



Community Advisory Committee Meeting

November 17, 2025

6:00 pm

In Person:

Board Room

Ava Community Energy

1999 Harrison St, Ste 2300

Oakland, CA 94612

Or from the following remote locations:

1343 Fairview Ct, Livermore CA 94550

4563 Meyer Park Circle, Fremont, CA 94536

1234 W Oak St, Stockton CA, 95204

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 20, 2025

C4. CAC Chair Report

C5. SmartHome Battery and Resilience Hub Budget Approval and Program Design (Board Action Item)

Adopt a Resolution Authorizing the Use of Previous Budget Allocation and Program Design for the SmartHome Battery Program

C6. CSA for Customer Programs Roadmap Consultant (Board Action Item)

Approve Consulting Services Agreement for consultant to support the Customer Programs Roadmap

C7. 2025 Legislative Wrap-up and 2026 Preview (CAC Informational Item)

Review the California 2025 legislative session and a preview of the 2026 session

C8. Ad Hoc Committee Update (CAC Informational Item)

C9. CAC Member and Staff Announcements including requests to place items on future Community Advisory Committee Meeting Agendas

C10. Adjourn

The next Community Advisory Committee meeting will be held on Monday, December 15, 2025 at 6:00 pm.

Board Meeting Access Instructions

If you need help finding or accessing the building, please call our Ava representative who is stationed in the building lobby: 510-393-0492.

Directions

Directions via BART

If you are taking BART: the 19th Street station is the closest stop to our office and is about a 5 minute walk away. Use the 20th St / Thomas L. Berkeley Way station exit.

Directions via Bike

Bike riders wanting to park their bike inside the parking garage can enter through the main building lobby. Bike parking is available on the parking garage first level right in front of the garage elevators.

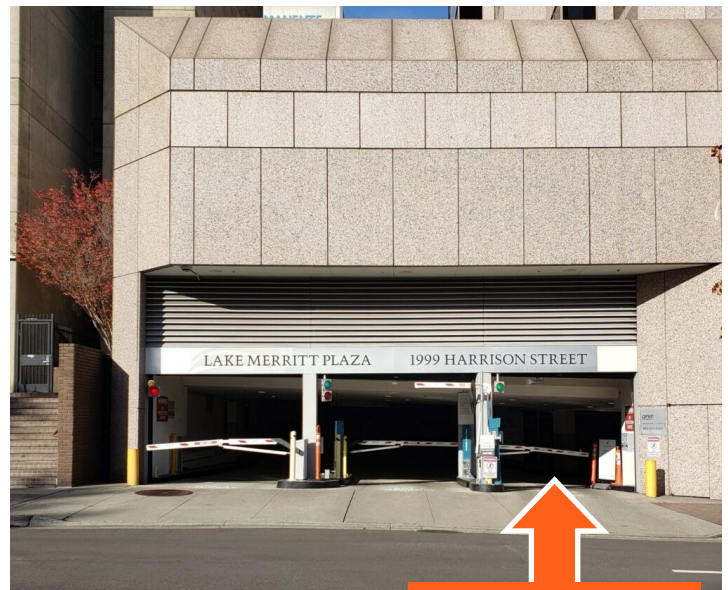
Directions to Parking Garage via Car

The entrance to the building's attached garage is located on Harrison Street. If you're driving northbound on Harrison Street, as soon as you cross 19th St. the garage entrance is 3/4 down on your left-hand side. If you're heading east on Thomas L Berkeley Way/20th St. Continue East then make a right turn on Harrison Street, and the garage entrance is a quarter block up on your right-hand side.

When you arrive, enter via the gate labeled "Public Parkers". There are four floors of the parking garage, and you will need to take the elevator in the parking garage to the first floor. The parking attendant or an Ava representative will provide access into the building lobby.

The parking garage entry gate will be open until 8pm for CAC and BOD meetings. Attendees can exit the parking garage until 11pm.

Note that the garage's parking fee is \$30 per use. Street parking is widely available near the building and free after 6pm.



Public Parkers entrance

Check-in at Security Desk

When you arrive at our building, please check in with the security desk in the lobby to get access to the elevators. If you have questions or need assistance, an Ava representative will be stationed and identifiable in the lobby. They can be reached at: 510-393-0492.



Draft Minutes

Community Advisory Committee Meeting

October 20, 2025

6:00 pm

In Person:

Board Room

Ava Community Energy

1999 Harrison St, Ste 2300

Oakland, CA 94612

Or from the following remote locations:

1343 Fairview Ct, Livermore CA 94550

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C1. Welcome & Roll Call

Present: Members: Landry, Weiner, Stephenson, Lakshman, Pacheco, Harper, Lutz and Vice-Chair Souza

Not Present: Members: Balkissoon, Swaminathan and Chair Hernandez

C2. (1:23) 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.

There were no speakers for public comment.

C3. (1:40) Approval of Minutes:

Member Weiner motioned to approve the July 16, 2025 minutes. Member Landry seconded the motion which was not approved 3/3/1/0/4

(yes/no/abstain/recuse/not present)

Yes: Members: Landry, Weiner and Stephenson

No: Members: Harper, Lutz and Vice-Chair Souza

Abstain: Member Pacheco

Recuse: none

Not Present: Members Balkissoon, Swaminathan, Lakshman and Chair Hernandez

Member Pacheco moved to reconsider the July 16, 2025 minutes vote.

Member Landry seconded the motion, which was approved 8/0/0/0/3

(yes/no/abstain/recuse/not present)

Yes: Members: Landry, Weiner, Stephenson, Lakshman, Pacheco, Harper, Lutz and Vice-Chair Souza

No: none

Abstain: none

Recuse: none

Not Present: Members: Balkissoon, Swaminathan and Chair Hernandez

Member Pacheco moved to approve the July 16, 2025 minutes. Member

Landry seconded the motion, which was not approved 2/5/1/0/3

(yes/no/abstain/recuse/not present)

Yes: Members: Stephenson and Lakshman

No: Members: Weiner, Pacheco, Harper, Lutz and Vice-Chair Souza

Abstain: Member Landry

Recuse: none

Not Present: Members: Balkissoon, Swaminathan and Chair Hernandez

Member Pacheco motioned to approve the September 15, 2025 minutes.

Member Stephenson seconded the motion, which was not approved

1/5/2/0/3 (yes/no/abstain/recuse/not present)

Yes: Member Stephenson

No: Members: Weiner, Pacheco, Harper, Lutz and Vice-Chair Souza

Abstain: Members: Landry and Lakshman

Recuse: none

Not Present: Members Balkissoon, Swaminathan and Chair Hernandez

C4. (38:00) CAC Chair Report

Vice-Chair Souza provided a verbal report and answered questions from the Community Advisory Committee.

There were no comments.

C5. (44:22) 2024 Power Content (Board Informational Item)

Update on final 2024 power content

Izzy Carson, Senior Power Resources Manager, introduced this item and addressed questions from Community Advisory Committee members.

There were no comments.

C6. (1:14:05) Ad Hoc Committee Update (CAC Informational Item)

No report was given for the Affordability Ad Hoc Committee.

Member Lutz gave a verbal report for the Local Development Business Plan Ad Hoc Committee and answered questions from the Community Advisory Committee.

There were no comments.

C7. (1:17:06) CAC Member and Staff Announcements including requests to place items on future Community Advisory Committee Meeting Agendas

A request was made by **Member Pacheco** for staff to discuss data center energy procurement.

C8. Adjourn

The meeting was adjourned at 7:34pm.

The next Community Advisory Committee meeting will be held on Monday, November 17, 2025 at 6:00 pm.



CAC Item C5
Staff Report Item 12

To:	Ava Community Energy Authority
From:	JP Ross, Vice President Local Development
Subject:	Adopting a Resolution Authorizing the Use of Previous Budget Allocation and Program Design for the SmartHome Battery and Resilience Hub Programs
Date:	November 19, 2025

Summary/Recommendation

Adopt a Resolution authorizing the use of previous budget allocations to a new solar photovoltaic ("PV") and battery system incentive program, called SmartHome Battery ("Program"), with 50% of the incentives for single family homeowners and 25% for low-income customers and 25% to resilience hubs, planned to launch in early 2026. Authorize staff to adjust Program design based on market and customer feedback with the approval of the Chief Executive Officer.

Financial Impact

Fiscal impacts will result from three separate sources: upfront and ongoing incentive payments for Program participants, administration and virtual power plant ("VPP") costs, and Ava lost revenues from the solar PV and battery systems.

The upfront incentive payments, ongoing incentive payments, and Program administration costs will be funded by \$14.96M previously allocated to the Local Development Fund and \$500k allocated for SmartHome Battery performance payments in the FY 2024-2025 Local Development budget, totaling \$15.46M.

Operational costs for the VPP – which include fees for the distributed energy resource management system ("DERMS"), storage dispatch fees, and inverter and battery connection API fees – will be funded by the previously approved \$2M contract with Lunar Energy, which can be extended for up to five years. VPP expenses are highly dependent on enrollment and participation rates and are currently forecast to be less than the approved amount over the

current contract term, which runs through March 2027. Staff will report on the value and costs of the Program, as well as the performance of the DERMS provider, to evaluate additional resources required to administer this Program at the end of the first year of operation of the Program.

In addition to direct project costs, Ava is also financially impacted by this Program, since all new behind-the-meter solar PV and battery system installations reduce electricity revenue to Ava. Similar to Ava's traditional approach to Net Energy Metering ("NEM") 2.0 reduced revenues, the lost revenue from the Program is not funded through a Local Development budget expense. The estimated lost revenue from Program participants is \$2.5M over 5 years.

The Program serves both residential customers and resilience hubs, and these two customer segments will be addressed sequentially in each section of the following report.

Budget Authorization

On November 20, 2024, Ava's Board of Directors received a report on the actual FY 2023-2024 surplus of \$14,963,130 to support solar PV and battery system installations. This funding will help both residential customers (market rate and CARE/FERA customers) and community-benefiting resilience hubs, which are facilities designed to provide backup power during outages.

This decision followed an earlier resolution, Resolution R-2024-2, in January 2024 that defined how Ava's budget surplus from FY 2023-2024 would be split with:

- 60% of any surplus going back to customers as on-bill credits, with some portion specifically applied to CARE and FERA customers. Bill credits were issued in January 2025.
- 40% going toward solar PV and battery system incentives, with an emphasis on projects that support community resilience.

Part 1: Context

In April 2023, the California Public Utilities Commission ("CPUC") voted to phase out the NEM 2.0 program. Under NEM 2.0, customers with solar PV systems received full retail credit on their bill for every unit of electricity exported to the grid. Beginning in 2023, new solar PV systems are instead enrolled in the Solar Billing Plan (SBP), which provides lower credits for excess electricity sent back to the grid. The Ava Board of Directors adopted [the Solar Billing Plan \(SBP\) Tariff Policy](#) in April 2024.

Under SBP, new solar PV-only installations are less financially beneficial to participating customers than they were under NEM 2.0 because electricity from the solar systems exported to the grid is now credited at "avoided cost" value, which averages 4¢ per kilo-Watt hour ("kWh") during solar PV production hours versus the retail rate compensation approach used by NEM 2.0, valued at 26-65 ¢/kWh. Ava offers export bonus credits to help offset some of this loss for its SBP customers.

Ava is now proposing a new solar PV and battery system incentive for customers who install both solar PV and battery systems. The incentives will cover a portion of the lost export value from NEM 2.0 to SBP and help offset the costs associated with installing a battery.

Initial Draft Program Design

In April 2024, Ava staff presented an initial draft program design for SmartHome Battery to the Ava's Board of Directors, which included the following information:

- Budget: \$14.96M: 50% of budget (~\$7.5M) for upfront incentives for CARE/FERA residential customers and resilience hubs to install solar PV and battery systems.
 - 50% of budget (~\$7.5M) for upfront incentives for market rate residential customers to install solar PV and battery systems.
- Upfront Incentives to be paid when the solar PV and battery system is approved to operate:
 - \$10,000 per battery for CARE/FERA customers.
 - \$400/kWh of battery capacity for resilience hubs.
 - \$1,250 per battery for market rate residential customers.
- Ongoing Performance Payments: All customers receive \$2 per kWh of battery capacity per month for VPP participation.
- Program Term: Customers would have five years to enroll, and performance payments for VPP participation would last for five years.
- Eligibility:
 - Must be an Ava customer and own the home where the solar PV and battery system is installed.
 - To receive the upfront incentive, customers must install a battery, either with a new solar PV system or retrofitting with an existing solar PV system. Customers who already have both solar PV and battery system installed are eligible for the ongoing incentive only.
 - Must connect the battery to Ava's DERMS and participate in grid optimization events.

Program Design Development and Feedback

Residential Customers

Since Ava presented the initial draft Program design, Ava staff have continued to perform Program impact modeling and conducted multiple market focus groups with professionals in the solar PV and battery industry to refine the proposed Program design.

Some of the discoveries from this process by key topic include:

- Incentive sizing:
 - Ava should base incentives on battery size to align with standard practices used by other similar programs across the country.
 - Ava should ensure that the ongoing payments are sufficient to keep customers enrolled in the Program.
- Customer choice: Ava should allow customers to choose the battery capacity that participates in the VPP and pro-rate the incentive accordingly.

- Third-party ownership of batteries: Currently, about 70% of residential customers in Ava's territory that install solar PV and battery systems finance them through a third-party owner, or "aggregator."¹ Ava should ensure customers who finance their solar PV and battery systems through third-party owners can still participate, through their aggregator.

Resilience Hub Customers

Ava's support for resilience hubs is broader than the Program, and components of the broader Resilience Hub Initiative were leveraged to support program design for the Program. Emerald Cities Collaborative ("ECC") is funded through a \$300,000 Ava community grant to partner with Local Clean Energy Alliance ("LCEA") and Collective Resilience to engage communities to support Ava's efforts to define and create eligibility criteria for resilience hubs and foster awareness of Ava's Resilience Hub offerings.

Grantees provided case study research on resilience hubs, conducted two resilience hub definition workshops to gather feedback on Ava's proposed resilience hub definition, developed a standardized intake form, called the Resilience Readiness Tool, for potential hub sites to engage with technical assistance, and plan to conduct at least two community outreach workshops to educate Community-Based Organizations ("CBOs") on resilience hubs and promote Ava's technical assistance and the Resilience Hub incentives. Community feedback has been used by Ava to inform the development of the Program's approach to resilience hubs.

Resilience Hub Research

Given that resilience hubs are relatively new concepts, and approaches to how they provide community resilience varies widely, Ava performed research to characterize the current state of resilience hubs.

To better understand the types of facilities that may serve as resilience hubs supported by solar PV and battery systems, staff evaluated five data sources to understand resilience hub services, solar PV and battery system requirements and associated costs.

These five data sources included:

- Ava sample sites – Ava's independent engineer, NV5, modeled a set of potential resilience hub sites under different resilience scenarios for costs and payback periods in our service area.
- Non-profit developer sites with installed solar PV and battery system projects at community-serving facilities in California.
- Ava's technical assistance pilot sites – sites in our service area piloting the technical assistance process supported by ECC.
- Collective Resilience, as a part of the ECC grant team, completed a case study of resilience hubs, including examples of operating sites and potential resilience hubs in Ava's service territory.
- Critical Municipal Facilities ("CMF") and other CCA sites - Ava's CMF sites and similar CCA resilience projects in California.

¹ Not all third-party owners operate as aggregators. For the purposes of this program, any reference to third-party owners is assumed to be an aggregator.

Across all sources, there are few fully operational resilience hubs, but we see a growing list of community-serving facilities interested in becoming resilience hubs. These facilities include churches, nonprofit centers, schools, gyms, and community centers, which are the types of sites already involved in their communities and providing routine public services.

Across these potential sites, they span the gamut between:

- Smaller sites:
 - Limited space for solar PV and battery infrastructure. These sites use standard available solar PV and battery systems to maintain existing services during outages and may be capable of adding additional resilience services during emergencies.
- Larger sites:
 - May consist of multiple facilities across a property or campus that require more customized solar PV and battery systems that could provide multiple public resilience services over a multi-day outage.

Cost: Given that sites serving different functions will need to plan for resilience differently, we observe that estimated costs to install solar PV and battery systems can range widely, with small projects costing \$100,000 and large sites costing \$700,000 or more.

Financial Capacity: Resilience hub host organizations' financial capacity is also diverse, and we have observed loans and incentives as two tools that current sites use to support carrying out their solar PV and battery system projects.

Timeline: Given the range of project cost and size, as well as supporting financial resources, resilience hubs can take months to multiple years to build their solar PV and battery system projects.

Based on these findings, Ava staff have sought to support the widest range of resilience hubs possible by designing definitions, requirements, and an incentive level that would allow for wide participation. This is a challenge, given the wide variety of site- and entity-specific characteristics of potential resilience hubs across our service area.

We have sought to balance the need for high levels of resilience - for example, in the case of a major earthquake that disrupts the provision of public services for multiple days - with the realities of cost and feasibility. Our minimum backup requirement standards are designed to be achievable for smaller sites, while allowing larger projects to pursue higher levels and longer durations of energy resilience.

Resilience Hub Definition

Ava developed a proposed definition for participating in Ava's Resilience Hub initiative as a basis for informing desired outcomes from technical assistance and Program incentives.

The proposed definition was reviewed in focus groups conducted by ECC through an Ava community investment grant. There was community input to significantly broaden the definition beyond Ava's proposal. Ava staff reviewed the proposed language and determined that retaining the proposed specificity related to the provision of clean backup power for resilience services is important to manage clear expectations on the purposes and services provided in the program.

Ava's proposed definition for participating in the Resilience Hub initiative is below:

Resilience hubs are physical, community-serving facilities that provide essential services, distribute critical resources during emergencies, and integrate clean energy solutions to maintain operation during power outages. They also serve as year-round community spaces, where local residents regularly gather and access everyday services.

Although Ava's definition is focused on the provision of clean backup power for resilience services, Ava's definition does not constrain sites or organizations from operating resilience hubs in accordance with community input, which is a key component to ensure resilience hubs are providing relevant services to communities in appropriate manners.

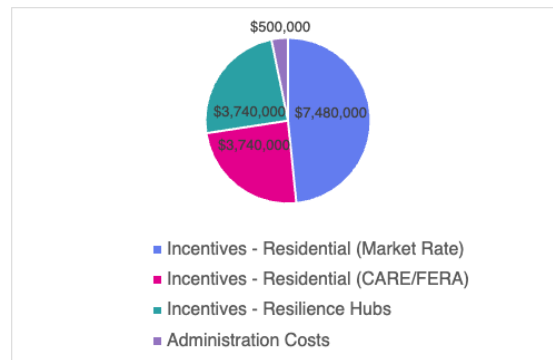
Part 2: Updated Program Proposal

Following the Program design feedback and further research, staff is recommending several changes to the Program design. These changes are described in each of the following sections. Some features, like the eligibility requirements for residential customers, remain unchanged.

Program Budget:

Ava staff proposes a total Program budget of \$15.46M. This amount comes from two sources: \$14.96M from the previously approved 4 budget allocated to the Local Development Fund and \$500,000 that was previously approved for the Program in the FY 2024-2025 Local Development budget. The Program budget will be allocated to incentives and administration costs as shown in Figure 1 below, with 50% of the allocated budget being devoted to market rate residential incentives, 25% allocated for CARE/FERA residential incentives, and 25% allocated for resilience hubs incentives.

Figure 1: SmartHome Battery Budget Allocation



Program Incentive Structure:

Residential Customers

The Program will offer customers two types of financial incentives:

1. upfront payments to reduce the initial cost of installing batteries, and
2. ongoing payments to encourage customers to keep their batteries enrolled and responding to grid reliability events.

Staff proposes to update the upfront incentive from the originally proposed \$1,250/battery for market rate residential customers and \$10,000/battery for CARE/FERA customers to \$90/kWh nominated capacity and \$500/kWh nominated capacity, respectively, and increase the proposed monthly ongoing incentives from \$2/kWh to \$3/kWh nominated capacity to encourage customer participation in Ava's VPP. Nominated capacity means that the customer will select, or nominate, a portion of their battery to participate in the program with a maximum nomination of 80%. The CARE/FERA upfront incentive has been set assuming the customer can stack it with California's Self-Generation Incentive Program ("SGIP") Residential Solar and Storage Equity ("RSSE") incentives, which provide up to \$1,100/kWh. If CARE/FERA customers are unable to stack incentives with SGIP, then the upfront incentive will increase to \$950/kWh nominated capacity for CARE/FERA customers.²

The total incentive value to the customer will now be higher for customers who install larger batteries compared to the proposed approach. For example, if a customer installs a 10 kWh battery with an 80% nomination, they will receive \$2,160 in incentives over five years. These changes are meant to scale with both the size of the battery and level of participation, while also increasing the incentive for participants to remain in Ava's VPP for the term of the Program.

