

Ad-Hoc Committee on Local Development, Report To Community Advisory Committee.
July 14, 2025. Prepared by Jim Lutz

The ad-hoc committee has been meeting regularly and also talking with key stakeholders about a future strategic plan for Ava. At our last meeting we reviewed the Local Development and Customer Programs Strategic Roadmap Development Overview presented at the Ava Executive Committee meeting on July 2. This report summarizes the important parts of our discussions to date.

Local energy and economic development have always been the key objectives for Ava and must be a major factor in any future strategic plan. These should be measured by how much clean energy and resource adequacy has been developed within Ava territory and likewise how many good jobs have been added.

The ad-hoc committee has also discussed how to address longer term threats that directly impact Ava survival. We think it is time to prepare plans to sunset the PCIA and to divorce from PG&E. It is important to keep AVA in good financial health with diversified and resilient income streams that do not depend on rising electricity rates, and it is clear that PG&E will continue to increase rates.

Ava should provide clear and obvious benefits to its customers. Programs should have high visibility and impact, including defending its customers from PG&E's rate increases.

Now is the time for Ava to innovate, to be bold and audacious, rather than timid and reactive.

Among the concerns we want to express is the importance of engaging the public (and the CAC) from the very beginning of the process of developing Ava's new strategic plan. Early collaboration with labor, environmental justice communities, environmental advocates, and faith groups is vital. These are the groups who, if engaged respectfully, will be Ava's strongest defenders.

Submitted for the local development ad-hoc committee,

Jim Lutz



Local Development Customer Programs Strategic Roadmap Development

Executive Committee | July 2025



Objective

Provide an overview of the process for developing a strategic roadmap for the next phase of local development and customer programs* within Ava's territory

** not including commodity supply*

Wait. What? This means giving up the goal of local production!

2018-2023

Background

- Prior to start of electricity service in 2018, a team of external consultants developed the Local Development Business Plan (LDBP).
- It was intended to be a roadmap of efforts to be implemented in the first 5 years of service. It had a broad scope (operations to data architecture to procurement) while also very tactical (risk mitigation strategy to rate design).

2024-2025

- Assessment: In December 2024, staff provided an [overview](#) of the work completed under this initial plan and recommended that a future plan be more focused and based on stated priorities. Staff also provided an [update](#) on the Local Development Fund in March 2025.
- Execution: Staff has been focused on ongoing operations, expansion, and execution of committed programmatic initiatives for last several years.
- Initial Planning: Ava staff has strategic goals that drive our annual objectives. The goals are focused on: electrification, affordability, culture & workplace, and agency health (financial, regulatory).

2025-2026

- Strategy and Planning: Focus of this presentation is on the planning for efforts under the electrification goal - crafting a vision for what work Ava will focus on starting in 2027 specific to local development and customer programs. The strategic Roadmap will guide programmatic decisions, funding, and resourcing to meet Ava's goals.

2027-2032

- Implementation: Staff will design and execute on programs and associated services guided by the strategic Roadmap.

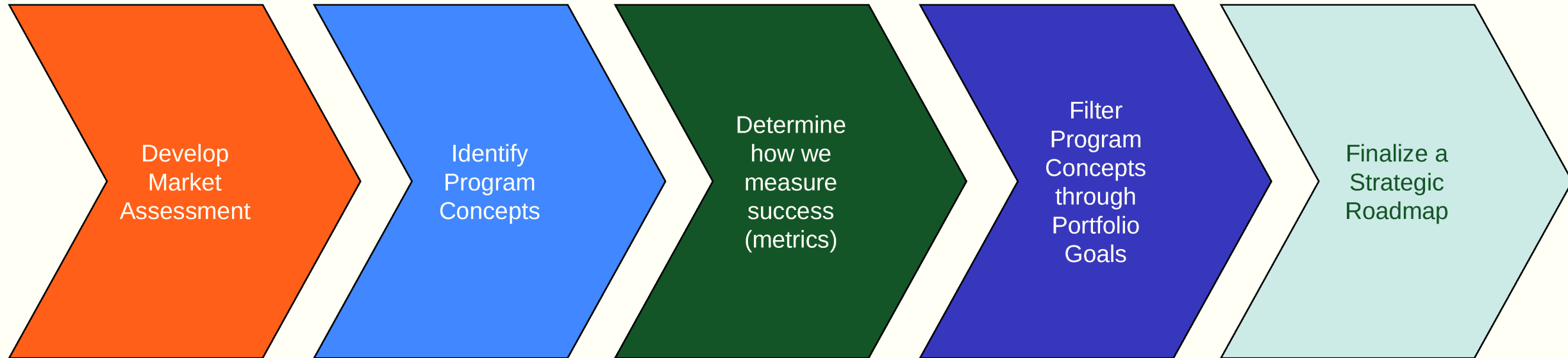
Electrification should be a tool, a method to drive local development and provide good jobs for constituents. Not the only focus of Ava's local development.

