



**Community Advisory Committee Meeting**

January 20, 2026

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

4664 Rousillon Ave, Fremont, CA 94555

1234 W Oak St, Stockton CA, 95204

20400 Lake Chabot Rd #303, Castro Valley, CA 94546

**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](mailto: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. Election of Chair and Vice-Chair**

**C3. 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.*

**C4. Approval of Minutes from December 15, 2025**

**C5. CAC Chair Report**

**C6. IRP Overview (Board Informational Item)**

Overview of upcoming Integrated Resource Planning compliance analysis & Ava supplemental analysis

**C7. Customer Bill Updates (Board Informational Item)**

Update on rates and Base Service Charge.

**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 Tuesday, February 17, 2026 at 6:00 pm.



**Draft Minutes**

**Community Advisory Committee Meeting**

December 15, 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:**

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**C1. (8:00) Welcome & Roll Call**

**Present: Members:** Landry, Weiner, Balkissoon, Stephenson, Lakshman, Harper, Lutz and Vice-Chair Souza and Chair Hernandez

**Not Present: Members:** Swaminathan and Pacheco

**C2. (9:00) 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.*

**(9:49) Public Comment: Dohee Kim**, representing Emerald Cities Collaborative and Local Clean Energy Alliance, spoke regarding the smart home battery program and resilience hub initiative.

**C3. (13:48) Approval of Minutes from November 17, 2025**

**Vice-Chair Souza motioned to approve the November 17, 2025 minutes.**

**Chair Hernandez seconded the motion which was approved 8/0/1/0/2**

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

**Yes: Members: Landry, Balkissoon, Stephenson, Lakshman, Harper, Lutz,**

**Vice-Chair Souza and Chair Hernandez**

**No: none**

**Abstain: Members Weiner**

**Recuse: none**

**Not Present: Members Swaminathan and Pacheco**

**C4. (16:20) CAC Chair Report**

**Chair Hernandez provided a verbal report on the December board meeting.**

**C5. (22:20) Allocation of surplus revenue from Fiscal Year 2024-2025 to on-bill credits for CARE/FERA customers (Board Action Item)**

Adopt a resolution for allocation methodology of on-bill credits for CARE/FERA customers based on FY2024-2025 surplus revenues.

**Kelly Birdwell Brezovec**, Senior Director of Account Services, introduced the Allocation of surplus revenue from Fiscal Year 2024-2025 to on-bill credits for CARE/FERA customers item and answered questions from the committee.

**(35:12) Public Comment – Daniela Suarez**, representing the Local Clean Energy Alliance, spoke in support of the \$80 credit for all CARE/FERA customers, and encouraged Ava to develop long-term solutions for low-income households struggling with energy bills.

**(36:29) Public Comment – Jessica Tovar**, representing Local Clean Energy Alliance, asked a clarifying question about how credits work when they exceed the bill amount.

**(38:06) Public Comment – Audrey Ichinose**, explained why it is important for staff to explain to the public why they are getting the bill credit.

**Chair Hernandez motioned to support the staff recommendation – Option A at the \$80 bill credit level. Member Landry seconded the motion which was approved unanimously 9/0/0/0/2 (yes/no/abstain/recuse/not present):**  
**Yes: Members: Landry, Weiner, Balkissoon, Stephenson, Lakshman, Harper, Lutz, Vice-Chair Souza and Chair Hernandez**  
**No: none**  
**Abstain: none**  
**Recuse: none**  
**Not Present: Members Swaminathan and Pacheco**

**C6. (46:44) CAC Guide Updates & Term Extensions (Board Consent Item)**

Update the CAC Guide to include Unincorporated SJC and other operational improvements. Extend all current terms to 4/30/26.

**Cait Cady**, Public Engagement Specialist, introduced the CAC Guide Updates & Term Extensions item and answered questions from the committee.