For residential participants, both the upfront and ongoing incentives will be based on the size of the battery that a customer chooses to make available to Ava, or nominate, for participation in Ava's VPP. Customers will be able to nominate 40%, 60%, or 80% of their battery's total capacity for the VPP. Any portion not nominated can be reserved by the customer for personal backup power or other purposes. Customers can choose whether to receive the upfront

² Ava is awaiting a final vote on this item from the CPUC, which has been delayed twice.

incentive directly as a rebate or have it applied through their installer to lower the initial installation cost. Selecting the second option requires that the installer has participated in Ava's program training and been added to the program's approved installer list. Ongoing incentive payments will be made on a quarterly basis directly to the customer.

Customers who already have a solar PV and battery system installed can also participate; however, they will only qualify for the ongoing payments and not the upfront incentive. Participation for customers with existing systems will be limited to 50% of all enrollments to ensure customers who install new battery systems can access the incentive. Customers that complete an installation with a permit approval after January 1, 2026, will be eligible for the upfront incentive. Customers that install solar PV systems after January 1st will no longer be eligible for the Federal Investment Tax Credit (ITC), so Ava's incentive will help make up the lost ITC value.

**Table 1: Proposed SmartHome Battery Incentive Levels for Residential Customers
Assuming 80% of 10 kWh Battery is Nominated**

<u>Participant Type</u>	<u>Upfront Incentive</u>	<u>Monthly Ongoing Incentive³</u>	<u>Total Incentive</u>
Residential – CARE/FERA (25% of allocated budget)	\$500/kWh nominated ⁴	\$3/kWh nominated	\$4,000 upfront + \$72/quarter
Residential – Market Rate (50% of allocated budget)	\$90/kWh nominated	\$3/kWh nominated	\$720 upfront + \$72/quarter

Resilience Hub Customers

For resilience hub participants, the proposed incentive includes an upfront incentive of \$1,220/kWh based on nameplate battery storage system size plus \$3/kWh based on nominated capacity for monthly ongoing participation in the VPP. This proposal is based on financial analysis of currently operating resilience hubs and potential sites, as well as current external funding sources.

As an example, under this proposal, a resilience hub with 100 kWh of battery storage (nameplate capacity) would receive the following incentives:

- The upfront incentive would be 100 kWh * \$1,220/kWh = \$122,000.

³ The incentives listed here are only for customers who participate in this Program directly. The ongoing incentive for customers participating through an aggregator is \$6 / kW / month paid to the aggregator as the battery owner and based on battery performance during grid services events, as monitored by Ava's Distributed Energy Resources Management System (DERMS). This alternate incentive structure is set to ensure aggregators meet their VPP performance obligations in their contract. For example, if an aggregator battery delivers 5 kW across a two-hour event, the aggregator would be paid \$30 for that month (equal to what a non-aggregator participant would be paid for nominating 10 kWh).

⁴ Provided the customer can stack our incentive with California's Self-Generation Incentive Program (SGIP) incentive. If a CARE/FERA customer are unable to stack incentives with SGIP the upfront incentive will increase to \$950/kWh nominated.

- If 80% of that battery was nominated to participate in the VPP, then the monthly ongoing incentive would be $100 \text{ kWh} * 80\% * \$3/\text{kWh} = \$240$.
- The total incentive value across five years of VPP participation would equal $\$122,000 + ((5 * 12) * \$240) = \$136,400$.

Staff completed a thorough financial analysis of thirteen sample resilience hub sites, including actual installation and operations costs from Ava's CMF program to inform this incentive level. We evaluated a variety of backup power requirements and incentive levels to estimate the financial impact of Ava's incentives for potential resilience hubs. At the proposed incentive levels, we estimate Program incentives would result in simple paybacks between 3 and 15 years for the examined sites. The cost coverage and payback time varies widely based on the size and complexity of the system, as well as site characteristics. For resilience hubs, the value of resilience for the communities served is the primary driver of customer value—not bill savings. However, resilience hubs are not typically able to use the value of resilience as a contribution toward paying down the cost of a solar PV and battery system. As a result, although sites are not driven by financial payback, they may be constrained by it, and Ava's incentive would support sites to achieve a reasonable payback period.

No tiering of incentive levels has been proposed as resilience hubs are needed at all scales, as well as to support operational simplicity and customer clarity.

To ensure distribution of incentive dollars across multiple sites, staff recommend setting an upfront incentive maximum at 500 kWh or \$610,000. The maximum is based on the larger projects identified in our market research. With this cap, a minimum of six sites could be funded through the Program, if all sites reached the maximum incentive level. However, based on current market conditions, staff expect a larger number of resilience hub projects of smaller sizes to be funded. The incentive cap will not be applied to ongoing payments.

Resilience hub projects are complex and require a high level of planning and coordination, often resulting in extended development timelines. To support this, Ava will develop a waitlist process that allows prospective sites to reserve access to incentives for a defined period while their projects are developed.

As part of Program implementation, Ava may also evaluate prioritization criteria – for example, considering factors such as geographic distribution or ownership model – to guide incentive allocation and waitlist management. These considerations will be assessed as the Program evolves.

Incentive Payment and VPP Requirements: ***Residential Customers***

For upfront payments, customers can choose if they would prefer to receive the upfront incentive directly or have it transferred to their installer. Ava will pay the upfront incentive once the solar PV and battery system is permitted, operational, and connected to Ava's DERMS.

For ongoing payments, customers who own their battery will receive the ongoing incentive directly every quarter, as long as their battery remains connected to Ava's DERMS and responds to grid service events with the nominated capacity. Third-party aggregators who enroll batteries on behalf of customers will receive the ongoing incentive every month after Ava has assessed performance in grid service events.

Participating customers must be Ava customers. For residential customers to qualify for upfront or ongoing incentives, Ava's DERMS must be able to communicate with the battery for VPP participation. To ensure compatibility with our DERMS, enrollees will be required to select a battery system from Ava's approved vendor list.

Participation in the VPP would require residential customers to participate in one of the following protocols:

- Intermittent: a specified number of battery dispatch events per year over the course of the 5-year program participation term
 - SBP or NEM 2.0 customers who nominate at least 4kWh of their battery must allow Ava to dispatch their battery for up to 40 events⁵ each year and allow Ava to aggregate individual batteries to participate in other programs - such as Demand Side Generation Support ("DSGS"), a state-funded incentive program for load reduction and backup generation to support the state's electrical grid during extreme events - or market-based opportunities. Outside of event windows and during grid outages, customers may use the nominated capacity of their batteries for their own purposes.
- Daily: a daily battery dispatch schedule over the course of the 5-year program participation term
 - NEM 2.0 customers who nominate less than 4 kWh of their battery capacity will be placed on a daily dispatch schedule, where their battery is dispatched by Ava daily during peak hours to help reduce peak energy demand on the electrical grid.

Residential customers will be excused from VPP participation when they are subject to a grid outage, PSPS event, or National Weather Service extreme weather alert.

Resilience Hub Customers

Though payment approaches for resilience hubs are still being defined, staff expect to mirror the approach to payment for residential customers, unless customer-specific requirements are identified that would better support incentive payment.

⁵ This maximum may be higher depending on the equipment installed.

To qualify for upfront incentives, resilience hubs need to meet the proposed general requirements, provide at least one resilience service, and meet a minimum backup power requirement. Eligibility requirements are as follows:

- Ava nonresidential customer
- Property owner signoff (or landlord support for infrastructure changes)
- Community-serving or public-benefit facility
- Physical space to accommodate solar PV + battery system
- Open to the public during emergencies
- Participate in Ava's VPP
- Provide battery backup for at least 8 hours/day over 3 days
- Operational plan documenting resilience services and operations (plan must include resilience services provided, hours of operation, staffing and financial plan, power management strategy, communications plan, coordination with other hubs / agencies)

Resilience services, of which hubs would be required to provide at least one, are defined as the following:

- Lighted shelter
- Clean air or climate-controlled space
- Refrigeration
- Device charging
- Electric vehicle charging
- WIFI
- Fresh water access
- Food distribution
- Other essential service, to be approved by Ava

Minimum backup power requirements for resilience hubs are proposed as three days of operation at eight hours per day during business hours, as selected by the site. The rationale for this requirement is that it ensures that communities receive resilience services over a longer duration, as voiced during community feedback, while reducing the cost required to arrive at extended resilience service provision (i.e. bigger, more expensive batteries that provide longer duration power). Small sites can still meet this minimum backup requirement depending on the loads that they plan to support and the size of the solar PV system. In many cases, solar PV systems can generate more kWh per day than the battery can hold, so the solar PV and battery system working together can regenerate energy during the daytime for multi-day operations.

Resilience hubs would be permitted to exceed this minimum, if the community determines additional services or resilience are required.

To qualify for ongoing incentives, Resilience Hub customers will be required to participate in Ava's VPP. Customers will be required to nominate a share of their battery (40%, 60%, or 80%) to participate in Ava's VPP, as described in the Residential Customer section above. Resilience hubs will be excused from VPP participation when they are subject to a grid outage, PSPS

event, or National Weather Service extreme weather alert, which is the same as for residential customers.

To ensure compatibility with our DERMS, sites will be required to select a battery system from Ava's approved vendor list. These systems are already integrated with Ava's platform and can reliably communicate with the DERMS for VPP participation. If a site chooses equipment not on the approved list, Ava may grant an exception for the upfront incentive, but the system would not be eligible for ongoing VPP payments, since it cannot be integrated into the system.

Ava retains the right to prioritize resilience hubs funded via the Program based on factors such as but not limited to: geographic distribution, proximity and service to disadvantaged communities, proximity to existing resilience hubs, ownership structure, and resilience services provided. The intent of prioritization would be to ensure that Program funding is expended to maximize public benefit. Ava will review the composition and distribution of the initial Resilience Hub sites after the first \$1M in projects have been approved for the Resilience Hub waitlist. This will allow Ava to review the types of projects that are being developed and institute additional prioritization criteria, if warranted, without applying unnecessary restrictions in the early stages of the Program.

In alignment with ensuring public benefit from these funds, Ava would also reserve the right to claw back upfront incentives from resilience hub sites that fail to provide resilience services in per operational plan submitted to Ava (as noted in the list of eligibility requirements).

Ava will also align its resilience hub technical assistance with the requirements proposed for the incentive. Receipts of technical assistance from Ava are not required to receive Program incentives.

Part 3: Customer and Ava Impacts

Customer Value Overview

Residential Customers

The transition from NEM 2.0 to SBP represented a significant loss in bill savings potential for solar PV customers. As illustrated in Figure 2 below, part of this loss can be made up by pairing the solar PV with a battery system. This analysis illustrates a bill savings estimate over twenty years under three different scenarios using the same customer load profile and solar PV and battery system sizes using Energy Tool Base, a commonly used solar PV / solar PV and battery system bill savings calculator.

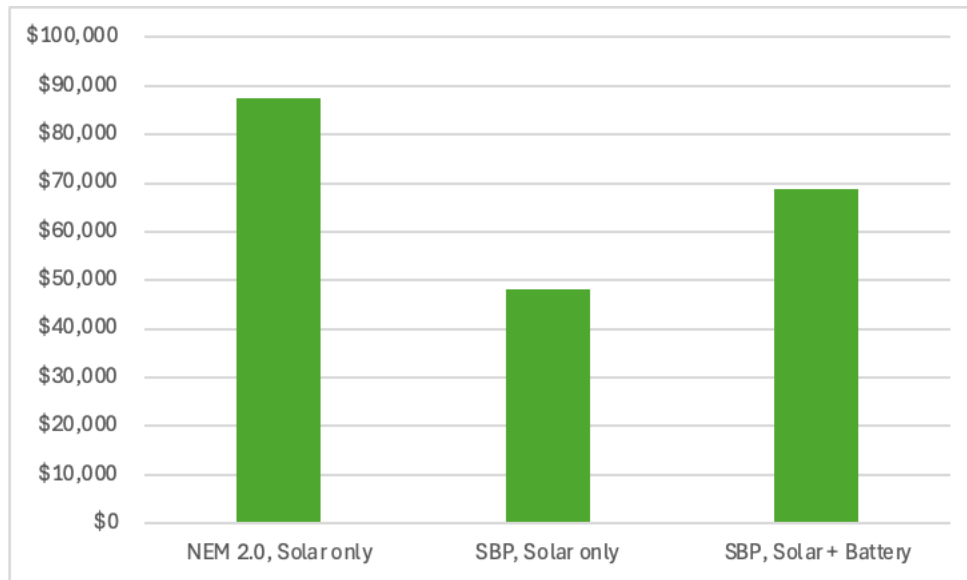


Figure 2: Decrease in customer value transitioning from NEM 2.0 to SBP, 20-year bill savings

The cost of a battery is a substantial investment - typically costing between \$10,000 to \$20,000. Batteries allow customers to recover some of the lost savings from NEM 2.0, but the higher upfront cost means it takes longer for the system to pay for itself. Ava's program provides both upfront and ongoing incentives to help customers defray the cost of a battery.

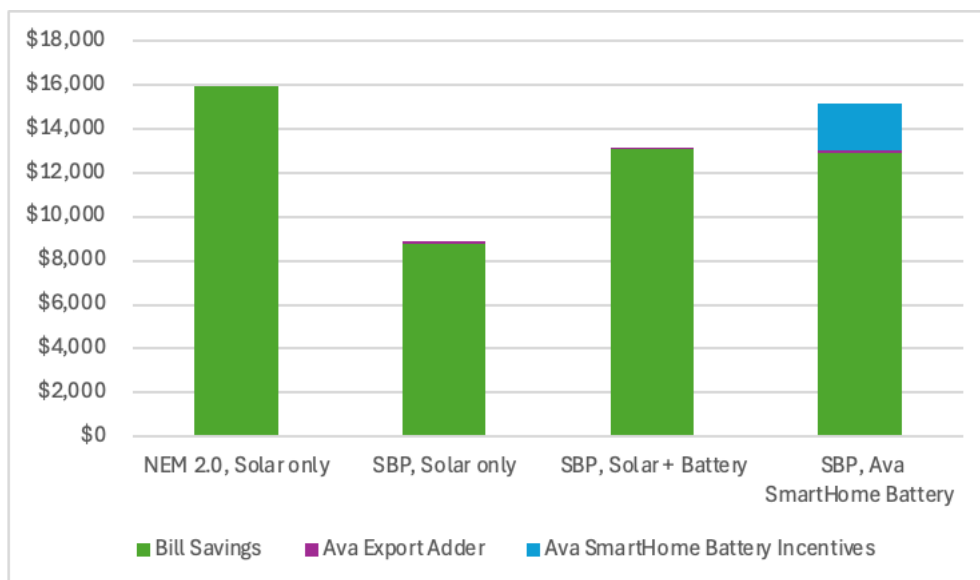


Figure 3: 5-year customer savings comparison between NEM2.0 and SBP scenarios including PG&E charges.

The SBP export credit and the Program incentive will help cover the additional costs of adding batteries to a home solar PV and battery system and recover the ~\$1,400 per year in lost

customer value resulting from the transition from NEM 2.0 to SBP over the first five years. As demonstrated in Table 3 below, the Program incentive for a CARE/FERA customer paired with the SGIP incentive nearly covers the full cost of a \$10,000-\$20,000 battery system.

Table 3: SmartHome Battery Residential Customer Value Assuming 80% of 10 kWh Battery is Nominated for VPP Participation

	<u>Residential – Market Rate</u>	<u>Residential – CARE/FERA</u>
Ava SmartHome Battery Incentives (upfront and ongoing)	\$2,160	\$5,440
California SGIP Incentives	\$0	\$11,000 ⁶
Bill Savings during 5-year program term	\$12,917	\$12,917

Resilience Hub Customers

For resilience hubs, the value of resilience for the communities served is the primary driver of customer value. The Program also provides value to resilience hubs as a stackable source of funding for solar PV and battery system project development.

With the expiration of non-residential SGIP funding, Ava’s incentive can help fill this gap and support customers as one component of the funding stack for resilience hub projects.

Ava Revenue Impacts and VPP Value **Residential Customers**

Program impact modeling indicates that customers with batteries buy less electricity during expensive peak hours, which reduces Ava’s revenues compared to solar PV-only customers. Table 4 shows the expected per customer impacts to Ava from residential customers installing solar PV and battery systems and optimizing for bill savings compared to a customer installing a solar PV and battery system and participating in the Program, and also demonstrates that participation in the Program reduces these impacts.

Table 4: Annual Revenue Impacts from Residential Customers Participating in SmartHome Battery (\$/yr/customer)⁷

	<u>Solar + Battery</u>	<u>SmartHome Battery</u>
Ava Reduced Revenue	(\$313)	(\$294)
Ava Export Bonus Credit	(\$20)	(\$20)
Reduced Wholesale Energy Cost	\$69	\$75

⁶ Assuming that CARE/FERA customers can stack SGIP incentives.

⁷ Revenue impacts are compared to a solar-only customer on SBP

Reduced REC Cost	\$33	\$33
2026 DSGS Incentive	\$0	\$263
Total	(\$231)	\$57

Ava can use VPP-participating batteries to reduce some of its procurement costs and potentially earn revenue from the battery dispatch through other programs, such as the DSGS. Note that DSGS revenues are not guaranteed and may not fully offset the revenue losses incurred by the Program.

Resilience Hub Customers

Ava's revenue will also be impacted by resilience hubs who use their batteries to offset their electricity costs. These impacts have not yet been modeled, but given the low number of expected participants, these impacts could be significantly smaller. Similarly, VPP value from resilience hubs has not yet been evaluated.

Program Budget and Scale

The following table shows the budget allocations for each participant type, along with the estimated number of participants.⁸

Table 4: SmartHome Battery Budget Segmentation and Scale

	<u>Upfront Incentives</u>	<u>Ongoing Incentives</u>	<u>Capacity</u>	<u>Estimated Number of Participants</u>
Residential – CARE/FERA	\$1.05M	\$2.7M	3 MW	830
Residential – Market Rate	\$1.5M	\$6M	17 MW	3,080
Resilience Hubs	\$3.5M	\$0.25M	1 MW	~20
Total		\$15M	21 MW	3,916

As demonstrated in Table 5 below, the Program may be able to recover some revenue losses resulting from customer adoption of distributed energy resources (“DERs”) through VPP activities over the program period. Staff intends to manage this program to maximize revenue recovery initially through participation in DSGS. Staff will evaluate VPP revenues and evaluate if program expansion is warranted.

⁸ Final participant numbers will depend on battery storage system sizes and nominated amounts to be selected by participating customers.

Table 5: SmartHome Battery Budget, Reduced Revenue and VPP Value Estimates

Incentives	Reduced Revenue	Potential VPP Value ⁹
\$15M	\$2.5M	\$2.9M

Part 4: Program Implementation

Ava contracted with a DERMS provider, Lunar Energy, to manage distributed energy resources on Ava's behalf in 2024. A DERMS is required to support this Program, as it allows Ava to remotely confirm the presence of a battery, monitor battery performance, ensure batteries are operating optimally, and dispatch assets to optimize the battery for customer, grid and Ava benefits.

Residential Customers

Lunar Energy also provides administrative support to enable online Program enrollment, manage and verify approved equipment, calculate and pay upfront and ongoing payments to customers, and provide customer support for enrollment and device connectivity.

Ava will be hosting at least one installer training session for this Program prior to Program launch and additional training sessions after launch. Training sessions will instruct installers on how to educate customers on Ava and the Program, as well as how to ensure that the battery is connected to Ava's DERMS.

Resilience Hub Customers

Lunar Energy will provide the same support to Resilience Hub customers as residential customers. Ava may engage in additional support if other processes, such as a waitlist, would support potential participation in the Program.

