THE RESOURCE ADEQUACY CONFIRMATION LETTER WITH IP ARAMIS II, LLC

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 Ava executed a Resource Adequacy Confirmation Letter with IP Aramis II, LLC (“Seller”) on November 20, 2020, in accordance with the Master Power Purchase and Sale Agreement between Ava and the Seller and dated November 20, 2020. The First Amendment to the Confirmation Letter with Seller was executed on September 3, 2021 (collectively the “Confirm”); and

WHEREAS The Confirm is for up to 25 Mega-watts (“MW”) of Firm Resource Adequacy from a 100 MW Solar and Storage Project (“Project”) in North Livermore, California, with an expected delivery start date of December 1, 2025; and

WHEREAS Ava has negotiated with the Seller to adjust the expected Delivery Start Date to April 1, 2027.

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

Section 1. The Chief Executive Officer, in consultation with staff and legal counsel, is hereby authorized to negotiate and execute a Second Amendment to the Resource Adequacy Confirmation Letter with IP Aramis II, LLC to effectuate the revisions described above.

ADOPTED AND APPROVED this 19th day of February, 2025.

Jack Balch, Chair

ATTEST:

Adrian Bankhead, Clerk of the Board