**Chair Hernandez** opened the public comment period and there were no questions.

**Vice-Chair Souza motioned to support the update to the CAC Guide and term extensions. Member Balkissoon seconded the motion.**

**Chair Hernandez offered a friendly amendment for the board to consider extending Member Landry's term for another term as a special accommodation. The friendly amendment was accepted.**

**The motion with Chair Hernandez's friendly amendment was approved unanimously 9/0/0/0/2 (yes/no/abstain/recuse/not present):**  
**Yes: Members: Landry, Weiner, Balkissoon, Stephenson, Lakshman, Harper, Lutz, Vice-Chair Souza and Chair Hernandez**  
**No: none**  
**Abstain: none**  
**Recuse: none**  
**Not Present: Members Swaminathan and Pacheco**

**C7. (1:08:46) Statement Regarding the CSA Strategic Roadmap (CAC Action Item)**

**Member Balkissoon** introduced the Statement Regarding the CSA Strategic Roadmap item and answered questions from the committee.

**Chair Hernandez** opened up the public comment period and there were no comments.

**Member Weiner motioned to support the CAC statement, and to replace the word “ownership” with ‘buy-in’. Member Landry seconded the motion which was approved 9/1/0/0/2 (yes/no/abstain/recuse/not present):**

**Yes: Members: Landry, Weiner, Balkissoon, Lakshman, Harper, Lutz, Vice-Chair Souza and Chair Hernandez**

**No: Member Stephenson**

**Abstain: none**

**Recuse: none**

**Not Present: Members Swaminathan and Pacheco**

**C8. (1:30:17) 2026 Financial Adjustments, including value proposition (Board Action Item)**

Approve a portfolio of actions to address 2026 financial forecast

**Annie Hendersen**, Chief Customer Officer, introduced the 2026 Financial Adjustments, including value proposition item and answered questions from the committee.

**Chair Hernandez** opened up the public comment period and there were no comments.

**Member Weiner motioned adopt the staff recommendation – scenario B, but to exclude the \$10 million reduction in purchasing renewable energy. Member Landry seconded the motion.**

**Member Lutz offered a friendly amendment to increase the value proposition from 1.5 cents/kWh to 1.75 cents/Kh for the Renewable 100 premium. The friendly amendment was accepted.**

**The motion which was approved 7/1/1/0/2 (yes/no/abstain/recuse/not present):**

**Yes: Members: Landry, Weiner, Balkissoon, Harper, Lutz, Vice-Chair Souza and Chair Hernandez**

**No: Member Stephenson**

**Abstain: Member Lakshman**

**Recuse: none**

**Not Present: Members Swaminathan and Pacheco**

**C9. (3:25:25) Ad Hoc Committee Update (CAC Informational Item)**

**No updates were presented.**

**C10. (3:26:00) CAC Member and Staff Announcements including requests to place items on future Community Advisory Committee Meeting Agendas**

**Member Lutz** reiterated Member Pacheco's request for a discussion on the impacts of AI and data centers on Ava's service territory and potential responses. Member Lutz emphasized wanting to understand not just the impacts but potential responses from Ava, including the possibility of not serving data centers and ensuring they pay for their interconnections rather than having costs socialized.

**Member Lutz** also asked about CAC members attending the Cal CCA conference at reduced rates.

**Chair Hernandez** requested a report in January or February on resilient hub enrollment efforts, including challenges, opportunities, and progress spending the first million of the \$3.75 million allocated.

**Chair Hernandez** also mentioned that the January and February 2026 CAC meetings would be held on Tuesdays rather than Mondays due to Martin Luther King Jr. Day and Presidents' Day holidays.

**C11. Adjourn**

**The meeting adjourned at 9:27pm.**

The next Community Advisory Committee meeting will be held on Tuesday, January 20, 2026 at 6:00 pm.

# 12/15/25 Ava Community Advisory Committee Meeting

AI Generated Courtesy Summary

Not official minutes

Not reviewed for accuracy

## Welcome & Roll Call

The meeting of the Community Advisory Committee was called to order at 6:02 PM on December 15, 2025, in the board room at Ava Community Energy in Oakland, California, with some members joining remotely via Zoom. Roll call was conducted with Members Landry, Weiner, Baucusen, Stevenson, Harper, Lewis, Vice Chair Susan, and Chair Hernandez all present and establishing a quorum.

## Public Comment

A public comment was provided by a representative from Emerald Cities Collaborative and Local Clean Energy Alliance regarding the smart home battery program and resilience hub initiative. The speaker offered two recommendations: 1) that Ava Community Energy consider ways to keep virtual power plant program revenues internally rather than through the current partnership with Lunar Energy, and 2) that the distribution of the solar and storage incentive program (first \$1 million of the \$3.75 million allocated) prioritize disadvantaged communities, areas with high PSPS (Public Safety Power Shutoff) events, and communities with limited existing green infrastructure resources. The speaker highlighted examples of sites that need upfront capital costs to transition into resilience hubs.