Program Launch timeline:

Ava is planning to open the Program to residential customers in early 2026 for new installation participants, who own their own battery, and residential customers, who own existing battery systems. Customers, whose batteries are owned by aggregators, will be able to participate as soon as Q2 2026, depending on the aggregator's execution of a participation agreement with Ava.

Staff is still developing the Resilience Hub final administrative approach for the Program, targeting launch later in 2026.

Related Board items:

[January 2024: Fiscal Year Budget Surplus Allocation](#)

[April 2024: Solar and Storage Program Informational Item](#)

[May 2024: Approval of Lunar Contract](#)

[September 2024: Approval of ICF Contract for Program Manual and Installer Training](#)

⁹ VPP value is speculative and includes avoided energy costs, avoided REC cost, and revenue from participation in other programs.

Attachments

- A. Resolution of the Board of Directors of Ava Community Energy Authority Authorizing the Use of Previous Budget Allocation for the Smarthome Battery Program
- B. Presentation

RESOLUTION NO. R-202x-xx
A RESOLUTION OF THE BOARD OF DIRECTORS
OF AVA COMMUNITY ENERGY AUTHORITY AUTHORIZING THE USE OF
PREVIOUS BUDGET ALLOCATION AND PROGRAM DESIGN FOR THE
SMARTHOME BATTERY PROGRAM

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 is developing a solar and storage incentive program for residential customers and resilience hubs;

WHEREAS Ava has received extensive market feedback on the design and conducted thorough Program impact modeling;

WHEREAS Ava has allocated \$14,963,130 from the Fiscal Year (FY) 2023 surplus (Resolution No R-2024-73) and \$500k from the FY2024 budget;

WHEREAS Ava has proposed to allocate 50% of incentives for single family residential and 25% for income qualified customers and 25% for community resilience hubs and under the Program;

WHEREAS Ava plans to launch the Program in early 2026.

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

Section 1. Approve the allocation of the FY2023 budget surplus to the Program as proposed, with 50% of the incentives for single family residents, 25% for low-income customers and 25% for resilience hubs

Section 2. Authorize staff to launch the Program consistent with the provided memorandum with the ability to adjust program design based on market and customer feedback with the approval of the Chief Executive Officer.

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

Betsy Andersen, Chair

ATTEST:

Adrian Bankhead, Clerk of the Board

SmartHome Battery and Resilience Hub Program Proposals



Program Goals, Audience and Learning

Program Goal

- Deploy \$15M in upfront and ongoing incentives that support community resilience, adding 21MW of dependable powered batteries to our community Virtual Power Plant (VPP).

Program Audiences

- Residential Customers
 - CARE/FERA
 - General Market
- Resilience Hubs

Program Learning

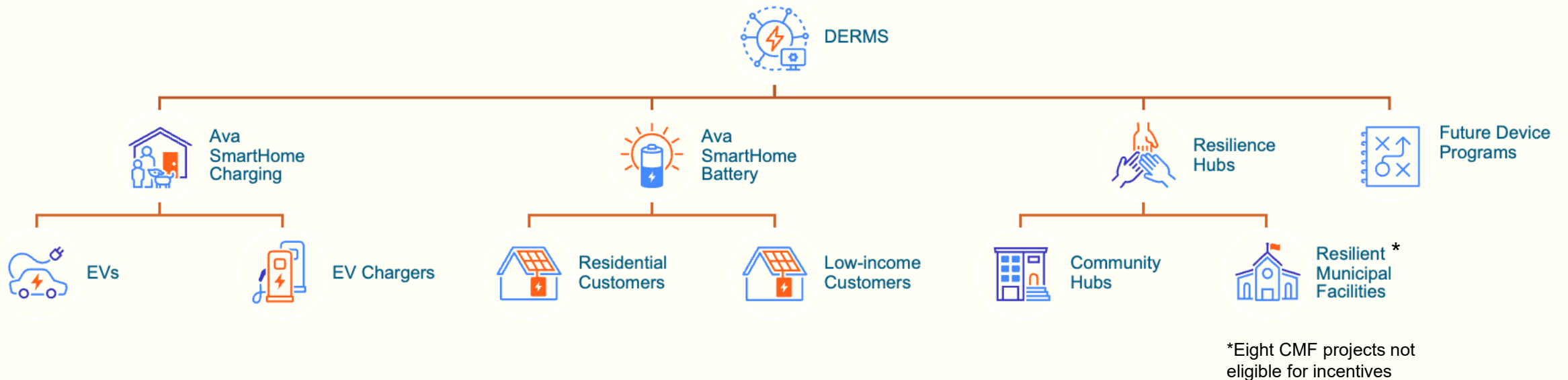
- Enhance our understanding of how to reliably manage and grow battery aggregations



Solar and Storage as a Part of Ava's VPP

Ava's DERMS allows us to leverage distributed energy resources (DERs) to reduce our carbon footprint and support customer savings from DERs by aggregating these technologies and optimizing them to operate in concert. This is known as a "virtual power plant" (VPP).

All solar/battery projects will be part of Ava's Virtual Power Plant (VPP).



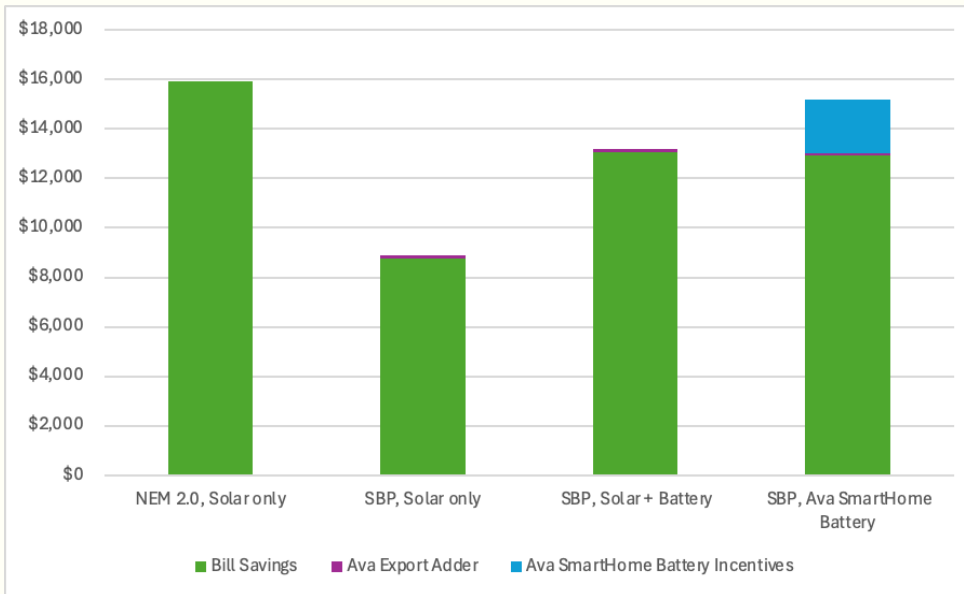
SmartHome Battery Impacts on Residential Customers

	Residential – Market Rate	Residential – CARE/FERA
Ava SmartHome Battery Incentives	\$2,160	\$5,440
California SGIP Incentives	\$0	\$11,000
Bill Savings over 5- year program term	\$12,917	\$12,917

NEM 2.0 transition to SBP led to a significant loss in customer savings potential unless the solar system was paired with a battery. Residential batteries cost \$10-20k upfront.

Adding a battery and \$20/year Ava export adder significantly increase total customer bill savings.

Ava's Solar & Storage program upfront incentive offsets part of the battery cost. To further reduce upfront cash burden, customers may also finance their system through a participating third-party aggregator.



5-year customers savings across various solar customer types including PG&E charges, assuming a 10kWh battery with 80% nomination using Energy ToolBase to estimate bill savings

CARE/FERA customers will be able to stack Ava's incentive with SGIP Residential Solar and Storage Equity Program, which provides up to \$1,100/ kWh.

Budget and Program Enrollment Estimates

Program Budget and Enrollments

	Upfront	Ongoing	BESS Capacity	# of Customers*
Residential – CARE/FERA	\$1.05M	\$2.7M	3MW	830
Residential – Market Rate	\$1.5M	\$6M	17MW	3,080
Resilience Hubs	\$3.5M	\$0.25M	1MW	~20
Total	\$15M		21MW	3,930

*The number of participants is dependent on the customers nominated battery capacity. Resilience Hubs will be highly dependent on the size of the projects. Based on an average of 150kWh BESS size there is budget to support 20 resilience hubs

Additional Ava Revenue Impacts

- New solar paired batteries reduce Ava revenue by ~\$294/year/customer compared to a new solar system installation
- Batteries store energy during the day when retail rates are low and send energy to the grid in the afternoon when rates are high, reducing Ava revenues
- New SmartHome Battery installations will result in an additional \$2.5M in lost revenue to Ava over the first 5 years of system operation.
- Ava will enroll systems in Demand Side Grid Support ("DSGS") to generate grid services revenue

Eligibility and Incentives



Customer Eligibility Requirement

Eligibility

- Must be an Ava customer
- New installations of solar + battery storage, retrofits, existing solar + battery storage
- No dual enrollment in other battery programs

Program Term

- Program Enrollment: 5 years (limited by budget)
- VPP Participation ongoing payments: 5 years

VPP Participation

- Two-hour dispatches either daily or on an event basis determined by customer type + participating battery capacity
- Ava may earn revenue by dispatching into DSGS and other programs

Community Resilience Hub Initiative Review

Objective: Understand the unique needs of community sites and provide them with resources, technical assistance, and incentives to develop local Resilience Hubs.

Community Outreach and Site Identification (\$300k)

- ✓ Case Studies to inform Resilience Hub definition
- ✓ Resilience Readiness Tool
- ✓ Held 3 workshops with >150 registered participants and 26 CBOs to gather feedback on definition and RH eligibility and functional requirements
- ❑ Will lead Community outreach to identify up to 50 interested sites



Technical Assistance (\$2M)

- Provide TA to qualified applicants:
- Resilience project sizing and feasibility assessment
 - Contactor bid reviews
 - List of available grants and incentives
 - Additional services as needed include: site visits, technical contract agreement review, EV charging assessment



Incentives (\$3.75M)

- Upfront and Ongoing incentive
- Waitlist for projects
- Pay out incentive checks
- Resilience Hub Program Manual



Resilience Hub Definition

The proposed definition was reviewed in focus groups conducted by Emerald Cities Collaborative through an Ava community investment grant. There was community input to significantly broaden the definition beyond Ava's proposal.

Ava staff reviewed the proposed language and determined that retaining the proposed specificity related to the provision of clean backup power for resilience services is important to manage clear expectations on the purposes and services provided in the Program.

Ava's proposed definition for Resilience Hub Program participation appears below:

Resilience Hubs are physical, community-serving facilities that provide essential services, distribute critical resources during emergencies, and integrate clean energy solutions to maintain operation during power outages. They also serve as year-round community spaces where local residents regularly gather and access everyday services.

Resilience Hub Eligibility Requirements

Resilience Hub Eligibility Requirements

Ava non-residential customer

Property owner signoff (or landlord support for infrastructure changes)

Community-serving or public-benefit facility

Physical space to accommodate solar and battery storage

Open to the public during emergencies

Participate in Ava's VPP

Provide battery backup for at least 8 hrs/day over 3 days

Operational plan required to include resilience services provided, operational hours, staffing + financial plan, power management strategy, communications plan, coordination with other hubs/agencies.

Participate in Ava's VPP for ongoing incentives. Excused from VPP events during grid outage, PSPS event, or NWS extreme weather alert

A site must **provide at least one critical service to the public during a resilience event**, such as:

- Shelter
- Clean air or climate-controlled space
- Refrigeration
- Device charging
- EV charging
- WIFI
- Fresh water access
- Food distribution
- Other resilience services with approval by Ava

Resilience Hub Prioritization

Ava will develop a reservation process for resilience hub incentives. After the first \$1M (out of \$3.75M total) is reserved, Ava will review projects and evaluate if further prioritization for projects to get on the waitlist. Additional prioritization criteria could include the following:

- 1) Resilience services provided
- 2) Location of resilience hubs and services to disadvantaged communities
- 3) Geographic distribution across Ava territory
- 4) Proximity to existing resilience hubs
- 4) Ownership/types of sites

TA Pilot Sites	City	DAC?	No. of Resilience Services
#1	San Leandro	no	6
#2	Oakland	yes	6
#3	Stockton	yes	5
#4	Oakland	no	4
#5	San Leandro	no	2 (food and cooling)
#6	Hayward	no	TBD - in process
#7	Berkeley	no	TBD - in process
#8	Oakland	yes	TBD - in process
#9	Oakland	yes	TBD - in process

Table 1: Distribution and proposed services of initial Resilience Hub sites engaged by ECC and going through Ava's Technical Assistance pilot

Smart HomeBattery and Resilience Hub Incentives

Participant Type	Upfront Incentive	Ongoing Incentive**	Example BESS size	Total incentive
Residential - Market Rate	\$90/kWh**	\$3/kWh paid monthly	10kWh	\$2,160
Residential - CARE/FERA*	\$500/kWh**		10kWh	\$16,440
Resilience Hub	\$1,220/kWh		100kWh	\$136,400

*SGIP stacking for CARE/FERA customers: +up to \$1,100/kWh for full nameplate battery capacity.

**Ongoing incentives for all participants and upfront incentives for residential customers assume 80% of BESS is nominated to participate in Ava's VPP.

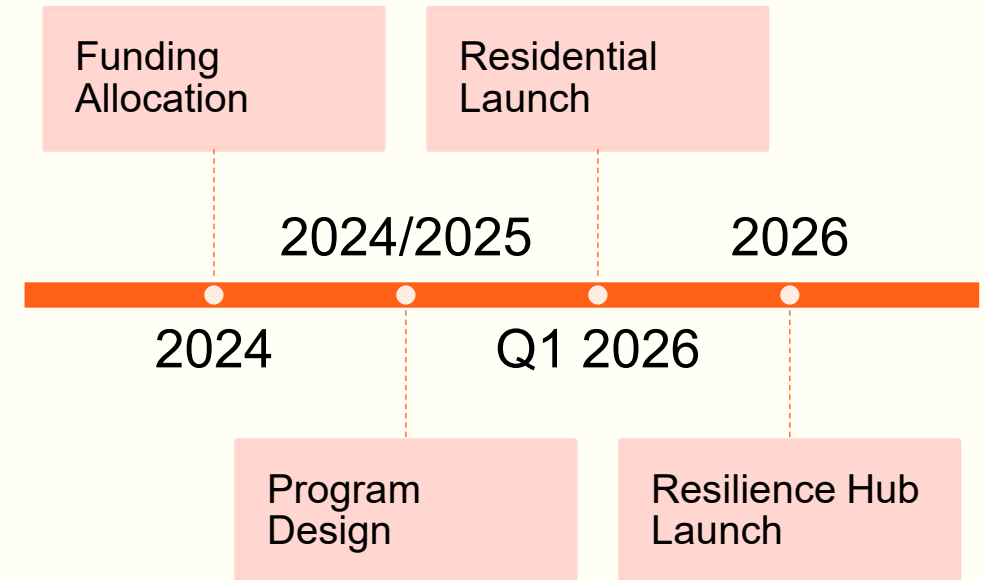
SmartHome Battery Implementation

Ongoing Efforts

- Development of enrollment web portal ongoing
- Implementation will include installer training and multi-tiered customer support
- To support resilience hubs, Ava will engage additional support if other processes, such as a waitlist, are needed to support potential participation

Enrollment timing

- Early '26: Program opens for customers who own newly installed and existing solar and battery storage systems
- Early '26: Community resilience hub awareness raising for to enroll in Technical Assistance
- Q2 2026: Program opens for customers whose batteries are owned by aggregators pending aggregator execution of a participation agreement with Ava.
- Staff is still refining the Resilience Hub delivery approach for the targeting launch later in 2026.



Recommended Action

- Approve the allocation of the FY2023 budget surplus to the Program as proposed, with 50% of the incentives for single family residents, 25% for low-income customers and 25% for resilience hubs
- Authorize staff to launch the Program consistent with the provided memorandum with the ability to adjust program design based on market and customer feedback with the approval of the Chief Executive Officer.

Appendix



Background on SmartHome Battery Program

FY23/24: Ava's Board of Directors dedicated 40% of the year's unallocated excess revenues to a solar and storage program (Resolution No R-2023-2).

- Final allocation to the program was \$14.96 M.

April 2024: high-level program design presented to the Board.

- 50/50 budget for upfront incentives split between market rate residential and CARE/FERA residential + Resilience Hubs customers.
- Ongoing incentive for all participants, contingent on VPP participation.

May 2024: Ava's Board of Directors approved Lunar Energy as the provider for Ava's Distributed Energy Resources Management System (DERMS) – allowing Ava include batteries in the VPP – and as the SmartHome Battery administrator (Resolution No R-2024-41).

Since then, Ava staff have been working to develop the SmartHome Battery Program.

Program Design Development Findings

Ava has solicited feedback through multiple stakeholder engagement channels on program design

Residential

- Ongoing incentives should be high enough to keep customers enrolled in the program
- Customers should have options on how they'd like to participate in a long-term program
- Currently, about 70% of residential customers in Ava's territory that install solar and battery systems finance them through a third-party owner/aggregator

Resilience Hubs

- Resilience hubs are relatively new concepts, and approaches to provision of community resilience varies widely
- Existing resilience hubs are diverse across many characteristics
- Ava's program should support the widest range of resilience hubs possible by designing definitions, requirements and incentives that allow for wide participation

Incentive Example – Residential Customers

Incentives

Participant Type	Upfront Incentive	Ongoing Incentive
Residential - Market Rate	\$90/kWh nominated battery capacity	\$3/kWh nominated battery capacity/month
Residential - CARE/FERA	\$500/kWh nominated battery capacity*	\$3/kWh nominated battery capacity/month

**SGIP stacking for CARE/FERA customers: +up to \$1,100/kWh for full nameplate battery capacity*

Examples

Residential – Market Rate: If a customer nominates 80% of their 10kWh battery, they will receive:

$10\text{kWh} * 80\% * \$90/\text{kWh} = \720 upfront

$10\text{kWh} * 80\% * \$3/\text{kWh/month} * 3\text{months/quarter} = \$72/\text{quarter}$ for five years

Total = \$2,160

Residential – CARE/FERA: If a customer nominates 80% of their 10kWh battery, they will receive:

$10\text{kWh} * 80\% * \$500/\text{kWh} + 10\text{kWh} * \$1,100 \text{ SGIP Incentive} = \$15,000$ upfront (*SGIP will cap at total project value*)

$10\text{kWh} * 80\% * \$3/\text{kWh/month} * 3\text{months/quarter} = \$72/\text{quarter}$ for five years

Total = \$16,440

Incentive Example – Resilience Hubs

To set the incentive Ava completed extensive modeling on potential resilience hub sites with our consultant NV5. Results indicate that sites would have a 5- to 15-year payback based on site and system complexity as well as resilience services and backup power requirements.