Current Committed Roadmap of Programs

2024	2025	2026	2027	2028	2029	2030
Ava Charge						(to ~2037)
Ava Bike Electric			June 2027			
Building Efficiency Accelerator		May 2026				
Health-e Communities Pilot	Dec 2025					
HPWH support	Mar 2025					
CMF		April 2026				PPAs to 2051
SmartHome Charging			April 2027			
Solar + Storage						(to 2035)

Why aren't any zero-emission medium- and heavy-duty goods movement projects included here? What about other programs from the April 24, 2023 EBCE Local Development Update?

Process Proposal



Stakeholder engagement through Board and Committee meetings, public workshops, & collaboration with municipal staff

Shouldn't community needs and demands assessment be developed in parallel with the market assessment? What about collaboration with labor, EJ communities, environmental advocates, faith groups etc?

Proposed Priority Areas for Market Assessment



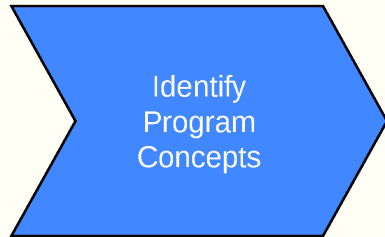
These are the core areas to target decarbonization:

- Transportation Electrification
- Building Electrification
- Energy Efficiency
- Load Management
- Resilience

What about core areas of local development, reducing energy cost burden, promoting local good jobs and community wealth? What about promoting community activation to defend Ava from misguided CPUC regulatory changes and legislative policy changes? What about providing Ava with additional cash streams outside of constituent electricity bills?



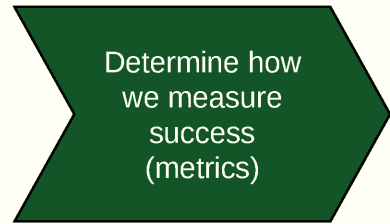
Within Priority Areas, what program concepts or mechanisms can be applied to achieve goals?



- *and CAC,*
- Staff, along with consultant and stakeholder feedback, will develop a list of potential program concepts
- An example program concept could be:
 - *Mechanism:* Financing for used EVs
 - *Metrics:* \$\$ financed or # EVs financed which lead to resulting emissions reduction
 - *Timeline:* 3 year program
 - *Audience:* Low-moderate income residential customers

The Roadmap should be informed by outcome metrics. Program concept metrics may include considerations such as:

Identify Appropriate Metrics



- Total CO2 reduction , diesel, and gasoline,
- Total reduction in NG usage
- # customers benefited
- \$\$ savings for Ava fraction of benefits to low-income customers?
- \$\$ savings for customers

The Roadmap should also consider the composition of programs at a portfolio level and equitable offerings, such as:

- Customer segment/account type
- Market sector/priority area
- Demographic considerations including communities of concern
- Geographic diversity

Shouldn't primary metrics include how much generation, RPS and RA is developed within Ava territory?
Number of high-road jobs added in Ava territory?

Primary metrics may vary between programs in order to balance the objectives of the portfolio.

- For example, if decarbonization was the primary metric for all programs, the focus would likely be on our largest commercial customers. We would want to balance our portfolio with programs for residential customers in order to bring benefits to a larger number of customers.



Current Proposed Key Dates

Below are some key dates but not an exhaustive schedule. There will be additional touchpoints with municipal staff and other public meetings.

2025

July Overview presentation to Executive Committee and CAC

November Selection of consultant to perform market assessment, program concepts, and metrics analysis

2026

Include CAC input in consultant selection process.

February Presentation of market assessment report to the Board and CAC

April Public workshop on market assessment, proposed program concepts, and metrics

May Presentation of program concepts and metrics to the Board and CAC

August Public workshop on portfolio metrics

Sept/Oct Presentation of Roadmap to the board

Shouldn't the public workshops come before the presentations to Board and CAC? Maybe with meetings with key stakeholders before any workshops?