Chair Hernandez acknowledged the comment and indicated that the committee would look to discuss these recommendations in the new year, potentially agendaizing them for January or February with staff support.

## Approval of Minutes from November 17, 2025

The committee reviewed the minutes from the November 17, 2025 meeting. Chair Hernandez mentioned that new AI technology would be implemented soon to assist with taking more detailed minutes.

Motion: Vice Chair Susan moved to approve the minutes from the November 17, 2025 meeting.

Second: Member Hernandez

Vote: The motion passed with Member Weiner abstaining as she was not present at the November meeting.

## CAC Chair Report

Chair Hernandez reported on the Ava Community Energy Board of Directors meeting held on November 19, 2025. The Board unanimously approved the smart home battery resilience hub program (16 in favor, none opposed), aligning with the CAC's recommendation.

The Board voted 7-8-1 against the CSA consulting agreement with Deloitte, consistent with the CAC's recommendation based on ethical concerns related to Deloitte's federal contracts with DHS and ICE. Chair Hernandez had shared documentation of Deloitte's federal engagements with the Board.



Regarding the 2026 federal forecast and adjustments, staff had presented an alternative proposal to eliminate CARE/FERA customer credits, which was not supported by the Board. Chair Hernandez noted that the CAC had not been asked to review this item, but he had advocated strongly to maintain the credits. The Board affirmed that CARE/FERA credits would continue to be funded from current fiscal year revenues.

Chair Hernandez also reported that Chair Marquesse requested a procurement policy be added to a future executive committee meeting in January to establish clear direction on contracting and revisit the customer programs roadmap consultant issue.

## Allocation of surplus revenue from Fiscal Year 2024-2025 to on-bill credits for CARE/FERA customers

Kelly Birdwell Brezovic, Senior Director of Account Services, presented this item. She explained that the Board had previously allocated 10% of the FY 2024-2025 surplus budget (approximately \$13 million) for on-bill credits for CARE/FERA customers, with 90% going to the rate stabilization fund.

Staff recommended providing the same credit amount (about \$80) to all active CARE/FERA customers (Option A). An alternative Option B would provide different credit amounts based on length of service, with newer customers in Stockton and Lathrop (enrolled in April 2025) receiving approximately \$25 and longer-term customers receiving about \$100.

Ms. Brezovic explained that while the communities had different enrollment timelines, customers in Stockton and Lathrop used nearly double the electricity of other Ava communities during the summer months, which made a uniform credit more equitable. She also noted that CARE/FERA customers had received credits in previous years (January 2025: \$100; November 2023 and August 2022: \$50).

During discussion, members asked about the differences between CARE and FERA programs. Ms. Brezovic explained that FERA customers have slightly higher income qualification guidelines and receive a slightly lower discount than CARE customers, though both groups are considered disadvantaged.

The committee also inquired about the Rate Stabilization Account, which has significantly more money allocated to it than customer credits. Ms. Brezovic clarified that the 90/10 split had already been decided by the Board in September.

Member Harper supported equal distribution, noting that about 41% of Stockton's customer base receives energy assistance, and many households struggle with substandard living conditions and utility debt. She suggested using the bill credit as a way to show support for the new customer base and help keep people enrolled.

Public comments from representatives of the Local Clean Energy Alliance supported the equal \$80 credit for all CARE/FERA customers, while also encouraging Ava to develop long-term solutions for low-income households struggling with energy bills.

Motion: Chair Hernandez moved to support staff's recommendation of Option A, providing an \$80 credit to all CARE and FERA customers.

Second: Vice Chair Susan

Vote: The motion passed unanimously.

## CAC Guide Updates & Term Extensions

Kate from Ava staff presented recommendations to update the Community Advisory Committee guide. The changes included:

- Adding another seat to the CAC (bringing the total to 13) to reflect the inclusion of unincorporated San Joaquin County, which recently joined the JPA
- Making administrative updates to the CAC guide to improve operational efficiency
- Extending all current CAC terms through April 30, 2026

Kate explained that the composition of the CAC is determined by regions based on JPA vote shares, which are calculated from annualized load for each jurisdiction. With the addition of unincorporated San Joaquin County, the San Joaquin County region would have a larger presence on the CAC.