Incentives

Participant Type	Upfront Incentive	Ongoing Incentive
Resilience Hub	\$1,220/kWh nameplate battery capacity	\$3/kWh nominated battery capacity/month

Example

Resilience Hub: If a resilience hub nominates 80% of their 100kWh battery, they will receive:

$100\text{kWh} * \$1,220/\text{kWh} = \$122,000$ upfront

$100\text{kWh} * 80\% * \$3/\text{kWh}/\text{month} = \$240/\text{month}$ for five years

Total = \$136,400

How DERs Reduce Ava Revenue

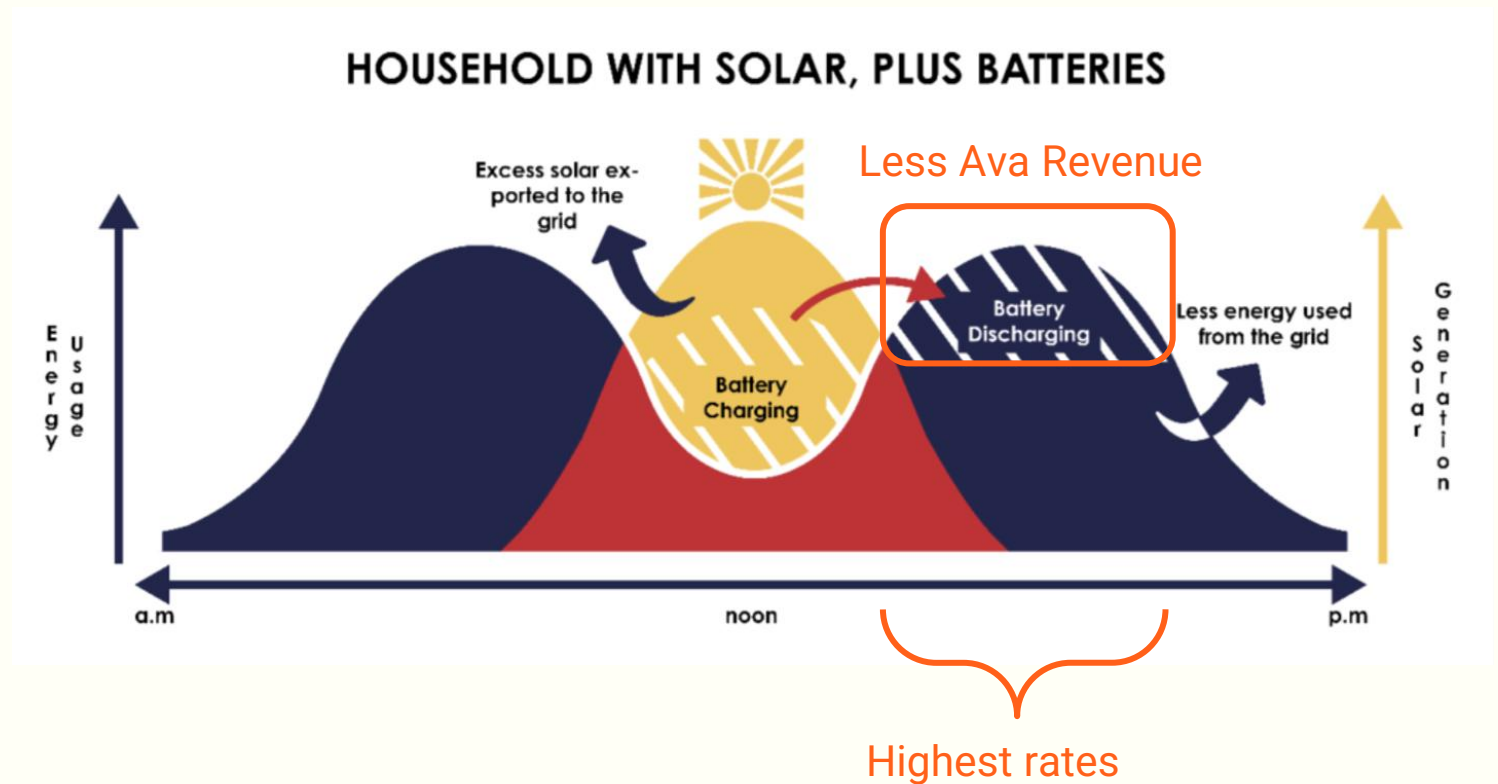
As more customers install batteries, Ava will experience a loss of revenue.

Through this program, Ava can get some grid service benefit to help offset these losses.

Although this program does impact Ava revenue, program budget does not include either lost revenue or grid services income.

Ava staff will evaluate overall revenue impact during the program term as a part of program evaluation.

Batteries store solar energy generated during the day for use later in the day, when rates are higher.



Source: <http://bit.ly/4mzrbjj>

SmartHome Battery Impacts on Ava revenue

	A: Solar and Battery not enrolled in SmartHome Battery	B: Solar and Battery enrolled in SmartHome Battery
Ava Reduced Revenue	(\$313)	(\$294)
Ava Export Bonus Credit	(\$20)	(\$20)
Reduced Day-Ahead Energy Cost	\$69	\$75
Reduced REC Cost	\$33	\$33
2026 DSGS Incentive	\$0	\$263
Total	(\$231)	\$57

There are impacts to Ava from any solar or solar and battery system operating in our service area. As a result of customers adding a battery, Ava loses about \$313/customer/year in revenue (see Column A) compared to a solar only customer.

These revenue losses are also present when solar and battery storage systems participate in the SmartHome Battery program (see Column B). Estimated revenue losses for participating customers are \$2.5M over a 5-year term.

Some revenue losses may be offset through solar and battery storage system participation in the VPP (see Column B).

Initial Program Design Tenets

Program Term: Customers have 5 years to enroll for a 5-year program term. Enrollment term may end early upon budget expenditure.

Incentive Allocation: 50% of budget for upfront incentives for CARE/FERA residential customers and Resilience Hubs and 50% of budget for upfront incentives for market rate residential customers.

Upfront Incentives: Must be an Ava customer, install a battery with a new solar system or retrofitting an existing solar system.

- \$10,000 per battery for CARE/FERA customers.
- \$400/kWh of battery capacity for Resilience Hubs.
- \$1,250 per battery for market rate residential customers.

VPP Participation: Must be an Ava customer and connect to DERMS.

- All customers to receive \$2 per kWh of battery capacity per month for five years.
 - Customers who already have both solar and battery installed are eligible for the ongoing VPP incentive only.





**CAC Item C6
Staff Report Item 11**

To:	Ava Community Energy Authority
From:	Annie Henderson, Chief Customer Officer
Subject:	Approving a Resolution Authorizing the CEO to Negotiate and Execute a Consulting Services Agreement with Deloitte & Touche LLP
Date:	November 19, 2025

Summary/Recommendation

This Staff Report proposes authorizing the CEO to negotiate and execute a contract with Deloitte & Touche LLP to develop Ava’s Customer Programs Roadmap in order to establish a strategic framework that guides program design, prioritization, and investment decisions aligned with Ava’s long-term decarbonization goals.

Financial Impact

The proposed contract term is 1 year with a not-to-exceed budget of \$560,000. The funding for this contract is proposed to be \$500,000 allocated for a Customer Programs Roadmap consultant in the FY 25/26 budget and up to an additional \$60,000 from previously allocated non-earmarked Local Development funds.

Analysis and Context

Ava Community Energy has allocated over \$100M to Fund Local Development activities that support beneficial energy programs within our community. Ava has offered a wide variety of energy-related programs and services to our customers and municipal members since launch in 2018, and currently has active programs in the market and under development for near-term launch, including Ava Bike Electric (e-bike rebate program), SmartHome Charging (EV managed charging program), Ava Charge (DC fast charging sites), Critical Municipal Facilities, Health-e Communities Pilot, Building Efficiency Accelerator, SmartHome Battery (a solar &

storage incentive program), and Resilience Hub initiative. While some of these programs will remain active for many years to come, staff have identified the need to initiate a strategic planning process to determine how customer programs and services should look during the next 5 years (2027-2032). A strategic plan is necessary to a) identify key goals and priorities, b) support resource planning, and c) promote collaboration with stakeholders such as our member cities and counties, regional energy networks, and other community stakeholders.

Request for Proposals

In September 2025, Ava issued a Request for Proposals (RFP) seeking a consultant team to develop the Customer Programs Roadmap, the name for Ava's strategic planning effort for customer programs. The Roadmap will establish a long-term strategic planning framework to guide program design and deployment for the 2027-2032 period. The outcome of this Roadmap will be to align Ava's customer program portfolio with its long-term decarbonization goals.

The RFP outlined a scope of work which included internal and external assessments, stakeholder engagement, program concept development, portfolio development, metrics design, and development of the final Roadmap. The consultant teams were expected to provide technical expertise in decarbonization programs and also facilitation and strategic planning capabilities to help translate stakeholder input into an actionable plan.

Procurement and Evaluation Process

The RFP was open from September 6-September 29, 2025. Seven proposals were received, of which five met all minimum required qualifications and moved forward to the full review. Staff evaluated all conforming proposals using the scoring rubric that was included in the RFP, which included six categories:

- Understanding of scope and goals
- Technical expertise and methodology
- Project management and facilitation experience
- Stakeholder engagement approach
- Cost
- Alignment with Ava's procurement preferences

Three bidders were selected for interviews based on the strength of their proposed approach and qualifications in line with the scoring rubric.

Interview Process

The interviews were conducted in mid-October 2025. Each bidder was asked to prepare a presentation with the following items

- Overview of proposal: Highlight understanding of Ava's goals, proposed methodology, schedule, and team structure
- Portfolio development process: Demonstrate full methodology using examples
- Stakeholder engagement strategy: Describe the engagement approach, integration with portfolio development, managing conflicting priorities, and aligning with Ava's existing public meeting structure.

After these interviews, staff requested additional details from two of the highest-ranked teams to clarify project management structure, stakeholder engagement scope, and program concept development processes.

Selection

Based on the written evaluations, interviews, and clarification responses, staff recommends moving forward with the Deloitte team as the consultant to develop the Customer Programs Roadmap.

Deloitte is a global consulting firm with extensive experience in strategic planning and decarbonization program development for utilities and government agencies. They advise 92% of Fortune 1000 power and utility companies and have supported more than 1000 public-sector entities nationwide. Deloitte's recent work includes developing implementation guidance for Virginia's \$160 million Solar for All award and designing customer-focused electrification and efficiency programs in Wyoming. In California, their clients include Southern California Edison, Los Angeles Department of Water and Power, Sacramento Municipal Utility District, the City of Stockton, and San Jose Clean Energy.

The Deloitte team includes:

- **Powerhouse Innovations:** An Oakland-based consulting firm that provides real-time insights into emerging clean energy technologies to accelerate decarbonization goals. Powerhouse will play a critical role on the market assessment for the Roadmap, identifying technology trends and opportunities. Their expertise will help Ava not only take inventory of existing programs but also understand the next wave of technologies.
- **Kearns & West (KW):** A Bay-Area based firm with deep expertise in designing and executing comprehensive stakeholder and community engagement strategies across California. KW brings extensive experience working with communities in the San Joaquin Valley, including rural and agricultural regions, as well as Alameda County, with clients such as the Bay Area Air Quality Management District, ensuring engagement efforts are inclusive, credible, and locally grounded.
- **E/J Solutions (EJ):** An Oakland-based firm that specializes in equitable community engagement, planning, and program implementation. EJ brings a strong understanding of East Bay communities and has a proven record of developing engagement processes with diverse voices. Recent work includes conducting focus groups on behalf of the California Energy Commission's Tactical Gas Decommissioning project, and executing an equitable community engagement process for the City of Oakland's 2030 Climate Action Plan.

During both the proposal and interview phases, Deloitte clearly demonstrated a deep understanding of Ava's objectives and the complexity of aligning customer programs with organizational and stakeholder priorities.

Their approach stood out in the following ways:

- **Strategic portfolio development:** Deloitte's proposed methodology begins with establishing clear organizational objectives and measurable goals before moving to program concept development. Their approach anchored on getting clarity and

alignment by incorporating feedback from engagement activities and clearly integrating it into the Roadmap.

- Comprehensive stakeholder engagement: Deloitte presented a robust engagement strategy led by their local partners, K&W, and E/J Solutions who bring deep experience in both Alameda and San Joaquin counties. See more below on the engagement approach.
- Strong project management and delivery capacity: Deloitte's project delivery team is highly experienced, with proven track records of managing large-scale planning efforts with accelerated timelines. Their proposed schedule delivers the Roadmap by August 2026, several months ahead of Ava's target of October 2026, which allows for flexibility.
- Depth of expertise: The proposed team has more than 100 years of collective experience with strategic planning, market assessments, program design, and stakeholder engagement. Each organization and associated team member's role is clearly defined across all workstreams, and staff with relevant expertise are committed to the Roadmap.

Overall, Deloitte offered the most complete strategic approach to a complex planning context, identified an experienced team, and proposed a clear plan to deliver the Roadmap informed through engagement on schedule.

Stakeholder Engagement Approach

The Deloitte team proposed a relationship-based, locally-grounded engagement strategy that is designed to incorporate input across Ava's service territory. Their approach leverages trusted local organizations as "engagement anchors" which include groups in Alameda County and San Joaquin Valley.

Their partners KW and E/J Solutions bring deep experience with engaging communities in the East Bay and San Joaquin regions. The team proposed to collaborate with community-based organizations and advocacy networks to conduct focus groups, informational listening sessions, and a multilingual survey to gather input. Their engagement model emphasizes culturally responsive and multilingual communications that will allow the team to meet communities where they are.

The team also proposed integrating Ava's Community Advisory Committee (CAC) into the process to provide feedback, to ensure alignment between one of Ava's key stakeholders and Roadmap development.

Stakeholder Engagement and Budget Considerations

To address the need for stakeholder engagement in the Customer Roadmap, Deloitte proposed two scenarios of stakeholder engagement (Baseline and Enhanced) that differ in cost, number of engagement activities, and level of effort across activities such as:

- Focus groups: small, topically-focused discussions with community organizations and key stakeholders.
- Community listening sessions: Broader sessions to hear the voice of customers directly in their own words, providing context on Ava and the intent of the Customer Roadmap.
- Survey: General customer survey to provide an additional channel for customers to provide information to Ava, enhancing direct customer engagement beyond customers who can attend listening sessions.

- Synthesis and integration: Time to identify and analyze information across all engagement channels and uncover themes to inform program concepts and portfolio design, and develop approaches to incorporate key findings into the Roadmap.

Table 1: Stakeholder Engagement Budget Comparison

Scenario	Total NTE Amount	Engagement Activities
Baseline	\$500,000	<ul style="list-style-type: none"> • 5 focus groups (one dedicated to ad-hoc CAC) • 2 community listening sessions (includes 2 facilitators and translation) • Stakeholder Map and Engagement Strategy • Development and integration of findings from engagement into Roadmap
Enhanced (Staff recommended)	\$560,000	<ul style="list-style-type: none"> • 5 focus groups (one dedicated to ad-hoc CAC) • 2 community listening sessions (includes 2 facilitators and translation) • Stakeholder Map and Engagement Strategy • Additional specialists to develop and integrate findings from engagement into Roadmap • General Customer Survey and survey findings analysis (English and two other languages supported) • Additional engagement with Ava SME's and expanded internal workshop ensuring coordination on Roadmap delivery • Dedicated time to integrate additional input across internal and external stakeholders

Rationale for Enhanced Approach

Staff recommends proceeding with the Enhanced scenario (NTE \$560k). This approach builds on the Baseline scenario by strengthening the breadth and depth of stakeholder input, as well as how stakeholder input is collected. As a result, stakeholder input will contribute more to the final product given additional work on synthesizing and translating stakeholder input into actionable insights for the Customer Programs Roadmap.

Specifically, the additional scope:

- Broadens the representation of community members not engaged in live sessions through the general survey.
- Improves the integration of feedback into the plan by dedicating additional time to analyze the inputs across all engagement channels, and allows for the development of approaches to leverage input into Roadmap actions.
- Creates stronger internal alignment by adding targeted engagement with Ava's SMEs and an expanded internal workshop, giving staff dedicated time to collectively interpret

stakeholder input and build organizational consensus before integrating it into the Roadmap.

While the Roadmap could still be completed with the Baseline scenario, it would leave little flexibility in the schedule and constrain the time available for synthesizing stakeholder input, which would risk important feedback not being fully integrated into the final Roadmap.

This approach represents up to a \$60,000 increase above Ava's existing \$500,000 FY25/26 allocation for this effort. However, staff recommends the additional spend given the importance of stakeholder engagement in this process. The additional \$60,000 would come from previously allocated non-earmarked Local Development funding.

Committee Feedback

Staff has presented to the Community Advisory Committee and Executive Committee in July and September on the development of the Customer Programs Roadmap RFP and general updates on status.

On November 5th, staff presented an update to the Executive Committee on the process, focused on the proposal responses related to engagement for the Roadmap, but did not include the final bidder selection. The Executive Committee was supportive of Ava's progress on this effort.

Attachments

- A. Resolution Authorizing the CEO to Negotiate and Execute a Consulting Services Agreement with Deloitte & Touche LLP
- B. Customer Programs Roadmap PowerPoint Presentation
- C. Ava Consulting Services Agreement template with draft scopes of work for Baseline and Enhanced Scenarios

RESOLUTION NO. R-2025-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 DELOITTE & TOUCHE LLP

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 in 2018, Ava established its Local Development Business Plan (LDBP) which identified strategies and priorities for local programs and investments through 2023, and

WHEREAS since launching, Ava has developed and implemented a wide variety of programs and services, including Ava Bike Electric, SmartHome Charging, Ava Charge, Critical Municipal Facilities, Health-e Communities, Building Efficiency Accelerator, SmartHome Battery, and the Resilience Hub Initiative, and

WHEREAS while some of these programs will continue to operate for several years, staff have identified the need for a strategic planning process to guide the next five years of customer programs to ensure Ava’s programs are aligned with its long-term decarbonization goals, and

WHEREAS the Customer Programs Roadmap will serve as a strategic framework to (a) identify key goals and priorities, (b) inform future resource planning, and (c) promote coordination and collaboration with stakeholders such as member agencies, regional energy networks, and community-based organizations, and

WHEREAS in Fiscal Year 2025-2026, the Board approved a budget allocation of \$500,000 to support consultant services for the development of the Customer Programs Roadmap, and in September 2025 staff issued a Request for Proposals (RFP) seeking qualified consultants for this work, and

WHEREAS after a competitive review process, staff recommend contracting with Deloitte & Touche LLP to develop the Customer Programs Roadmap based on their expertise in strategic planning for utilities and government entities, their robust stakeholder engagement approach, and their ability to deliver on an actionable portfolio that is aligned with Ava's goals.

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 Deloitte & Touche LLP for consulting services for the Customer Programs Roadmap for the amount not-to-exceed \$560,000 over a 1-year contract period.

ADOPTED AND APPROVED this 19th day of November 2025.

Betsy Andersen, Chair

ATTEST:

Adrian Bankhead, Clerk of the Board

Customer Programs Roadmap: Consultant Selection



Summary & Recommendation

Recommendation

- Authorize CEO to negotiate and execute a contract with Deloitte to develop Ava's Customer Programs Roadmap

Purpose

- To establish a strategic framework that guides future program design, prioritization, and investment decisions aligned with Ava's long-term decarbonization goals

Proposed Term

- 1 year (through October 2026)

Total NTE

- Up to \$560,000
 - \$500,000 allocated in FY 25/26
 - \$60,000 to be drawn from previously allocated non-earmarked Local Development funding
 - Additional \$60,000 supports expanded stakeholder engagement scope

Ava manages a Local Development Fund (~\$100 M) which supports energy-related programs across its service territory.

Since 2018, Ava has launched and managed programs including:

- Ava Bike Electric, SmartHome Charging, Ava Charge, Building Efficiency Accelerator, Resilience Hub Initiative, Health-e Communities, SmartHome Battery, and others.

Some programs will continue over the next several years, but a strategic roadmap for 2027-2032 is needed to:

- Identify goals and priorities
- Support resource planning
- Enhance alignment with member agencies, regional energy networks, and community partners

Issued

- September 2025

Purpose

- Develop a Customer Programs Roadmap for 2027–2032

Scope Included

- Internal and external assessments
- Stakeholder engagement
- Program concept and portfolio development
- Metrics design and final roadmap

Total Responses

- 7 proposals (5 conforming)

Evaluation Process

Proposal Evaluation Rubric

- Understanding of scope and goals
- Technical expertise and methodology
- Project management and facilitation
- Stakeholder engagement approach
- Cost
- Alignment with Ava's procurement preferences

Process

- Staff review of 5 conforming proposals
- 3 shortlisted teams invited to interviews in mid-October 2025
- Interviews evaluated on methodology, portfolio development approach, and engagement strategy

Recommended Consultant: Deloitte Team

Why Deloitte?

- Proven experience in strategic planning and decarbonization program development for utilities and governments nationwide
- Integrated approach that clearly aligns objectives, program concepts, and portfolio design
- Robust stakeholder engagement strategy led by local partners
- Clear and achievable schedule–roadmap completed by October 2026
- Qualified, well-resourced delivery team

Additional Team Members

- **Powerhouse Innovations (Oakland):** Provides insight on emerging clean energy technologies and trends and will play a critical role in the market assessment development
- **Kearns & West (Bay Area):** Designs and executes community engagement across California and has experience in the San Joaquin Valley
- **E/J Solutions (Oakland):** Specializes in equitable, community-based engagement with deep East Bay expertise

Stakeholder Engagement Approach

Locally-grounded, relationship-based model acknowledging trusted “engagement anchors” in Alameda and San Joaquin counties

Multiple engagement formats

- **Focus groups:** small, topically-focused discussions with community organizations and key stakeholders designed to gather deeper qualitative insights and nuanced perspectives
- **Community listening sessions:** Broader sessions to hear the voice of customers directly in their own words, providing context on Ava and the intent of the Roadmap
- **General customer survey:** General customer survey to provide an additional channel for customers to provide information to Ava, enhancing direct customer engagement beyond customers who can attend listening sessions.

Strong emphasis on synthesizing stakeholder inputs and creating structured time for Ava staff to interpret feedback, ensuring insights directly shape program concepts and portfolio design.

Stakeholder Engagement Scenario Options

Attachment Staff Report Item 11B

Scenario	Total NTE Amount	Engagement Activities
Baseline	\$500,000	<ul style="list-style-type: none"> • 5 focus groups (one dedicated to ad-hoc CAC) • 2 community listening sessions (includes 2 facilitators and translation) • Stakeholder Map and Engagement Strategy • Development and integration of findings from engagement into Roadmap
Enhanced (Recommended)	\$560,000	<ul style="list-style-type: none"> • 5 focus groups (one dedicated to ad-hoc CAC) • 2 community listening sessions (includes 2 facilitators and translation) • Stakeholder Map and Engagement Strategy • General Customer Survey and survey findings analysis (English and two other languages supported) • Additional specialists to develop and integrate findings from engagement into Roadmap • Additional engagement with Ava SME's and expanded internal workshop ensuring coordination on Roadmap delivery • Dedicated time to integrate additional input across internal and external stakeholders

Outside of the Consultant scope, Ava will regularly update and engage the Board and CAC throughout the Roadmap process.

Scenario Recommendation

Staff recommend the **Enhanced scenario**, as it allows for:

- **Broader outreach:** Adds a general customer survey to capture input from residents who may not participate in live sessions (3 total languages)
- **Stronger synthesis:** Improves the integration of feedback into the plan by dedicating additional time to analyze the inputs across all engagement channels, and allows for the development of approaches to leverage input into Roadmap actions.
- **Better internal alignment:** Creates structured time for Ava's cross-functional teams to review and interpret stakeholder input before it is incorporated into the Roadmap, ensuring organizational consensus needed to deliver on the Roadmap.
- **Schedule flexibility:** Adds buffer that the Baseline does not provide, reducing the risk of rushing the synthesis and ensuring critical input is fully incorporated

The Enhanced Scenario requires up to an additional \$60,000 above the existing \$500,000 allocation. These funds that would come out of the FY 25/25 future programs budget. Staff recommends this investment given the importance of robust stakeholder engagement.

Next Steps

November 2025

- Finalize contract terms and scope
- Execute agreement

December 2025

- Project kickoff and stakeholder mapping

Early 2026

- Present more detailed stakeholder mapping and engagement plan



Attachments Staff Report Item 11C

2025 Consulting Services Agreement

Ava Community Energy Authority ("Ava")	Signature:	
	By:	
	Date:	
	Approval as to Form:	
	Address:	1999 Harrison Street, Suite 2300 Oakland, CA 94612
	Ava Notice Emails:	legal@avaenergy.org with a cc to:
	Relationship Manager:	
("Consultant")	Signature:	
	By:	
	Date:	
	Notice Address:	
	Phone:	
	Notice Address:	1999 Harrison Street, Oakland, California 94612, United States
	Notice Email(s):	
Effective Date	This Agreement is effective as of the date of signature by Ava.	
Expiration Date	This Agreement expires one (1) year after the Effective Date.	
Not To Exceed ("NTE")		
Summary		

June 2025 template.

This Consulting Services Agreement (the "Agreement") is made by and between Ava Community Energy Authority, a joint powers authority formed under the laws of the State of California ("Ava"), and the counterparty set forth above ("Consultant") as of the Effective Date. Ava and Consultant are herein referred to as "Parties" or individually as a "Party."

1. Recitals

- 1.1. Ava Recitals. 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.) with the power to conduct its business and enter into agreements.
- 1.2. Consultant Recitals. Consultant possesses the skill, experience, ability, background, certification and knowledge to complete the Work described in Section 3 of 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:

2. Term. The term of this Agreement begins as of the Effective Date of this Agreement ends as of the Expiration Date, unless terminated earlier pursuant to Section 8 (Termination).
3. Scope of Work/Compliance with Laws and Regulations.
 - 3.1. Work. Consultant agrees to perform the scope of work (the "Work") in Exhibit A in accordance with the schedule in Exhibit B.
 - 3.2. Requirements. 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. Legal Compliance. Consultant and its contractors, consultants, 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. Without limiting the foregoing, if work required to be performed by the Consultant is a "public work" as defined in California Labor Code Section 1720, then pursuant to the provisions of Labor Code Sections 1725.5 and 1771, the Consultant shall be registered with the Department of Industrial Relations ("DIR"), and will pay and require subcontractors to pay the general prevailing rate of per diem wages and the general rate for holiday and overtime work in this locality for each craft, classification, or laborer or worker needed to perform this Agreement, as established by the DIR. As of the execution of this Agreement, these rates may be obtained at: <http://www.dir.ca.gov/OPRL/DPr/WageDetermination.htm>. Consultant shall provide a copy of prevailing wage rates to any subcontractor and/or Subconsultant hired by Consultant for this Agreement and shall pay the adopted prevailing wage rate as a minimum. Consultant shall comply with the provisions of Sections 1773.8, 1775, 1776, 1777.5, 1777.6, and 1815 of the Labor Code. Pursuant to the provisions of 1775 of the Labor Code, Consultant shall forfeit to Ava, as a penalty, the sum of \$200.00 for each calendar day, or portion thereof, for each laborer, worker, or mechanic employed, is paid less than the applicable prevailing wage rates for any work done under this Agreement, by them or by any subcontractor under them, in violation of the provisions of the Agreement.
4. Consultant Staffing. Exhibit C contains a list of Consultant's principal and all team members. Consultant will not change or substitute the principal or any team members or add additional team members without consultation with Ava.
5. Subconsultants.
 - 5.1. Approved Subconsultants. 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. Subconsultant Compliance. Consultant agrees to require all Subconsultants to comply with the terms of this Agreement, including without limitation, the public works requirements in Section 3.3, the insurance obligations under Section 9, the confidentiality requirements under Section 11, and the requirement to indemnify Ava as provided in Section 12.
6. Invoicing and Payment.
 - 6.1. Time and Materials. 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. If requested by Ava, Consultant must include the contract number provided by Ava and the total compensation remaining on the Agreement on each monthly invoice. Notification to Ava should be provided once the contract budget has been used up by 80% (including invoiced work and work that may not have been invoiced yet) the amount of which is set forth in Exhibit E. Invoices must be submitted to Ava by the 20th of the month following the month in which Consultant performed the Work.

- 6.2. Milestone. 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.
 - 6.3. Markups. 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.
 - 6.4. Payment Processing. The following are conditions on Ava's obligation to process any payments under this Agreement:
 - 6.4.1. 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.
 - 6.4.2. 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 for nonresident withholding before Ava will process payment.
 - 6.5. Payment. Ava agrees to pay undisputed invoices within forty-five (45) days of receipt. Invoices may be sent to Ava by U.S. mail or electronic mail to Accounts@avarenergy.com. Invoices will be deemed received on the next business day following the date of receipt via electronic mail or three days after receipt via U.S. mail. Notwithstanding anything to the contrary in this Agreement or any related document, Ava shall have no obligation to remit payment for fees in excess of the NTE.
 - 6.6. Members. Ava, as the sole authority, is a state or 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.
7. Records Retention and Ownership of Work Product.
 - 7.1. Records. 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 (3) years following termination of this Agreement.
 - 7.2. Ownership. 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.

8. Termination.

- 8.1. Upon Notice. 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. For Breach. 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. Completion Option. 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. Payment. 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. Return of Work Product. 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 and cooperate with any subsequent consultant during any transition. Consultant may only retain copies of the Work Product by express written permission of Ava.

9. Insurance

- 9.1. Proof of Insurance. 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. Ongoing Coverage. 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 modification that would reduce its insurance coverage.
- 9.3. Subconsultant Coverage. Consultant must either include Subconsultants under its insurance policies or require each Subconsultant to comply with the insurance obligations in Exhibit F.

10. No Discrimination or Conflict of Interest

- 10.1. Non-Discrimination. 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, national origin, or any other protected category under state or federal law.
- 10.2. Conflict of Interest. 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.

11. Confidentiality

- 11.1. Non-Disclosure. Except as authorized by Ava or as otherwise required by law, Consultant shall not disclose to any third party 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. Third Parties. For the purposes of this Section 11, "third party" 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. Confidentiality Survival. This Section 11 will survive the expiration or termination of this Agreement.
- 11.4. Public Records Act. **The Parties understand and agree that (1) this Consulting Services Agreement is subject to public disclosure under the California Public Records Act ("CPRA"); (2) a request pursuant to the CPRA may obligate Ava to disclose this Agreement, in whole or in part, to the requestor; and (3) Consultant is solely responsible for the inclusion of any information herein that Consultant may consider sensitive and should not include sensitive information within this Agreement.**

12. Indemnity

- 12.1. General Indemnity. 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, judgments, 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 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, 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 secrets, 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. Professional Negligence. 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. Exceptions. Consultant's obligations in Subsections 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. Indemnitees. 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. Insurance. The Consultant's obligations under Section 12 apply regardless of the existence or amount of insurance the Consultant carries or has made available to Ava.
- 12.6. Indemnification Survival. The Parties agree that this Section 12 survives the expiration or earlier termination of the Agreement.

13. Consultant is an Independent Contractor

- 13.1. Relationship of the Parties. 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 Ava and must not represent or act as 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. Relationship of Subconsultants. 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.

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 and 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. Notices to Ava shall be effective upon delivery to all email addresses in Ava Notice Emails, above. Any notices required to be given to Contractor 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. All notices to Contractor must be sent to the Notice Address or Notice Email(s).

- 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, persons with disabilities, 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.

LIST OF EXHIBITS

EXHIBIT A: ENHANCED OR BASELINE SCOPE OF WORK

EXHIBIT B: SCHEDULE

EXHIBIT C: CONSULTANT STAFFING

EXHIBIT D: SUBCONSULTANTS

EXHIBIT E: COMPENSATION/BUDGET

EXHIBIT F: INSURANCE REQUIREMENTS

Draft

DRAFT Enhanced Scenario Scope of Work (Staff Recommended)

Task 1: Project Management and Internal Stakeholder Engagement

The Consultant will provide overall project management and strategic internal facilitation for the longterm planning process, ensuring the work is completed on time, within budget, and in alignment with Ava's organizational goals. The Consultant will:

- Oversee the entire planning effort to make sure all planning strategy aligns with Ava's broader goals and initiatives.
- Oversee consultant team and coordinate with Ava staff to deliver inputs needed in this process.
- Identify, recommend approaches for, and manage the process to arrive at key decisions and stakeholder engagement approach.
- Facilitate a project Kickoff meeting with Ava staff to align on process, milestones, communication, and roles.
- Develop and circulate a project Workplan detailing the Consultant's approach for completing each of the following tasks. The Workplan is due within two weeks of the Kickoff meeting.
- Lead two to three 30-minute meetings with Ava's core "Tiger Team" to review progress, address barriers, and discuss next steps.
- Conduct two phases of 5-7 interviews with Ava staff and leaders to better understand how their role supports customer programs and solicit their inputs on the objective of the Customer Program Roadmap (see Tasks 2 and 11 for more detail).
- Oversee delivery of key milestones on time, to complete the final work product by August 2026 or before.
- Develop and maintain a schedule using Ava's Asana instance, identifying key milestones and dependencies in the process.
- Implement document approval system such that the Consultant will share interim work products with Ava Tiger Team for Ava to upload to their internal document management system (e.g., Teams, Google Drive, etc.) for consolidated commenting and streamlined reviews. Review timelines are subject to final agreement during the Kickoff meeting, but proposed to be no longer than 5 business days so the project stays on track.
- Participate in up to two 4-hour working sessions with Ava subject matter experts (SMEs) and integrate insights across relevant tasks.

Deliverable(s):

1.1 Workplan

Ava's role: Ava's core "Tiger Team" will participate in the regular check-ins and provide feedback and relevant internal updates. The Tiger Team will coordinate internal staff and leadership participation in all relevant decision-making points. Tiger Team will also confirm and provide contact information for the 5-

7 individuals selected for interviews. The selected 5-7 Ava staff will participate in interviews. Relevant Ava team members will prepare all content for the working sessions with Ava SMEs.

Task 2: Refine Customer Programs Roadmap Objective

The purpose of this task is to document a clear objective for Ava's long-term roadmap by synthesizing existing work and interviewing 5-7 key Ava staff and leaders (as noted in Task 1). The result of this identification will enable the drafting of a broad set of potential performance metrics.

Consultant will:

- Review Ava's existing work that supports the definition of the key objective for the Customer Programs Roadmap and discuss comments and questions with Ava's Tiger Team. Develop a memo that synthesizes this work to be used as a guidance document throughout the Customer Programs Roadmap process.
- Conduct interviews with 5-7 Ava staff and leaders, to be selected during the Kickoff with the Tiger Team
- Review Ava's existing and potential program performance metrics and propose a "long list" of potential program performance metrics that we may want to use to estimate the performance of program concepts and track performance of programs in the 2027-2032 period based on our objective and focus areas, leveraging the metrics we have already collected.

Deliverable(s):

- 2.1 Customer Programs Roadmap Key Objective Memo
- 2.2 "Long List" of Potential Program Performance Metrics

Ava's role: Ava staff will provide the Consultant with the relevant background materials that inform the agency's strategic objective. Ava's Tiger Team will participate in review discussions and provide feedback on the Consultant's synthesis.

Task 3: Internal Assessment

The purpose of this task is to document Ava's organizational capacity and advantages in order to inform program concepts and portfolio design.

Consultant will:

- Review Ava's existing work on organizational capacity and future operational envelope to implement programs, and discuss comments and questions with Ava's Tiger Team on topics such as:

- Budget and funding pathways
- Staffing and internal expertise
- Appetite for risk and innovation
- Implementation constraints (e.g. asset ownership, direct customer financing, cross-CCA program development, etc.)
- Review Ava's competitive advantage assessment and discuss comments and questions with Ava's Tiger Team.
- Use insights gleaned from internal interviews (see Task 1) to supplement the reviews detailed in the prior two bullets.
- Prepare an Internal Assessment Memo, summarizing organizational capacity, operational envelope, and competitive advantages to provide input to program concepts, metric development, and portfolio development Deliverable(s):

3.1 Internal Assessment Memo

Ava's role: Ava will provide the Consultant with the relevant background materials that inform the agency's strategic objective (including Ava's competitive advantage assessment). Ava's Tiger Team will participate in review discussions and provide feedback on the Consultant's synthesis.

Task 4: Community & External Stakeholder Engagement Support

The objective of stakeholder engagement in this planning and strategy development effort is to gather input on stakeholder priorities to inform the 5-year plan. Engagement will be structured to gain insights on guiding values and strategic direction.

Consultant will develop and implement a strategy for ongoing engagement with external stakeholders throughout the strategic planning process. Key activities include stakeholder mapping, advising on a comprehensive stakeholder engagement strategy, hosting two General Listening Sessions, and five virtual focus groups that provide information early in the roadmap development process to consolidate an understanding of stakeholder priorities across Ava's service area. The first General Listening Session will be scheduled to provide information early in the roadmap development process, followed by the focus groups and a survey, all of which will consolidate an understanding of stakeholder priorities across Ava's service area. The second General Listening Session will occur during the second half of delivery to provide an update on the process and outcomes towards the conclusion of the project.

The Consultant's stakeholder engagement approach will be finalized in the Stakeholder Engagement Strategy and Timeline deliverable (Deliverable 4.2).

Consultant will:

- Integrate stakeholder insights into project deliverables and make recommendations for how feedback should inform each phase of the plan.

- Review Ava's draft Stakeholder Engagement Map that identifies and segments key external stakeholder groups and their roles in the process and with respect to roadmap implementation.
- Prepare an Engagement Strategy and Timeline that details the Consultant's approach for external engagement, including timing, participants, and objectives.
- Prepare materials for and conduct two General Listening Sessions with a maximum of 100 participants each. For each session, write a summary that details input received and how inputs can be used to inform the Roadmap.
- Prepare materials for and conduct up to five Focus Groups (with a maximum of 15 participants). For each focus group, write a summary that details input received and how inputs can be used to inform the Roadmap.
- Administer and manage one multilingual survey (translation in up to two languages other than English), post-process inputs, and incorporates insights across all relevant deliverables.

Deliverable(s):

- 4.1 Stakeholder Engagement Map
- 4.2 Engagement Strategy and Timeline
- 4.3 Engagement Materials for General Listening Session #1
- 4.4 Summary of General Listening Session #1
- 4.5 Engagement Materials for General Listening Session #2
- 4.6 Summary of General Listening Session #2
- 4.7 Survey Questions

Ava's role: Ava will support the stakeholder mapping exercise, review and provide feedback on draft engagement materials, lead internal alignment efforts, procure licensing for survey software, and gather the CAC Ad Hoc Committee.

Task 5: Market Assessment on External Landscape

The purpose of this task is to provide a strategic landscape analysis to inform Ava's program concept development and prioritization, which includes identifying unmet needs, innovation opportunities, and implementation barriers across Ava's service territory. The Consultant will:

- Use insights gleaned from internal interviews (see Task 1) to inform relevant components of the Market Assessment, namely 5.3 and 5.5.

5.1 Program Landscape and Gap Analysis

Consultant will develop an inventory electrification programs and incentives throughout Ava's service territory across entities including cities, counties, utilities, and Regional Energy Networks (REN) to identify gaps by Ava's programmatic focus areas: 1) building electrification including energy resilience, 2) energy efficiency, 3) load management, and 4) transportation electrification.

For each existing program, Consultant will include information such as (data to be finalized in the Workplan):

- Program overview
- Target customer segment
- Key outcomes
- Implementation barriers or successes

Deliverable:

5.1.1 Ava Service Area Program Inventory

5.2 National and Global Program Inventory

Consultant will identify successful programs beyond Ava's service area that advance Ava's objective. Include a range of jurisdictions and program models (utility, municipal, rate-based, etc.). Program examples should include information such as, but not limited to (data to be finalized in this task's work plan):

- Context and target customer group
- Goal and structure
- Performance metrics and outcomes
- Notable lessons or barriers
- Funding structure

Deliverable:

5.2.1 National and Global Program Inventory

5.3 Ava Operational Context Market Assessment

Consultant will examine how changes across the various contexts in which Ava operates may impact program implementation from 2027-2032. Ava operates as a community choice aggregator (CCA), a joint powers authority (JPA), and a load-serving entity (LSE), each with unique opportunities and constraints.

Analyzing how evolving regulatory, technology, and customer trends will affect these roles is critical to designing programs that are feasible and aligned with Ava's vision for long-term success. Topical areas (e.g., regulatory, future customer needs, technology change, etc.), Ava's role(s) in each (e.g., CCA, LSE, JPA, etc.) and Ava's programmatic focus areas (building electrification including energy resilience, energy efficiency, load management, and transportation electrification) should be used to frame this analysis.

5.4 Internal Workshop (#1)

Design and facilitate an internal workshop with Ava staff responsible for program delivery across departments with the goals of validating insights from the Market Assessment with Ava's internal expertise and identifying considerations to inform future tasks. During this Workshop, the Consultant and Ava staff will discuss the preliminary findings and outcomes from the Objectives Refinement (Task 2), the Internal Assessment (Task 3), and External Assessment analyses completed to date (Tasks 5.1, 5.2, and 5.3).

Deliverable:

5.4.1 Workshop Agenda and Materials

5.4.2 Memo on Workshop Findings and Recommendations

5.5 Programmatic Gaps

Based on outcomes from previous work in this task, Consultant will identify programmatic gaps in Ava's service area and contextualize these gaps with Ava's unique market position, as well as findings from the Program Inventory.