The updates would also standardize terms with May 1st as the start date for all CAC terms going forward. The next recruitment period would launch in January 2026 with appointments to be approved by the Board in April 2026, effective May 1st.

During discussion, members sought clarification on term limits. Kate confirmed that regional members can serve up to 4 terms, while at-large members are limited to 2 terms, with current at-large members able to serve one additional term beyond that limit.

Motion: Vice Chair Susan moved to approve the staff recommendations to update the CAC regional seat allocations to include unincorporated San Joaquin County, make administrative updates to the CAC guide, and extend all current CAC terms to April 30, 2026, with a friendly amendment to recommend that Member Landry (who would otherwise term out) be allowed to serve one additional term.

Second: Member Weiner

Vote: The motion passed unanimously.

## Statement Regarding the CSA Strategic Roadmap

Members Inder, Hernandez, and Susan presented a draft letter to the Board regarding the Customer Strategic Roadmap. The letter expressed appreciation for staff efforts on the roadmap, which the CAC considers a high priority. The letter listed nine critical projects encompassed by the work and supported the Board's decision not to move forward with the proposed contractor (Deloitte).

The letter emphasized that the CAC supports the overall goals of the customer program strategic roadmap and agrees with developing a policy framework that promotes "no fear" in support of future RFPs. It recommended getting the roadmap back on track quickly with an organization that respects immigrants as core constituents, or considering developing the program in-house if a suitable contractor cannot be found.

Member Inder explained that the committee wanted to highlight the good work staff is doing and clarify what the CAC considers high-priority issues. They also wanted to express support for the Board's decision regarding the contractor and emphasize that immigrants are a core constituency who should be respected.

Motion: Member Weiner moved to approve the letter to the Board with a modification to change the word "ownership" to "buy in" when referring to community engagement with Ava's programs.

Second: Member Landry

Vote: The motion passed with Member Stevenson voting no.

## 2026 Financial Adjustments, including value proposition

Annie Henderson, Chief Customer Officer, presented a detailed financial forecast and proposed adjustments to address a projected \$250 million deficit in 2026. She explained that PG&E's rates are expected to decrease by approximately 30% while the Power Charge Indifference Adjustment (PCIA) is increasing, significantly impacting Ava's revenue.

Ms. Henderson presented three scenarios (A, B, and C) with staff recommending Scenario B, which included:

- Utilizing the entire rate stabilization fund of approximately \$150 million
- Decreasing the Bright Choice discount from 5% to 0.5% and increasing the Renewable 100 premium from \$0.0025 to \$0.015 per kWh
- Reducing renewable energy credit procurement targets (which would result in a decrease from 81% to about 73% carbon-free power)

- Reducing the local development fund budget by \$10 million (from funds not earmarked for specific programs)
- Reducing operating expenditures by \$3.5 million
- Using \$15-30 million from reserves

Ms. Henderson emphasized that customers would still see an overall bill reduction of about 11% despite these changes due to the significant decrease in PG&E rates. She also noted that the renewable energy target reduction would be temporary and Ava still intends to achieve 100% carbon-free power by 2030.

During discussion, committee members expressed concerns about reducing renewable energy procurement and increasing the Renewable 100 premium. Member Weiner moved to recommend Scenario B with two modifications: 1) no reduction in renewable energy credit procurement, and 2) increasing the Renewable 100 premium to \$0.0175 per kWh rather than \$0.015 to partially offset the cost of maintaining renewable energy procurement.

Several members emphasized that Ava's focus on renewable energy is its "calling card" and a key differentiator from PG&E. Others expressed frustration with the PCIA structure and suggested the agency needs to fight this at the regulatory level.

Motion: Member Weiner moved to recommend Scenario B with two modifications: 1) no reduction in renewable energy credit procurement, and 2) increasing the Renewable 100 premium to \$0.0175 per kWh.

Second: Member Landry

Vote: The motion passed with Member Stevenson voting no and Member Lochman abstaining.

## Ad Hoc Committee Update

No formal updates were presented, as the energy affordability ad hoc committee report was included in the meeting packet.