Deliverable:

5.5.1 Programmatic Gaps and Opportunities Summary

The Consultant will prepare a summary of Deliverables 5.1.1, 5.2.1, and 5.5.1 (Ava Service Territory Program Inventory, National and International Program Inventory, Programmatic Gaps and Opportunities Summary) into a consolidated document.

Deliverable:

5.0.1 Market Assessment Memo

Ava's role: Ava will provide the Consultant with relevant existing documents and data to inform the Market Assessment. Ava staff will identify subject matter experts or other parties to participate in this task.

The conclusion of Task 5 coincides with the end of Phase 1: Refine Objectives and Conduct Landscape Assessments, which is the first of three milestones.

Task 6: Develop Program Concepts

The purpose of this task is to develop a set of high-level program concepts that build on the findings from previous tasks. The development of these concepts does not include detailed program design or operational plans.

To confirm program concepts are rooted in the needs of Ava’s customers, the stakeholder engagement activities (see Task 4) will gauge stakeholder perspective and needs regarding program concepts.

Based on findings from previous tasks, Consultant will develop a “long list” of program concepts that Ava could pursue across its four focus areas. Program concepts will provide information such as the following (data to be finalized in the Workplan):

- Focus area addressed
- Delivery mechanism, duration and structure
- Target audience
- Potential program outcome(s)
- Budget range
- Key implementation dependencies or challenges

Deliverables

6.1 Program Concept “Long List”

Ava’s role: Ava will share its internal concept list with the Consultant, provide clarifying context on priorities, and review and give feedback on the draft “long list” of program concepts.

Task 7: Program Metrics Development

The purpose of this task is to define a set of high-level metrics that will help Ava evaluate the potential impacts resulting from the implementation of individual program concepts.

Consultant will develop draft metrics to measure the potential impact of program concepts developed in Task 6. To confirm the metrics accurately track impact on Ava’s customers, the engagement activities conducted as part of Task 4 will also include content pertaining to metrics to efficiently and comprehensively capture the insights of a diverse range of Ava’s stakeholders. The Consultant will avoid highly detailed or overly granular metrics that risk leading to over analysis, and metrics will be on par with the level of detail in the program

concept. After workshopping these metrics with Ava staff (Task 8), metrics will be refined for use over the 2027-2032 period to measure progress.

Deliverable(s):

7.1 Program Concept Metrics

Ava's role: Ava will provide the Consultant with an initial list of draft metrics as a starting point.

Task 8: Internal Workshop (#2)

The purpose of this task is to refine draft program concepts and evaluation metrics developed in Task 6 and 7 through a comprehensive workshop with Ava's internal subject matter experts.

The Consultant will:

- Host a workshop with Ava's subject matter experts to review the initial set of program concepts and metrics, receive further feedback on the relevant given metrics, and use the estimated performance results to illustrate how program metrics track performance against proposed program concepts.
- Solicit feedback on refining the program concepts and metrics based on the application of the metrics to the concepts.
- Develop a Workshop Summary that summarizes the workshop and includes a proposed approach to refinement of program concepts, program concept metrics, and prioritization approach.

Deliverable(s):

8.1 Workshop Agenda and Materials

8.2 Workshop Summary

Ava's Role: Ava staff will identify and schedule all meetings with the Consultant team and staff, review draft materials, and support the Consultant in shaping discussion topics.

Task 9: Refine Program Concepts

The purpose of this task is to refine the initial set of program concepts based on internal feedback and updated metrics, which will result in a "short list" of concepts that are ready for consideration as a part of the portfolio.

Consultant will:

- Refine program concepts based on the information gathered in the Workshop #2, and other Ava staff input.

- Refresh estimates of program performance using final program concept metrics.
- Develop a Program Concept “Short List” that includes associated estimated performance across program metrics.

Deliverable:

9.1 Program Concept “Short List”

Ava’s role: Ava staff will review the proposed refinements and coordinate internal feedback needed and confirm the shortlist aligns with the roadmap’s objective.

Task 10: Portfolio Development & Internal Workshop (#3)

The purpose of this task is to translate program concepts into a balanced portfolio that reflects Ava’s broader organizational priorities.

Consultant will:

- Develop a portfolio of program concepts for inclusion in the roadmap. A portfolio of program concepts is expected to contain program concepts across Ava’s focus areas, and the construction of a portfolio should allow Ava to incorporate organizational priorities into its roadmap.
- Work with Ava staff to identify and catalogue organizational priorities to develop sample portfolios that are achievable based on Ava’s operational envelope and deliver value in terms of market need and decarbonization potential.
- Convene a workshop (Internal Workshop #3) with Ava staff to propose an overarching set of targets that will be used to incorporate priorities about how Ava implements affordable decarbonization, present program concept portfolios, discuss how decarbonization and additional organizational goals are achieved differently based on each portfolio, and demonstrate how portfolio performance sets up Ava to perform beyond the roadmap period (2027-2032).
- Prepare a preliminary portfolio of program concepts **as part of the Workshop Materials** and include proposed approach to refinement of program concepts and program concept metrics in the Workshop Summary.

Deliverable(s):

10.1 Workshop Agenda and Materials

10.2 Workshop Summary

10.3 Final Program Concept Portfolio

Ava's role: Ava staff will provide organizational goals, priorities, and context for constraints and opportunities. Ava will also provide feedback on draft portfolios, participate in workshop #3, and confirm the proposed targets and portfolio designs incorporate organizational objectives.

The conclusion of Task 10 coincides with the end of Phase 2: Develop Concepts, Metrics, and Portfolio, which is the second of three milestones.

Task 11: Customer Programs Roadmap & Internal Workshop (#4)

The purpose of this task is to synthesize the outputs of all prior tasks into an actionable roadmap that reflects Ava's long-term goal, priorities, strategic advantages, and operational constraints while also providing guidance for implementation over time.

Additional documents to be included in the roadmap include program concept assessment templates, portfolio target realignment template, program assessment templates for use while programs are operating, and implementation guidance.

Implementation guidance will include recommendations on an approach to support internal alignment, stakeholder communication, and ongoing reinforcement of roadmap priorities.

Consultant will:

- Conduct a final interview with 5-7 of Ava's functional team leads to identify other considerations that may inform the roadmap and associated implementation guidance.
- Convene Internal Workshop #4 for maximum of four hours midway through the Roadmap development process so that key Ava stakeholders are informed and can provide input. The Draft Final Presentation (.PPT) & Roadmap (.DOC) will serve as the interim work product to be discussed during Internal Workshop #4.
- Produce a short Final Summary Report of Process (maximum 2 pages) capturing the overall process, key decisions, and outcomes for future reference.
- Prepare and Deliver a Final Presentation of Customer Programs Roadmap to Ava's Tiger Team, leadership, and other Ava subject matter experts (to be finalized with Ava during the Kickoff)
- Prepare an actionable roadmap that includes program assessment and alignment templates for use while programs are operating, along with implementation guidance that includes recommendations on an approach to support internal alignment, stakeholder communication, and ongoing reinforcement of roadmap priorities by August 2026.

Deliverable(s):

11.1 Summary Report of Process

11.2 Customer Programs Roadmap

11.3 Final Presentation of Customer Programs Roadmap

Ava's role: Selected Ava staff will participate in workshop #4 and provide feedback on the Roadmap progress to date. Tiger Team will also support coordination and scheduling for the 5-7 internal interviews. The selected 5-7 Ava staff will participate in interviews. Ava's Tiger Team will participate in review discussions for the final Roadmap.

DRAFT Baseline Scenario Scope of Work

Task 1: Project Management and Internal Stakeholder Engagement

The Consultant will provide overall project management and strategic internal facilitation for the longterm planning process, ensuring the work is completed on time, within budget, and in alignment with Ava’s organizational goals. The Consultant will:

- Oversee the entire planning effort to make sure all planning strategy aligns with Ava’s broader goals and initiatives.
- Oversee consultant team and coordinate with Ava staff to deliver inputs needed in this process.
- Identify, recommend approaches for, and manage the process to arrive at key decisions and stakeholder engagement approach.
- Facilitate a project Kickoff meeting with Ava staff to align on process, milestones, communication, and roles.
- Develop and circulate a project Workplan detailing the Consultant’s approach for completing each of the following tasks. The Workplan is due within two weeks of the Kickoff meeting.
- Lead twice monthly project check-ins with Ava’s core “Tiger Team” to review progress, address barriers, and discuss next steps.
- Conduct two phases of 5-7 interviews with Ava staff and leaders to better understand how their role supports customer programs and solicit their inputs on the objective of the Customer Program Roadmap (see Tasks 2 and 11 for more detail).
- Oversee delivery of key milestones on time, to complete the final work product by August 2026 or before.
- Develop and maintain a schedule using Ava’s Asana instance, identifying key milestones and dependencies in the process.
- Implement document approval system such that the Consultant will share interim work products with Ava Tiger Team for Ava to upload to their internal document management system (e.g., Teams, Google Drive, etc.) for consolidated commenting and streamlined reviews. Review timelines are subject to final agreement during the Kickoff meeting, but proposed to be no longer than 5 business days so the project stays on track.

Deliverable(s):

1.1 Workplan

Ava’s role: Ava’s core “Tiger Team” will participate in the regular check-ins and provide feedback and relevant internal updates. The Tiger Team will coordinate internal staff and leadership participation in all relevant decision-making points. Tiger Team will also confirm and provide contact information for the 57 individuals selected for interviews. The selected 5-7 Ava staff will participate in interviews.

Task 2: Refine Customer Programs Roadmap Objective

The purpose of this task is to document a clear objective for Ava's long-term roadmap by synthesizing existing work and interviewing 5-7 key Ava staff and leaders (as noted in Task 1). The result of this identification will enable the drafting of a broad set of potential performance metrics.

Consultant will:

- Review Ava's existing work that supports the definition of the key objective for the Customer Programs Roadmap and discuss comments and questions with Ava's Tiger Team. Develop a memo that synthesizes this work to be used as a guidance document throughout the Customer Programs Roadmap process.
- Conduct interviews with 5-7 Ava staff and leaders, to be selected during the Kickoff with the Tiger Team
- Review Ava's existing and potential program performance metrics and propose a "long list" of potential program performance metrics that we may want to use to estimate the performance of program concepts and track performance of programs in the 2027-2032 period based on our objective and focus areas, leveraging the metrics we have already collected.

Deliverable(s):

- 2.1 Customer Programs Roadmap Key Objective Memo
- 2.2 "Long List" of Potential Program Performance Metrics

Ava's role: Ava staff will provide the Consultant with the relevant background materials that inform the agency's strategic objective. Ava's Tiger Team will participate in review discussions and provide feedback on the Consultant's synthesis.

Task 3: Internal Assessment

The purpose of this task is to document Ava's organizational capacity and advantages in order to inform program concepts and portfolio design.

Consultant will:

- Review Ava's existing work on organizational capacity and future operational envelope to implement programs, and discuss comments and questions with Ava's Tiger Team on topics such as:
 - Budget and funding pathways
 - Staffing and internal expertise
 - Appetite for risk and innovation

- Implementation constraints (e.g. asset ownership, direct customer financing, cross-CCA program development, etc.)
- Review Ava's competitive advantage assessment and discuss comments and questions with Ava's Tiger Team.
- Use insights gleaned from internal interviews (see Task 1) to supplement the reviews detailed in the prior two bullets.
- Prepare an Internal Assessment Memo, summarizing organizational capacity, operational envelope, and competitive advantages to provide input to program concepts, metric development, and portfolio development Deliverable(s):

3.1 Internal Assessment Memo

Ava's role: Ava will provide the Consultant with the relevant background materials that inform the agency's strategic objective (including Ava's competitive advantage assessment). Ava's Tiger Team will participate in review discussions and provide feedback on the Consultant's synthesis.

Task 4: Community & External Stakeholder Engagement Support

The objective of stakeholder engagement in this planning and strategy development effort is to gather input on stakeholder priorities to inform the 5-year plan. Engagement will be structured to gain insights on guiding values and strategic direction.

Consultant will develop and implement a strategy for ongoing engagement with external stakeholders throughout the strategic planning process. Key activities include reviewing Ava's stakeholder map and providing additional stakeholders, advising on a comprehensive stakeholder engagement strategy, reviewing Ava's draft survey and incorporating insights from the survey into the Roadmap, hosting two General Listening Sessions, and conducting five virtual focus groups. The first General Listening Session will be scheduled to provide information early in the roadmap development process, followed by the focus groups and survey, all of which will consolidate an understanding of stakeholder priorities across Ava's service area. The second General Listening Session will occur during the second half of delivery to provide an update on the process and outcomes towards the conclusion of the project.

The Consultant's stakeholder engagement approach will be finalized in the Stakeholder Engagement Strategy and Timeline deliverable (Deliverable 4.2).

Consultant will:

- Integrate stakeholder insights into project deliverables and make recommendations for how feedback should inform each phase of the plan.
- Review Ava's draft Stakeholder Engagement Map that identifies and segments key external stakeholder groups and their roles in the process and with respect to roadmap implementation.

- Prepare an Engagement Strategy and Timeline that details the Consultant's approach for external engagement, including timing, participants, and objectives.
- Prepare materials for and conduct two General Listening Sessions with a maximum of 100 participants each. For each session, write a summary that details input received and how inputs can be used to inform the Roadmap.
- Prepare materials for and conduct up to five Focus Groups (with a maximum of 15 participants). For each focus group, write a summary that details input received and how inputs can be used to inform the Roadmap.
- Review questions for one multilingual survey (to be administered by Ava staff) and incorporate survey insights into the Roadmap process.

Deliverable(s):

- 4.1 Stakeholder Engagement Map
- 4.2 Engagement Strategy and Timeline
- 4.3 Engagement Materials for General Listening Session #1
- 4.4 Summary of General Listening Session #1
- 4.5 Engagement Materials for General Listening Session #2
- 4.6 Summary of General Listening Session #2
- 4.7 Survey Questions

Ava's role: Ava will support the stakeholder mapping exercise, review and provide feedback on draft engagement materials, lead internal alignment efforts, administer a survey, and gather the CAC Ad Hoc Committee.

Task 5: Market Assessment on External Landscape

The purpose of this task is to provide a strategic landscape analysis to inform Ava's program concept development and prioritization, which includes identifying unmet needs, innovation opportunities, and implementation barriers across Ava's service territory. The Consultant will:

- Use insights gleaned from internal interviews (see Task 1) to inform relevant components of the Market Assessment, namely 5.3 and 5.5.

5.1 Program Landscape and Gap Analysis

Consultant will develop an inventory electrification programs and incentives throughout Ava's service territory across entities including cities, counties, utilities, and Regional Energy Networks (REN) to identify gaps by Ava's programmatic focus areas: 1) building electrification including energy resilience, 2) energy efficiency, 3) load management, and 4) transportation electrification.

For each existing program, Consultant will include information such as (data to be finalized in the Workplan):

- Program overview
- Target customer segment
- Key outcomes
- Implementation barriers or successes

Deliverable:

5.1.1 Ava Service Area Program Inventory

5.2 National and Global Program Inventory

Consultant will identify successful programs beyond Ava's service area that advance Ava's objective. Include a range of jurisdictions and program models (utility, municipal, rate-based, etc.). Program examples should include information such as, but not limited to (data to be finalized in this task's work plan):

- Context and target customer group
- Goal and structure
- Performance metrics and outcomes
- Notable lessons or barriers
- Funding structure

Deliverable:

5.2.1 National and Global Program Inventory

5.3 Ava Operational Context Market Assessment

Consultant will examine how changes across the various contexts in which Ava operates may impact program implementation from 2027-2032. Ava operates as a community choice aggregator (CCA), a joint powers authority (JPA), and a load-serving entity (LSE), each with unique opportunities and constraints.

Analyzing how evolving regulatory, technology, and customer trends will affect these roles is critical to designing programs that are feasible and aligned with Ava's vision for long-term success. Topical areas (e.g., regulatory, future customer needs, technology change, etc.), Ava's role(s) in each (e.g., CCA, LSE, JPA, etc.) and Ava's programmatic focus areas (building electrification including energy resilience, energy efficiency, load management, and transportation electrification) should be used to frame this analysis.

5.4 Internal Workshop (#1)

Design and facilitate an internal workshop with Ava staff responsible for program delivery across departments with the goals of validating insights from the Market Assessment with Ava's internal expertise and identifying considerations to inform future tasks. During this Workshop, the Consultant and Ava staff will discuss the preliminary findings and outcomes from the Objectives Refinement (Task 2), the Internal Assessment (Task 3), and External Assessment analyses completed to date (Tasks 5.1, 5.2, and 5.3).

Deliverable:

5.4.1 Workshop Agenda and Materials

5.4.2 Memo on Workshop Findings and Recommendations

5.5 Programmatic Gaps

Based on outcomes from previous work in this task, Consultant will identify programmatic gaps in Ava's service area and contextualize these gaps with Ava's unique market position, as well as findings from the Program Inventory.

Deliverable:

5.5.1 Programmatic Gaps and Opportunities Summary

The Consultant will prepare a summary of Deliverables 5.1.1, 5.2.1, and 5.5.1 (Ava Service Territory Program Inventory, National and International Program Inventory, Programmatic Gaps and Opportunities Summary) into a consolidated document.

Deliverable:

5.0.1 Market Assessment Memo

Ava's role: Ava will provide the Consultant with relevant existing documents and data to inform the Market Assessment. Ava staff will identify subject matter experts or other parties to participate in this task.

The conclusion of Task 5 coincides with the end of Phase 1: Refine Objectives and Conduct Landscape Assessments, which is the first of three milestones.

Task 6: Develop Program Concepts

The purpose of this task is to develop a set of high-level program concepts that build on the findings from previous tasks. The development of these concepts does not include detailed program design or operational plans.

To confirm program concepts are rooted in the needs of Ava’s customers, the stakeholder engagement activities (see Task 4) will gauge stakeholder perspective and needs regarding program concepts.

Based on findings from previous tasks, Consultant will develop a “long list” of program concepts that Ava could pursue across its four focus areas. Program concepts will provide information such as the following (data to be finalized in the Workplan):

- Focus area addressed
- Delivery mechanism, duration and structure
- Target audience
- Potential program outcome(s)
- Budget range
- Key implementation dependencies or challenges

Deliverables

6.1 Program Concept “Long List”

Ava’s role: Ava will share its internal concept list with the Consultant, provide clarifying context on priorities, and review and give feedback on the draft “long list” of program concepts.

Task 7: Program Metrics Development

The purpose of this task is to define a set of high-level metrics that will help Ava evaluate the potential impacts resulting from the implementation of individual program concepts.

Consultant will develop draft metrics to measure the potential impact of program concepts developed in Task 6. To confirm the metrics accurately track impact on Ava’s customers, the engagement activities conducted as part of Task 4 will also include content pertaining to metrics to efficiently and comprehensively capture the insights of a diverse range of Ava’s stakeholders. The Consultant will avoid highly detailed or overly granular metrics that risk leading to over analysis, and metrics will be on par with the level of detail in the program concept. After

workshopping these metrics with Ava staff (Task 8), metrics will be refined for use over the 2027-2032 period to measure progress.

Deliverable(s):

7.1 Program Concept Metrics

Ava's role: Ava will provide the Consultant with an initial list of draft metrics as a starting point.

Task 8: Internal Workshop (#2)

The purpose of this task is to refine draft program concepts and evaluation metrics developed in Task 6 and 7 through a comprehensive workshop with Ava's internal subject matter experts.

The Consultant will:

- Host a workshop with Ava's subject matter experts to review the initial set of program concepts and metrics, receive further feedback on the relevant given metrics, and use the estimated performance results to illustrate how program metrics track performance against proposed program concepts.
- Solicit feedback on refining the program concepts and metrics based on the application of the metrics to the concepts.
- Develop a Workshop Summary that summarizes the workshop and includes a proposed approach to refinement of program concepts, program concept metrics, and prioritization approach.

Deliverable(s):

8.1 Workshop Agenda and Materials

8.2 Workshop Summary

Ava's Role: Ava staff will identify and schedule all meetings with the Consultant team and staff, review draft materials, and support the Consultant in shaping discussion topics.

Task 9: Refine Program Concepts

The purpose of this task is to refine the initial set of program concepts based on internal feedback and updated metrics, which will result in a "short list" of concepts that are ready for consideration as a part of the portfolio.

Consultant will:

- Refine program concepts based on the information gathered in the Workshop #2, and other Ava staff input.
- Refresh estimates of program performance using final program concept metrics.
- Develop a Program Concept “Short List” that includes associated estimated performance across program metrics.

Deliverable:

9.1 Program Concept “Short List”

Ava’s role: Ava staff will review the proposed refinements and coordinate internal feedback needed and confirm the shortlist aligns with the roadmap’s objective.

Task 10: Portfolio Development & Internal Workshop (#3)

The purpose of this task is to translate program concepts into a balanced portfolio that reflects Ava’s broader organizational priorities.

Consultant will:

- Develop a portfolio of program concepts for inclusion in the roadmap. A portfolio of program concepts is expected to contain program concepts across Ava’s focus areas, and the construction of a portfolio should allow Ava to incorporate organizational priorities into its roadmap.
- Work with Ava staff to identify and catalogue organizational priorities to develop sample portfolios that are achievable based on Ava’s operational envelope and deliver value in terms of market need and decarbonization potential.
- Convene a workshop (Internal Workshop #3) with Ava staff to propose an overarching set of targets that will be used to incorporate priorities about how Ava implements affordable decarbonization, present program concept portfolios, discuss how decarbonization and additional organizational goals are achieved differently based on each portfolio, and demonstrate how portfolio performance sets up Ava to perform beyond the roadmap period (2027-2032).
- Prepare a preliminary portfolio of program concepts **as part of the Workshop Materials** and include proposed approach to refinement of program concepts and program concept metrics in the Workshop Summary.

Deliverable(s):

10.1 Workshop Agenda and Materials

10.2 Workshop Summary

10.3 Final Program Concept Portfolio

Ava's role: Ava staff will provide organizational goals, priorities, and context for constraints and opportunities. Ava will also provide feedback on draft portfolios, participate in workshop #3, and confirm the proposed targets and portfolio designs incorporate organizational objectives.

The conclusion of Task 10 coincides with the end of Phase 2: Develop Concepts, Metrics, and Portfolio, which is the second of three milestones.

Task 11: Customer Programs Roadmap & Internal Workshop (#4)

The purpose of this task is to synthesize the outputs of all prior tasks into an actionable roadmap that reflects Ava's long-term goal, priorities, strategic advantages, and operational constraints while also providing guidance for implementation over time.

Additional documents to be included in the roadmap include program concept assessment templates, portfolio target realignment template, program assessment templates for use while programs are operating, and implementation guidance.

Implementation guidance will include recommendations on an approach to support internal alignment, stakeholder communication, and ongoing reinforcement of roadmap priorities.

Consultant will:

- Conduct a final interview with 5-7 of Ava's functional team leads to identify other considerations that may inform the roadmap and associated implementation guidance.
- Convene Internal Workshop #4 for maximum of two hours midway through the Roadmap development process so that key Ava stakeholders are informed and can provide input. The Draft Final Presentation (.PPT) & Roadmap (.DOC) will serve as the interim work product to be discussed during Internal Workshop #4 and this will serve as the primary point for input on the Roadmap for Ava staff.
- Produce a short Final Summary Report of Process (maximum 2 pages) capturing the overall process, key decisions, and outcomes for future reference.
- Prepare and Deliver a Final Presentation of Customer Programs Roadmap to Ava's Tiger Team, leadership, and other Ava subject matter experts (to be finalized with Ava during the Kickoff)
- Prepare an actionable roadmap that includes program assessment and alignment templates for use while programs are operating, along with implementation guidance that includes recommendations on an approach to support internal alignment, stakeholder communication, and ongoing reinforcement of roadmap priorities by August 2026.

Deliverable(s):

11.1 Summary Report of Process

11.2 Customer Programs Roadmap

11.3 Final Presentation of Customer Programs Roadmap

Ava's role: Selected Ava staff will participate in workshop #4 and provide feedback on the Roadmap progress to date. Tiger Team will also support coordination and scheduling for the 5-7 internal interviews. The selected 5-7 Ava staff will participate in interviews. Ava's Tiger Team will participate in review discussions for the final Roadmap.

Exhibit B

SCHEDULE

[Schedule - can be detailed or as simple as “As directed by Ava.”]

Draft

Exhibit C

CONSULTANT STAFFING

[Include names of all team members who will be providing Ava services.]

Draft

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."]

Draft

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]

For the purposes of Section 6.1 (Time and Materials), 80% of the total compensation under this agreement (see NTE on page 1) is [\$\$\$]

Draft

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 Insurance. Insurance policies required under this Agreement 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 thirty (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 (2) 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 (2) 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.

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CAC Item C7
Staff Report Item 13

To:	Ava Community Energy Authority
From:	Sam Sadle
Subject:	<i>Update on outcomes of the 2025 California legislative session and a look ahead to 2026</i>
Date:	November 19, 2025

Summary/Recommendation

This staff report updates the Board on the outcomes of the 2025 California legislative session to support increased Board visibility into our legislative actions. It also discusses expectations for the 2026 session and associated potential impacts on Ava.

Financial Impact

N/A

Analysis and Context

N/A

Attachments

- A. Slide deck "2025 California End-of-Session Legislative Update"



Ava 2025 California End-of-Session Legislative Update

November 19, 2025



Agenda

- 2025 California legislative session in review
- Individual bill updates
- Cap and Invest spending breakdown
- 2026 Preview



2025 California Legislative Timeline

January 6: Legislature reconvenes 10: Governor submits budget	February 21: Bill introduction deadline	March	April
May 2: Policy cmtes move fiscal bills to fiscal cmtes (1st chamber) 9: Policy cmtes move non-fiscal bills to floor (1st chamber)	June 6: Last day for bills to be passed by 1st house 15: Budget bill must be passed	July 18: Policy cmtes move bills to fiscal cmtes or floor (2nd chamber)	August 29: Fiscal cmtes move bills to floor (2nd chamber)
September 12: Last day for each chamber to pass bills	October 12: Last day for Governor to sign/veto bills	November	December



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2025 Session in Review

28 bills flagged for continued attention

13 positions
(11 support, 2 Support if Amended)

4 signed: SB254,
SB283, SB707, AB39

2 vetoed: AB44,
SB541

AB 1207 and
SB 840 extend
Cap-and-Trade to
2045

- Renamed "Cap-and-Invest"
- Significant changes to GGRF spending (see further slides)
- Reallocates some credits from gas customers to electric utilities



2025 Session in Review - Wins

SB283 (battery safety):

Ava language adopted into bill

Signed into law

SB541 (load modification):

Ava language adopted into bill
(subsequently removed)

Veto'd on CalCCA recommendation

SB254 (affordability):

Autonomy threat removed

Signed into law

AB222 (data centers):

Hostile amendment rejected

2 year bill



Bill # (Author)	Description	Ava Position	Bill Status
Attachment Staff Report Item 13A (progress through leg)			
Making Electricity More Affordable			
AB 99 (Ta-R)	Prohibits an Investor-Owned Utility (IOU) from proposing a rate increase above the level of inflation for any general rate cycle, except for cases related to safety improvements, system upgrades, or increased costs of materials.	Monitor	Failed Deadline in Asm Appr. Suspense File (2-year bill)
AB 729 (Zbur-D)	Provides bill relief by reallocating the Climate Credit to align with periods of highest statewide energy usage. Rather than a single payment in April, residential customers will receive the electricity Climate Credit in August and September and the natural gas Climate Credit in February.	Support	Failed Deadline in Sen. E, U, & C Committee (2-year bill)
AB 1207 (Irwin-D)	<p>However, some elements of the concepts above were included below...</p> <p>AB 729 was later incorporated into AB 1207, which extends and renames the cap-and-trade program and directs the CPUC to spread resulting customer credits across up to four high-billed months, while also adding new outreach requirements and dedicating revenues to the Transmission Accelerator Fund.</p>		AB 1207 Signed into Law
SB 254 (Becker-D)	Joint Senate and Assembly Affordability package; Establishes the California Transmission Infrastructure Accelerator within GO-Biz and the I-Bank to finance and expedite critical transmission projects. Creates a revolving fund and authorizes bonds and other financial tools to connect developers with public and private capital. Consolidates affordability measures originally split across SB 254 and AB 825, with SB 254 serving as the principal vehicle for infrastructure financing and transmission acceleration.	Support	Signed into Law

Bill # (Author)	Description	Ava Position	Bill Status (progress through leg)
Protecting Community Choice			
Accelerating Decarbonization (Local Permitting)			
AB 39 (Zbur-D)	Requires that no later than 2030 cities and counties with over 75,000 residents adopt an electrification / decarbonization / community energy plan or integrate these subjects into their general plan.	Support	Signed into Law
AB 306 (Schultz-D, co:Wicks-D)	October 2025 to June 2031, places restrictions on local changes to building standards (including reach codes) for residential units, emphasizing uniformity and the protection of health, safety, and home hardening.	Monitor	Language was inserted into approved budget bill (AB 130)
SB 282 (Wiener-D)	Requires municipalities to streamline application and certification processes for residential heat pump systems.	Support	Failed Deadline in Sen. Appr. Suspense File (2-year bill)
Accelerating Decarbonization (Battery Storage)			
SB 283 (Laird-D)	Requires BESS developers to consult with local fire departments and undergo inspections before operation. Also directs the State Fire Marshall to "review and consider proposing" changes to the state building codes that restrict the location of storage projects to outdoors or in dedicated use, noncombustible buildings.	Support (originally Support if Amended)	Signed into Law

Bill # (Author)	Description	Ava Position Attachment Staff Report Item 13A	Bill Status (progress through leg)
Accelerating Decarbonization			
AB 915 (Petrie-Norris-D)	Originally introduced as a clean energy siting and funding bill tied to the Clean Energy Reliability Investment Plan (CERIP), AB 915 was amended into a dam safety measure. Its earlier clean energy provisions were absorbed into the SB 254 affordability and infrastructure package.	Support	Vetoed
SB 698 (McNerney-D)	Authorizes CEC to establish Distributed Energy Resources (DER) equipment lists and adopt guidelines to further energy goals including solar systems, energy storage, bidirectional charging, and charging stations.	Support	Failed Deadline in Asm Appr. Suspense File (2-year bill)
Promoting Local Development (Vehicle Charging)			
AB 1423 (Irwin-D)	Originally expanded CEC's reliability and uptime regulations to a subset of publicly-funded/utility-funded chargers and provided authority for CEC to impose civil penalties for each violation. Superseded by CEC regulations and amended to focus only on EV charger payment definitions.	Monitor	Signed into Law
SB 314 (Padilla-D)	Allows chargers to be self-certified by installers and manufacturers be entered into operation during the state inspection period. Provides exemptions from some state laws for chargers only available to certain individuals.	Support	Failed Deadline in Sen. Appr. Suspense File (2-year bill)

Bill # (Author)	Description	Ava Position	Bill Status <small>Attachment Staff Report Item 13A</small> (progress through leg)
Promoting Local Development (Data Centers)			
AB 222 (Bauer-Kahan-D)	Requires biannual reporting of power usage effectiveness (PUE) ratios from large data centers to the CEC, and directs the 2027 Integrated Energy Policy Report to include projections of data center load growth and grid impacts. Mandates a CPUC assessment of potential cost shifts from new data center loads, including procurement and transmission costs, with recommendations to mitigate impacts.	Support if Amended	Failed Deadline in Sen. Appr. Suspense File (2-year bill)
SB 57 (Padilla-D co: McNerney-D)	Authorizes the CPUC to prepare an assessment by January 2027 on whether new data center loads are creating cost shifts for other utility customers. The assessment may review procurement, transmission, and distribution costs, and must identify mitigation opportunities if substantial shifts are found.	Monitor	Signed into Law
Increasing Bill Transparency and Understanding (Dynamic Rates)			
AB 44 (Schultz-D)	Requires the CEC to define and publicize load modification protocols by 12/2026, allowing Load Serving Entities (LSEs) to adjust their electrical demand forecasts. The bill aims to improve grid reliability by incorporating flexible demand tools, supporting decarbonization, and helping LSEs manage their resource adequacy obligations.	Support	Vetoed
SB 541 (Becker-D)	Requires CEC via the Integrated Energy Policy Report (IPER) to establish load shifting targets allocated to each retail supplier based on its relative share of statewide load and the CEC's estimate of its load shifting potential. Requires CEC to work with the CPUC to identify barriers to meeting these estimates.	Support if Amended (originally Oppose Unless Amended)	Vetoed

Bill # (Author)	Description	Ava Position	Bill Status (progress through leg)
Bills Concerning IOUs			
AB 740 (Harabedian-D)	Mandates IOUs report on their efforts to achieve load shifting goals. Directs the CEC to develop a strategic plan to facilitate the large-scale deployment of Virtual Power Plants.	Monitor	Vetoed
AB 1117 (Schultz-D)	Requires the implementation of dynamic pricing for all commercial and residential customers by 2030. CCA participation in dynamic pricing is voluntary but requires gen rate alignment with market conditions while preventing cost shifts between bundled and unbundled customers.	Monitor	Failed Deadline in Sen. Appr. Suspense File (2-year bill)
AB 1167 (Berman-D, Addis-D)	Prohibits IOUs from using ratepayer funds for activities like political influence or promotional advertising that don't directly benefit customers. Requires these utilities to disclose whether advertising costs are covered by ratepayers or shareholders.	Monitor	Signed into Law
SB 24 (McNerney-D)	Prohibits IOUs from using ratepayer funds to undertake political influence activities, make charitable contributions, or lobby against municipalization. Mandates utilities to report detailed expense data to ensure compliance and requires service restoration during poor air quality conditions.	Monitor	Vetoed
SB 332 (Wahab-D)	Requires the CEC to evaluate the transition of the IOU model to a successor entity, implements disconnection transparency reporting, requires third party equipment audits, and prohibits ratepayer funds to be used for wildfire mitigation infrastructure investment, among other changes.	Monitor	Failed Deadline in Asm. Appr. Suspense File (2-year bill)

Bill # (Author)	Description	Ava Position Attachment Staff Report Item 13A	Bill Status (progress through leg)
Bills Concerning IOUs (cont.)			
SB 500 (Stern-D)	<p>Originally directed the CPUC to develop and track IOU performance metrics and financial incentives to better align utility investments with cost-effective, safe, and reliable service.</p> <p>Amended to instead allow IOUs to satisfy data sharing requests from energy users to be addressed by sharing aggregated energy usage data via any tool permitted by the CEC.</p>	Monitor	Signed into Law
Board Operations			
AB 259 (Rubio-D)	<p>Extends Brown Act alternative teleconferencing rules indefinitely (currently scheduled to expire in 2026).</p>	Support	Failed Deadline on Sen. Floor (2-year bill)
SB 239 (Arreguín-D) SB 707 (Durazo-D)	<p>SB 707 (supplanting SB 239) shifts from a narrow subsidiary-body teleconferencing bill to a broad Brown Act modernization incorporating elements from SB 239 and AB 259.</p> <p>Particularly relevant to Ava, the bill extends Brown Act alternative teleconferencing through January 2030 (currently scheduled to expire in January 2026).</p>	Support	SB 707 Signed into Law

Bill # (Author)	Description	Ava Position <small>Attachment Staff Report Item 13A</small>	Bill Status <small>(progress through leg)</small>
Other Ava Priority Bills			
AB 13 (Ransom-D)	Originally required geographic representation for CPUC Commissioners, a legislative liaison, and annual reports on affordability, case resolutions, and rate decisions. Amended to instead require the Governor and Senate to 'consider' regional diversity in appointments, while retaining the other provisions.	Monitor	Failed Deadline in Sen. Appr. Suspense File (2-year bill)
AB 942 (Calderon-D)	Repurposed from a NEM reform bill into a Climate Credit bill; now requires GHG allowance revenues to be credited directly to customers, allows up to 15% for clean energy projects, and excludes non-CARE/FERA residential customers with annual bills under \$300 from receiving the credit.	Monitor	Halted in Senate policy committee (2-year bill)
AB 1260 (Ward-D)	Requires the CPUC to modify customer renewable energy subscription programs and requires CEC to evaluate community solar+storage as a load-modifying resource.	Monitor	Failed Deadline in Asm. Appr. Suspense File (2-year bill)
SB 453 (Stern-D)	Directs CPUC to review the status of unallocated Microgrid Incentive Program funds by January 2026; requires remaining funds to prioritize vulnerable communities and critical infrastructure in areas with repeated deenergization events. <i>Ava-supported SGIP language removed from bill.</i>	Monitor – <i>Originally support</i>	Failed Deadline on Sen. Floor (2-year bill)
SB 842 (Stern-D)	Directs the CPUC, in coordination with CAISO, to produce a report by 12/26 evaluating opportunities and needs for firm zero-carbon resources to support local and system reliability over the short, mid, and long term. The report must assess key resource attributes, identify barriers, and recommend solutions to better integrate firm zero-carbon resources into California’s energy planning and markets.	Monitor	Failed Deadline in Asm. Appr. Suspense File (2-year bill)

Cap and Invest Spending

Program	Pre extension per year (≈ \$4 billion per year)	2026-2045 per year
High Speed Rail	25% ≈ \$1 billion	\$1 billion
Affordable Housing and Sustainable Communities (AHSC) Program	20% ≈ \$800 million	\$800 million
Transit and Intercity Rail Capital Program (TIRCP)	10% ≈ \$400 million	\$400 million
Low Carbon Transit Operations Program (LCTOP)	5% ≈ \$200 million	\$200 million
CalFire	Up to \$200 mil	\$200 million
Safe and Affordable Drinking Water Fund in DAC/low-income communities	5% ≈ \$200 million; but no more than \$130 mil	\$130 million
CARB Community Air Protection Programs	\$0	\$250 million
At the Legislature's discretion	\$0	\$1 billion



Cap and Invest Spending

Winners:

- The California legislature gains increased discretion
- Programs that received funding guarantees
 - High speed rail and public transit
 - CARB and affordable housing programs
 - Wildfire mitigation and climate adaptation

Missed out on fixed GGRF funding:

- EVs and EV infrastructure
- Distributed energy and demand flex incentives

Impact:

- Expect yearly fights over the legislature's \$1 billion pot of funding
- Limited impact on existing Ava funding streams, but could open new opportunities depending on annual appropriations



2026 California Legislative Timeline

We are here

January 5: Legislature reconvenes 10: Governor submits budget	February 20: Bill introduction deadline	March	April 24: Policy cmtes move fiscal bills to fiscal cmtes (1st chamber)
May 1: Policy cmtes move non-fiscal bills to floor (1st chamber) 29: Last day for bills to be passed by 1st house	June 15: Budget bill must be passed	July 2: Policy cmtes move bills to fiscal cmtes or floor (2nd chamber)	August 14: Fiscal cmtes move bills to floor (2nd chamber) 31: Last day for each chamber to pass bills
September 30: Last day for Governor to sign/veto bills	October	November	December



2026 Expected Issues

2025 Learnings

- Gov Newsom very defensive of existing CPUC/CEC authorities and workload (see vetos)
- IOUs wary of changes to T&D system (see 541)
- State approach to data centers remains in flux
- CCAs have growing clout (see language changes)

2026 look forward

- **Unresolved leg issues from 2025:** RA transactability, data centers, energy efficiency program oversight, dynamic rates/load modification
- **New issues:** Response to Federal changes, funding gaps left by new cap-and-trade (DSGS and others), structural deficits (\$17-25B through 28/29)
- **Potential CCA initiatives:** T&D push, PCIA reform
- **Possible Senate U&E changes**



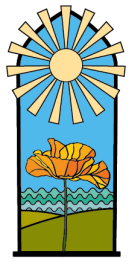


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COLLECTIVE RESILIENCE



California
Interfaith
Power
& Light



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Subject: Integrate Community Recommendations for the Resilience Hub Initiative Under the SmartHome Battery Program with Ava Community Energy.

November 17, 2025

Dear Board of Directors, the Community Advisory Committee, and All Alternates,

The Local Clean Energy Alliance (LCEA) and our community partners with People's Clean Power Alliance share our sincere appreciation and excitement for the proposed launch of the [SmartHome Battery Program](#) introduced in the Executive Committee Meeting on November 5th, 2025. The SmartHome Battery Program, which includes the nascent Resilience Hub Initiative, is a promising start to build real, long-term community resilience for our energy-burdened, pollution-burdened, and historically disinvested communities in Ava Community Energy's service territory of both Alameda and San Joaquin Counties, including unincorporated areas and the cities of Stockton, Lathrop, and Tracy.