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

Members requested future agenda items including:

- Discussion on the impacts of AI and data centers on Ava's service territory and potential responses
- A mid-year report on the resilient hub initiative and VPP enrollment through Emerald Cities Collective and Local Clean Energy Alliance

Chair Hernandez also mentioned that the January and February 2026 CAC meetings would be held on Tuesdays rather than Mondays due to Martin Luther King Jr. Day and Presidents' Day holidays.

## Adjourn

The meeting adjourned at 9:27 PM. The next Community Advisory Committee meeting will be held on Tuesday, January 20, 2026, at 6:00 PM.

## CAC Chair Report: Ava Community Energy Board of Directors Meeting 12/17/25 – Key Actions & Summary

### 1. Consent Agenda Actions

The Board approved the following items unanimously (Items 4–8):

- **November 19, 2025 Minutes**
- **Contracts Entered Into (Informational)**
- **Removal of Customer Opt-Out Fee**
- **FY 2025–26 Q1 Financial Statements**
- **Maher Contract Amendment (Accounting Services)**

### Item 9 – CAC Guide Updates & Term Extensions

- Pulled for discussion.
- Board approved staff’s recommendation **without** the CAC-requested exception for Member Landry’s fifth term.
- All CAC terms extended to **April 30, 2026** and **Unincorporated San Joaquin County** added to the Guide.

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### 2. CEO Report – Highlights

CEO Howard Chang provided updates on:

- **Executive Committee:** December 3 meeting recap; next meeting January 14, 2026.
  - **2026 Public Meeting Calendar** released.
  - **Power Content Label Mailer:** State-regulated content; separate versions for Alameda and San Joaquin counties.
  - **Service Launch:** Unincorporated San Joaquin County scheduled for **May 2026**.
  - **Customer Programs Roadmap:** Delayed 3–6 months while staff reviews procurement policies in response to concerns about Deloitte’s ICE contracts.
  - **Program Updates:** Smart home charging, Bike Electric, Healthy Communities induction cooktops, first EVA Charge site, and critical community facilities portfolio.
-

### 3. CAC Report

- CAC's positions on **on-bill credits**, **value proposition**, and **future agenda items**.
- The CAC's **letter supporting the Customer Programs Strategic Roadmap** while affirming the Board's decision not to proceed with Deloitte.
- CAC's emphasis on a **"no fear" policy** for future procurements.
- Recommendation to consider **in-house development** if a suitable contractor cannot be identified.
- Requests for:
  - A **Resilience Hub** report-out from Emerald Cities Collective and Local Clean Energy Alliance.
  - A **January presentation on AI-related electrical demand** (data centers).

Public commenters expressed appreciation for CAC Chair Hernandez's and for Member Landry's service.

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### 4. Legislative Wrap-Up & 2026 Preview (Informational)

Key points from Legislative Manager Sam Sable:

- Staff tracked **28 bills**, took positions on **12** (10 support, 2 support-if-amended).
  - Legislative wins included amendments to **SB 283**, work on **SB 541**, **SB 254**, and **AB 222**.
  - **Affordability** and **data center regulation** will be major 2026 themes.
  - **Cap-and-invest** changes give the Legislature **\$1B/year** discretionary authority.
  - 2026 session will be **compressed** due to the election cycle.
- 

### 5. Joint Powers Agreement Amendments (Action Item)

Board approved six housekeeping amendments:

- Clarified **CAC Chair role**.
- Updated **weighted voting formula**.

- Confirmed CAC Chair **does not count toward Board quorum**.
- Clarified **Board Chair authority** on committee appointments.
- Aligned JPA with CAC Guide.
- Added flexibility in **appointment processes**.

Passed unanimously.

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## 6. 2026 Financial Adjustments & Value Proposition (Major Action Item)

This was the most consequential item of the night.

### Context

- 2026 generation rates projected to **drop 25–30%**, reducing customer bills but creating a **\$250M deficit**.
- FY 2024–25 ended with a **\$130M surplus**, but CY 2026 outlook is challenging.

### Staff Recommendation: Scenario B

- Use full **\$150M rate stabilization fund**.
- Bright Choice at **0.5% discount** to PG&E.
- Renewable 100 at **1.5¢ premium**.
- Reduce renewable procurement by **\$10M**.
- Reduce local development funds by **\$10M**.
- Reduce operating expenditures by **\$3.5M**.
- Use up to **\$30M** in reserves.