The proposal offers to invest roughly \$3.74 million into community resilience hubs with a strong upfront incentive of \$1,220/kWh for a prospective solar battery and ongoing incentive of \$3/kWh with required enrollment in Ava Community Energy's [Virtual Power Plant \(VPP\) System](#), providing a rough cost coverage of up to 80% of their solar and storage infrastructure within a five-year period. This solar and storage incentive is promising given the [current state of rooftop solar policies](#) and the devastating [funding cuts to clean energy](#) by the current federal administration.

[California's extreme heat](#) is impacting areas such as the San Joaquin Valley as a "silent killer," a costly and deadly climate change development that is reported to disproportionately impact low-income communities, the elderly, outdoor workers, including Black, Native American, and Hispanic Californians. The threat of local sea level rise, extreme storms, and risk of flooding in

the Bay Area – which would endanger hundreds of thousands of Bay Area residents, billions of dollars of economic activity, and key public infrastructure – [requires immediate resilience planning](#) and climate adaptation plans in collaboration with municipalities. Our communities are facing [an overlap of climate-related hazards](#), such as dangerously high heat, power outages, [extreme wildfires](#), which exacerbate underlying systemic and structural resource inequities, socioeconomic challenges, and environmental pollution.

Ava Community Energy is a public, clean energy agency that can help pioneer and lead the charge for a more resilient future with our local communities, especially in climate-vulnerable areas. The Resilience Hub Initiative is a program that emerged from years of critical community advocacy by the Local Clean Energy Alliance in collaboration with key stakeholders, including community partners. Over the years, LCEA has demanded a greater surplus budget allocation from our Community Choice Aggregator (CCA) to provide expansive community benefits, increased investments, and clearer pathways for local ownership of clean energy resources. Currently, LCEA is happy to partner with Emerald Cities Collaborative, Ava's Technical Engineering Assistant (NV5), and Ava's Local Development staff to coordinate community engagement and outreach by facilitating workshops, listening sessions, and office hours to socialize, educate, and uplift communities with the Resilience Hub Initiative and connect local resilience hubs who could immediately benefit from this solar and storage incentive as well as maximize their community impact and life-affirming local work.

Resilience Hubs are defined by Ava Community Energy as follows:

Resilience Hubs are physical, community-serving facilities that provide essential services, distribute critical resources during emergencies, and integrate clean energy solutions to maintain operation during power outages. They also serve as year-round community spaces where local residents regularly gather and access everyday services.

Based on the current proposal of the SmartHome Battery Program and Resilience Hub Initiative, the Local Clean Energy Alliance and the People's Clean Power Alliance offer the following recommendations:

- **The SmartHome Battery Program should recognize the months of intentional community outreach and engagement with local resilience hubs to develop a 'Community Definition of a Resilience Hub'** based on public listening sessions held in the Spring of 2025, facilitated both by the Local Clean Energy Alliance and Emerald Cities Collaborative as shared below:
 - *A resilience hub is a trusted, community-led space that provides essential services, resources, and tools for people to access before, during, and after emergencies. A resilience hub is an inclusive and welcoming gathering space that operates year-round for community education and empowerment. A resilience hub is supported by dedicated staff and trained volunteers who are rooted in the care and culture of a community. Resilience hubs help prepare us*

for disasters, emergencies, recovery, and everyday well-being. Hubs are diverse and designed to be accessible to all generations.

- While Ava has provided its own definition focused on clean energy solutions, we believe that providing a holistic, community-driven definition of a Resilience Hub is critical in advocating for a community-driven solar and storage incentive program that not only includes clean energy solutions but implements them with community priorities in mind. **We aim to integrate both definitions in our continued community outreach, engagement, and support.**
- **The SmartHome Battery Program should explicitly state the Resilience Hub Initiative in the name for programmatic clarity, public understanding, and clear community outreach.**
 - The SmartHome Battery Program is not solely focused on residents and CARE/FERA customers, but the Resilience Hub Initiative is subsumed under a name that misrepresents the focus of targeting community resilience hubs that provide a critical resilience service to community members during a public emergency or climate crisis.
 - Further, the public would benefit from greater clarity around eligibility and other requirements between different incentive offerings and programs from Ava Community Energy, such as the [Critical Municipal Facilities Program](#).
- **Based on community surveys and current pilot sites, Ava Community Energy needs to provide more robust funding, grant support, and solar financing assistance** to expand unrestricted, flexible funding for community resilience hubs, from small to large scale, which would help with day-to-day operations, staffing capacity, microgrid readiness, programmatic needs, etc.
 - The reality of the resilience hub landscape is that smaller, less-resourced hubs are unable to pay upfront capital costs to install both solar and battery storage. This solar and storage incentive program also may not be financially viable for resilience hubs that do not already have solar arrays or systems in place.
 - Funding assistance and solar financing opportunities can be modeled after services and programs that already exist, such as [BAYREN'S BAMBE](#), [On-Bill Financing](#), [PACE Loans](#), [Low-Income Weatherization Program](#), [SGIP \(Self-Generation Incentive Program\)](#), [Climate Smart Communities Initiative](#), etc.
 - CA State Grants should also be coordinated with community partners to maximize funding opportunities for eligible local resilience hub sites, with Ava Community Energy as a local agency partner in the applications: e.g. [CA Strategic Growth Council's Community Resilience Centers \(CRC\) Program](#), [Extreme Heat and Community Resilience Program \(EHCRP\)](#), and others.
 - Ava Community Energy should consider distributing flexible funding through a community grants program, similar to the [Community Clean Energy Grant Program](#) as modeled by the San Diego Community Foundation and San Diego Community Power.
- **Ava Community Energy must develop an equity matrix to ensure fair and just prioritization of the solar and storage incentive program within Ava's service**

territory to ensure that directly-impacted, [frontline](#), and energy-burdened communities can benefit and access this incentive.

- Rather than a first-come, first-served model, the SmartHome Battery Program for its Resilience Hub Initiative should define and consider equity priorities as vetted by community partners to impactfully distribute solar and storage incentives to historically disinvested, disadvantaged, and marginalized communities, especially for climate-vulnerable, pollution-burdened, and energy-burdened communities.
- There is no need to reinvent the wheel. We encourage this public agency to also consider available tools from the CA state that use equity matrices and socioeconomic plus demographic proxies:
 - Identify Disadvantaged Communities (DACs) through [CalEnviroScreen 4.0](#).
 - Use the [Climate Vulnerability Index \(CVI\)](#) provided by PSE Health Energy, Communities for Better Environment (CBE), and Asian Pacific Environmental Network (APEN).
 - Analyze the upcoming [CEC Energy Affordability Tool](#).
 - Consider the [Office of Land Use & Climate Innovation's Climate Vulnerability Map](#).
- **We ask the Board, Community Advisory Committee (CAC), and Ava Community Energy to continue upholding the tenets of the [Joint Powers Authority Agreement \(JPA\)](#) and the [Local Development Business Plan \(LDBP\)](#), which includes the recent policy resolution of [Ava Community Energy Workforce and Environmental Justice Project Selection Criteria](#).**
 - We encourage staff to consider local contractors with high-road labor partnerships to incorporate local labor partners, build a local green economy, and provide greater cost-effectiveness to all parties involved.
- **Finally, we ask Ava Community Energy to set clear expectations, share timely updates, and ensure space for community design and input for the success and longevity of the Resilience Hub Initiative beyond the piloting stage. The Board and CAC should be provided an informational session, or a series of informational sessions, to adequately familiarize themselves with and appropriately assess the Resilience Hub Initiative for its success with communities.**

With your guidance, expertise, and insights for Ava Community Energy, your critical input can strengthen financial support of community resilience hubs, ensure community-driven design of the solar and storage incentive program that actually centers community needs, and advance equitable outcomes through fair and just prioritization of diverse resilience hubs to continue their life-saving services for the communities you publicly serve.

Thank you for your vital work to create a more equitable, accessible, and community-designed Resilience Hub Initiative together with us.

Clean Power to the People,



Dohee Kim, Campaign Organizer with the Local Clean Energy Alliance (LCEA)

Organizational Sign-Ons

People's Clean Power Alliance

Kenneth Tang, Oakland Organizing Director for Asian Pacific Environmental Network (APEN)

Susan Silber, Project Director for Collective Resilience

Gregory Stevens, Northern California Director for California Interfaith Power & Light



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COLLECTIVE RESILIENCE



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Subject: Allocate 10% of Ava Community Energy's Budget Surplus for Bill Credits to CARE/FERA Ratepayers and Build Long-Term Energy Affordability.

November 17, 2025

Dear Board of Directors, the Community Advisory Committee, and All Alternates,

At the previous [Board of Directors Meeting on September 17, 2025](#), the motion [to allocate 10% of the projected Ava Budget Surplus of \\$107 million](#) as bill credits for [California Alternate Rates for Energy \(CARE\)](#) and [Family Electric Rate Assistance \(FERA\)](#) ratepayers passed nearly unanimously. Both Ava staff and the Board initially emphasized concern for the anticipated financial headwinds as a result of recent reforms to Power Charge Indifference Adjustments (PCIA)¹ that would directly impact Ava Community Energy, as a Community Choice Energy (CCA) provider, through increased market volatility, disparate effects on low-income customers, and potentially 8 to 9 digit fees that the public agency would have to pay out in the near future². The Board, however, also insisted that in addition to preventing a budget deficit for the years to come, Ava Community Energy is aptly situated to invest the surplus back into our most energy-burdened, low-income, and vulnerable communities. **The Local Clean Energy Alliance (LCEA) fully supports the Board's decision to allocate 10% of the agency's budget surplus for CARE and FERA customers in Ava service territory, especially during a time of an energy affordability crisis³.**

A [bill credit](#) is one way to ensure affordability for families, especially in our most vulnerable, low-income, and disadvantaged communities who are navigating extremely high living expenses. CARE and FERA recipients receive a monthly discount on their gas

¹[Power Charge Indifference Adjustment \(PCIA\)](#) from the CA Public Utilities Commission (CPUC).

²[The Promises and Challenges of Community Choice Aggregation in California](#), a report by the UCLA Luskin Center for Innovation.

³Governor Signs [Berman Bill](#) to Lower Energy Bills and Hold IOUs Accountable. October 11, 2025.

and/or electric bills and would directly benefit from an additional bill credit, since energy-burdened communities can instead allocate money saved towards other essential needs such as food, healthcare, and housing⁴. Those eligible for CARE and FERA include community members who are already eligible for public assistance programs (Medicaid; Medi-Cal; Women, Infants, and Children (WIC) Program; Food Stamps; etc.)⁵. Money that is saved from a lower energy bill can be directed to other essential needs.

Ava staff was tasked with developing a methodology on how the bill credits will be distributed to CARE and FERA customers in Ava service territory, including recently incorporated areas such as [Stockton and Lathrop](#) who have been with Ava for around [3-6 months](#). This transition has notably saved customers [\\$4.4 million](#) in total on their energy bills. Staff returned with a recommendation to the [Financial, Aid, Procurement Meeting](#) as an informational item to the subcommittee, which had no quorum, on the day of November 7th, 2025, stating that \$13,041,710 is available for CARE/FERA customer bill credits based on the FY 2024-25 audit. **Staff recommends providing the same credit amount, approximately \$70, to all active CARE and FERA customers, which would provide meaningful bill relief for Ava's low-income ratepayers.**

As a reminder, this CCA was established to support energy-burdened, low-income, and diverse community members. Ava subscribers from Stockton and Lathrop must be included in the distribution of the upcoming bill credits. Calculating a prorated bill credit for Stockton and Lathrop CARE/FERA customers based on days of received service, as [suggested by a prior board meeting](#), would lead to an inequitable bill credit across your lowest-income customers. Savings should be shared by giving CARE/FERA customers a \$70 bill credit across all the areas for meaningful impact, especially in low-income, energy-burdened communities, which would include around 158,000 Ava Community Energy subscribers.

At the recent Financial, Aid, and Procurement Meeting, however, Ava staff and CEO suggested that this action item may return to the Board to revisit this distribution and potentially re-allocate the entirety of the surplus into the Rate Stabilization Fund out of concern of financial headwinds based on PG&E's recent [2026 Energy Resource Recovery Account](#) (ERRA). The 2026 rates detailed in this report, according to staff, indicates a significant deficit in 2026 for Ava Community Energy while maintaining the current value proposition. **LCEA requests that the staff detail and break-down the impacts of the 2026 PG&E ERRA, the current Ava budget audit and its near future financial projections, and PCIA reform analysis for public clarity and understanding. We urge the Board to conscientiously consider the impact of potentially taking away 10% (\$13,041,710) of the budget surplus to current CARE/FERA subscribers in Ava territory.**

LCEA and the People's Clean Power Alliance ask that the Board consider the ramifications of excluding or prorating the bill credits to 158,000 customers who are low-income and

⁴[Understanding Energy Burden: Why Some Communities Pay More](#) by Uche Ajene from Initiative for Energy Justice (IEJ) published on June 12, 2025.

⁵[CARE/FERA Program](#): Discounts on energy bills for low-income qualified households from the CPUC.

energy-burdened at this time. In fact, for San Joaquin County, nearly 13% of residents live in poverty, children have a poverty rate of over 17%, and more than 1 in 10 residents aged 65 years or older live in poverty⁶. We urge the Board to approve a fair and just methodology for bill credits that would include all 158,000 CARE/FERA customers in Ava service territory that is equitable for those who depend on affordable energy bills. While Stockton and Lathrop customers are our newest members, they will continue to subscribe to Ava Community Energy and will benefit drastically from an equal bill credit for all CARE and FERA ratepayers. We urge Ava staff and the Board of Directors to include Stockton and Lathrop for the CARE/FERA bill credits allocation equally across all Ava service territory and continue to meaningfully support our low-income, energy burdened communities.

The Board's decision to continue a one-time bill credit, specifically for CARE/FERA customers, is certainly aligned with the the monumental [Local Development Business Plan \(LDBP\)](#) and foundational [Joint Powers Authority \(JPA\) agreement](#), which holds Ava Community Energy accountable to its original commitment to build community wealth and health, reduce pollution, provide affordable rates, maintain high standards for clean energy jobs, make smart and clean local energy investments, etc. Based on this recent decision, the Local Clean Energy Alliance urges Ava's Board of Directors to approve staff's recommendation to provide the same bill credit amount of around \$70 to all active CARE and FERA customers in Ava service territory.

LCEA additionally requests that the Board and Ava Community Energy seriously consider long-term energy affordability goals for low-income customers as part of a long-term strategic plan, such as need-based, debt-relief programs that instead rely on local appropriations, provide regular relief, and is accessible to all based on income eligibility, in addition to [other policy opportunities](#) as shared this year by RMI. A one-time bill credit is insufficient for the financial headwinds incoming and attacks on affordable clean energy on all fronts, which would adversely impact the most energy-burdened, pollution-burdened, and historically disinvested communities in Ava service territory. Not all those who are eligible for CARE/FERA are successfully enrolled in these low-income assistance programs, due to [a real need for ongoing targeted outreach](#) in vulnerable communities. Ava Community Energy would benefit as a CCA to proactively navigate risks, challenges, and opportunities in the energy landscape with the Investor-Owned Utilities (IOUs) and the CA Public Utilities Commission (CPUC) by proactively responding to community needs, fostering community buy-in, and strategically investing in community benefits long-term.

Thank you for your public service and vital support.

Clean Power to the People,

⁶[San Joaquin County 2025 Health Needs Assessment](#) published in April 2025.



Dohee Kim, Campaign Organizer with the Local Clean Energy Alliance (LCEA)

Organizational Sign-Ons

People's Clean Power Alliance

Kenneth Tang, Oakland Organizing Director for Asian Pacific Environmental Network (APEN)

Susan Silber, Project Director for Collective Resilience

Gregory Stevens, Northern California Director for California Interfaith Power & Light



Chair Anderson and Honorable Board of Directors
Ava Community Energy
1999 Harrison Street, Suite 2300
Oakland, CA 94612

Dear Chair Anderson and Honorable Directors,

We are grateful for the thoughtful work Ava staff have undertaken to advance these programs and for the agency's ongoing commitment to clean energy investments that strengthen community resilience, advance equity, and create high-road workforce and community benefits. Ava's adoption of the Workforce & Environmental Justice Clean Energy Project Selection Criteria last year demonstrated what is possible when community partners and public agencies work together with transparency and shared purpose. We offer the comments below in that same constructive spirit.

As currently designed, the SmartHomes Battery and Resilience Hubs programs represent innovative local development initiatives. Several adjustments are necessary to fully align these programs with Ava's stated priorities and previously adopted standards:

1. Ensure parity between resilience hub investments and residential battery incentives. The current proposal dedicates most funding to market-rate residential installations, leaving limited resources for resilience hubs. We encourage Ava to bring funding for resilience hubs to a level on par with the residential battery program.

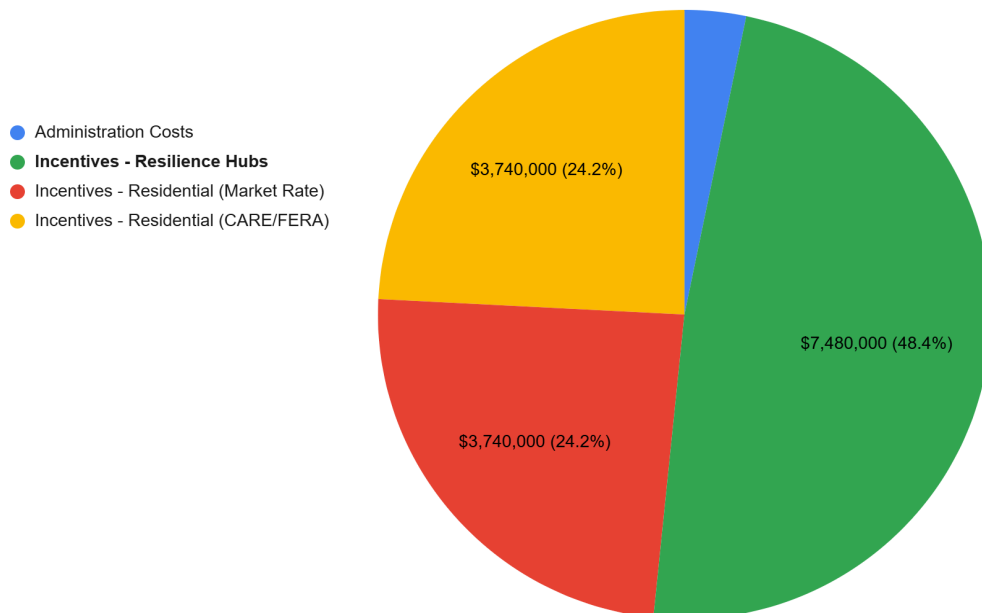
2. Prioritize a majority of funding for equity and the communities most at risk. Program funding allocation is the Board's most important policy decision. Resilience hubs provide essential public-good infrastructure. Ava should explicitly prioritize funding for frontline, disadvantaged, and socially vulnerable communities when allocating program funds.

3. Support local economic development through local high-road workforce and contractors. Ava has already set a strong precedent through the Workforce & Environmental Justice Criteria for Clean Energy Projects policy. Using clear qualification standards that encourage local and targeted hire priorities, in addition to basic prevailing wage and apprentice requirements, will strengthen community benefits and project quality.

4. Apply lessons from the Critical Municipal Facilities Program by aggregating projects and using an RFQ structure. Bundling projects and using an RFQ process—approaches that have proven effective at Ava and elsewhere—will establish minimum standards, expand the pool of qualified high-road contractors, improve cost efficiency, and ensure consistent project quality and value for clients and Ava.

The following chart helps illustrate our proposed reprioritization of funding to support the refinements requested above:

Reprioritized SmartHome Battery and Resilience Hub Budget Allocation



These refinements would strengthen the program, align it with Ava's adopted policies, and ensure that investments meaningfully advance resilience, equity, and economic opportunity across the service area.

Thank you for your commitment to workers and communities. We look forward to our continued collaboration.

Sincerely,

Eric Veium, Tim Frank, & Leslie Austin
Co-directors, [CCA Workforce & EJ Alliance](#)