### CAC Position (as you presented)

- Support **Scenario B** with modifications:
  - **Do not reduce renewable procurement**.
  - Increase Renewable 100 premium to **1.75¢** to offset impacts.

### Board Action

A substitute motion passed (8–6–1) adopting Scenario B with modifications:

- **Reallocate \$13M** from on-bill credits to the **rate stabilization fund**.
  - **Increase Renewable 100 premium to 1.75¢/kWh.**
  - **Reduce renewable procurement reduction** from \$10M to **\$5M.**
  - **Reduce reserve utilization** to near zero (authorization up to \$15M if needed).
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## 7. On-Bill Credits for CARE/FERA Customers

- Item was **cancelled** because the Board reallocated the \$13M to the rate stabilization fund in Item 14.
- 

## 8. Future Agenda Items

- No new items requested by Board members.
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## CAC Chair Hernandez Closing:

- The Board's financial decisions reflect **significant structural challenges** in 2026 and the CAC will need to emphasize a review of the CARE/FERA credit in mid-year.
- CAC's recommendations influenced the Board's final action, particularly on:
  - **Renewable 100 premium increase** to offset the financial concerns
  - **Partial restoration of renewable procurement** to continue the momentum of a clean and renewable energy future.
- The CAC's policy leadership must continue on the following:
  - Customer Programs Roadmap
  - AI-related electrical demand
  - Resilience Hub partnerships
- CAC engagement and voice is very important as Ava navigates **rate volatility**, **procurement strategy**, and **community program delivery**.
- Finally, thank you for your confidence in serving as your Chair for the Committee.

Respectfully submitted,





**CAC Item C6**  
**Staff Report Item 8**

|                 |   |
|-----------------|---|
| <b>To:</b>      | Ava Community Energy Authority  |
| <b>From:</b>    | Marie Fontenot  |
| <b>Subject:</b> | Updating the board on the upcoming 2026 Integrated Resource Planning Proceeding compliance analysis and filing. |
| <b>Date:</b>    | January 21, 2026  |

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**Summary/Recommendation**

This Staff Report describes the purpose of the 2026 Integrated Resource Planning (IRP) Proceeding analysis and compliance filing; this is informational and no action is required.

**Financial Impact**

N/A

**Analysis and Context**

All California Public Utilities Commission (CPUC) jurisdictional load serving entities, including Ava, are required to comply with regulatory requirements. One of the CPUC's regulatory proceedings is the Integrated Resource Planning (IRP) Proceeding. The IRP has two distinct tracts: track 1, a bi-annual compliance analysis and filing; and track 2, procurement mandates and resource sufficiency demonstrations.

The 2026 bi-annual compliance analysis and filing is *currently* scheduled to be submitted to the CPUC by May 5, 2026. Ava must perform a long-term resource planning analysis that looks out into the 2040s and evaluates what resources are the best fit for Ava's portfolio going into the future. The analysis will evaluate potential portfolio costs and how effectively the future, hypothetical portfolio will be able to reduce emissions. The analysis must comply with the CPUC's prescriptive assumptions and incorporate Ava own assumptions of resource availability



as well as internal requirements, like achieving an carbon-free portfolio as measured on a net annual basis by 2030.

Regulation requires that Ava obtain Board approval of the compliance analysis prior to filing it with the CPUC. Based on the current filing due date of May 5, 2026, staff would present the compliance analysis and filing materials to the Board in the April Board meeting. It is important to note that the compliance filing due date has changed multiple times and staff expects further adjustment of the due date as a CPUC Scoping Memo for the IRP effectively committed that load serving entities would be granted at least six months to complete the analysis and filing following the release of filing requirements by the CPUC.<sup>1</sup> The CPUC has not yet published all of the required input assumptions for the analysis, so while the current due date is May 2026, staff anticipates an extension of the due date.

In addition to the CPUC-mandated analysis and compliance filing, Ava staff will perform additional analyses using modified assumptions. Staff will present the additional analyses to the Board in the future; these analyses will provide explanations of what Ava's forecasted demand will grow to, the costs of different possible resource portfolios and the effectiveness of those resource portfolios in reducing Ava's and grid emissions over time. These long-term planning analyses inform what resources Ava contracts with over time but do not explicitly guarantee that Ava will contract with certain resource types or volumes from any resource type as the assumptions of resource cost and availability that are made when performing the analysis do not perfectly correlate to market conditions when contracting occurs.

### **Committee Recommendation**

Not applicable

### **Attachments**

- A. PowerPoint presentation

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<sup>1</sup> Source: Oct 2025 Scoping Memo, pp. 13-15.  
<https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M585/K485/585485746.PDF>

# Integrated Resource Planning - 2026

Marie Fontenot | January 21, 2026





# Background: What is an IRP?

- **Integrated Resources Plan (IRP): a long-term roadmap.**
  - Details how an entity will meet future energy demand reliably & affordably, balancing supply- and demand-side resources.
  - Considers costs, environmental impact, regulatory goals.
  - Typically performed by vertically integrated utilities – includes transmission planning; filed with applicable utilities commission for approval and cost recovery.
- **IRP in California context.**
  - Long-term transmission planning is led by California Independent System Operator (CAISO).
  - Resource planning is led by California Public Utilities Commission (CPUC) for all jurisdictional entities.

# Background: IRPs in California

- **IRP for Ava: a biennial analysis and filing required by CPUC.**
  - Load serving entities (LSEs) submit long-term procurement plans to the CPUC
  - CPUC mandates many modeling assumptions (demand, resource availability, etc)
  - Ava submitted compliant analyses: 2018<sup>1</sup>, 2020<sup>2</sup>, 2022<sup>3</sup>; 2024 IRP cycle delayed by CPUC
- **Evaluate LSEs' ability to contribute to emissions reduction while meeting electricity-related compliance obligations.**
- **CPUC evaluates California's resource needs for 10 coming years.**
  - Important: can result in CPUC-mandated procurement

1: <https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/electric-power-procurement/long-term-procurement-planning/2017-2018-irp-events-and-materials/lse-2018-integrated-resource-plans>

2: <https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/electric-power-procurement/long-term-procurement-planning/2019-20-irp-events-and-materials/lse-2020-integrated-resource-plans>

3: <https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/electric-power-procurement/long-term-procurement-planning/2022-irp-cycle-events-and-materials/lse-2022-integrated-resource-plans>

# Analytical Benefits of IRP Proceeding to Ava

- **CPUC-coordinated planning promotes a more stable statewide electricity system**
- **Increased visibility into CPUC view of priority resources – a “hat tip” to future procurement mandates**
- **Alignment with CPUC view of the market; identification of specific differences in respective views**
  - Ava supplemental analyses evaluate different CAISO market conditions (high vs low market prices) & impact on portfolio. Exact timing of Ava-focused analysis TBD based on CPUC timeline revisions, but will inform resource selection in Ava’s 2026 long-term resource RFO.
  - Staff goal of performing analyses to inform budget setting for fiscal year 26-27. Analyses will show range of market outcomes and impact on Ava’s financial position.
- **Evaluation of costs & risks of different portfolios under different potential policy futures**
- **Identify barriers to Ava’s emission reduction objectives balanced with financial costs & ability to reliably serve load**
  - Ava to evaluate costs associated with different emission reduction objectives and counting methodologies
- **Open-source software can expand modeling & analytic capabilities w/in Ava**
  - Ava performs modeling in-house for 2026 filing; will leverage software to stress-test portfolio costs on a regular schedule going forward
  - Previous IRP filings utilized consultants to perform analysis, Ava had no or limited ability to expand on analyses. Current model is the result of increased skill & sophistication in the org; will result in more informed decision making on an ongoing basis.

## CPUC

- 1) Analyses based on CPUC-prescribed elements & with Ava-specified changes
- 2) Prescriptive Narrative document – analyses, process, results, lessons learned, procurement targets
- 3) Resource Data Template – conforming and preferred portfolios
- 4) Clean System Power Calculator – an estimate of each LSE's GHG emissions based on the resources actually online/generating in the CAISO market.

## Ava Board

- 1) All CPUC materials for review and approval *pre-filing*
- 2) Understand drivers of portfolio costs
- 3) Evaluate macro-level resource ability
- 4) Identify potential risks to Ava's carbon-free 2030 portfolio; later develop mitigations

# Timeline

| Date           | Event   |
|----------------|---|
| Oct 28, 2025   | Scoping Memo establishing 2026 IRP Schedule                   |
| Jan 16, 2026   | Filing requirements published via ALJ ruling                  |
| TBD*           | Input data assumptions to be released by the Energy Division  |
| June 1, 2026*  | IRP filing deadline to CPUC                                   |
| July 15, 2026* | Initial comments on IRPs from stakeholders                    |
| Q3 & Q4 2026*  | CPUC staff aggregate LSE IRPs, prepare proposed PSP portfolio |
| Q1 or Q2 2027* | ALJ ruling seeking comments on proposed PSP                   |
| Q2 or Q3 2027* | Proposed decision addressing LSE IRPs and adopting PSP        |
| Q3 2027*       | Final decision addressing LSE IRPs and PSP                    |

**\*This schedule is subject to change due to delays in the publishing of required input data.**

CPUC staff acknowledged importance of providing at least 6 months from the publishing of filing requirements prior to the final deadline. If no update provided by CPUC soon, CalCCA are prepared to submit a motion to delay the schedule accordingly.

Source: Oct 2025 Scoping Memo, pp. 13-15. <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M585/K485/585485746.PDF>

# Analytical Approach

## Capacity Expansion Model (CEM)

- Zonal modeling explores the tradeoffs between resource types and their suitability to serve California's growing electricity needs
- GenX modeling software optimizes statewide resource additions to lower emissions while still ensuring sufficient capacity on the system to avoid rolling blackouts

## Production Cost Model (PCM)

- Hourly dispatch modeling of all generators in state determines price environment which Ava will be operating into the future
- Captures expected shifts in price patterns that may arise from combinations of increased solar & storage resource on the CA grid, electrification efforts, eventual retirement (or not) of Diablo Canyon, etc.

## Portfolio Expansion Modeling (PEM)

- In the context of the CA energy system modeled above, Ava optimizes resource procurement over the next 20 years to minimize the cost purchased energy while achieving state-mandated or locally-driven goals



# Modeling Framework

## Capacity Expansion Model (CEM)

- CPUC requires that all load-service entities (LSEs) submit plans consistent with a 30 million metric tons (MMT) and 25 MMT statewide emissions targets
- Staff expects the 25 MMT case to be our “base case” (need final assumptions from CPUC)

## Production Cost Model (PCM)

- The base case will likely assume normal hydro conditions and a return to lower natural gas prices
- Staff will also look at a case in which constrained hydro availability and natural gas supply volatility put upward pressure on CA electricity prices

## Portfolio Expansion Modeling (PEM)

- The base case assumes no expansion of Ava territory (beyond San Joaquin County) and that all projects are completed on schedule; staff will evaluate possible load growth associated with data centers
- Staff will evaluate additional scenarios like increased new-resource costs, to understand the magnitude of the market exposure that arises in these cases and consider strategies to mitigate that exposure

Note: “base case” criteria subject to change due to delays in the publishing of filing requirements.

- **IRP-Directed Procurement Trend: More capacity procurement, more procurement of specific technologies**
  - 2019: CPUC ordered 3,300 MW of incremental procurement online in 2021-2023.
  - 2021: CPUC ordered 11,500 MW of incremental procurement online in 2024-2026, including 1,000 MW of Geothermal and 1,000 MW of Long-Duration Energy Storage.
  - 2023: CPUC ordered 4,000 MW new procurement online in 2026-2027
  - 2026: CPUC procurement order for 6,000 MW online in 2030-2032, alongside development of programmatic approach to procurement directives (RCPPP)
- **Risk that IRP Procurement Displaces Ava's Resource Portfolio Design**
  - IRP-driven procurement may mandate higher volumes of technology-specific procurement such as geothermal, off-shore wind, energy storage, or other resources than Ava would select on its own.
  - IRP-driven procurement may require contracting with emitting resource types, e.g. Biomass

# IRP – what do we get out of it?

- Define some of what we're going to assume
- Informed views of how well different resource portfolios meet Ava's demand
- Estimated emissions associated with different portfolios (annual and hourly)
- Estimated costs of different portfolios
- Analysis that will *guide* procurement choices
  - Note: modeled portfolio not necessarily available in the real world. Acts as a guide, not explicit instructions

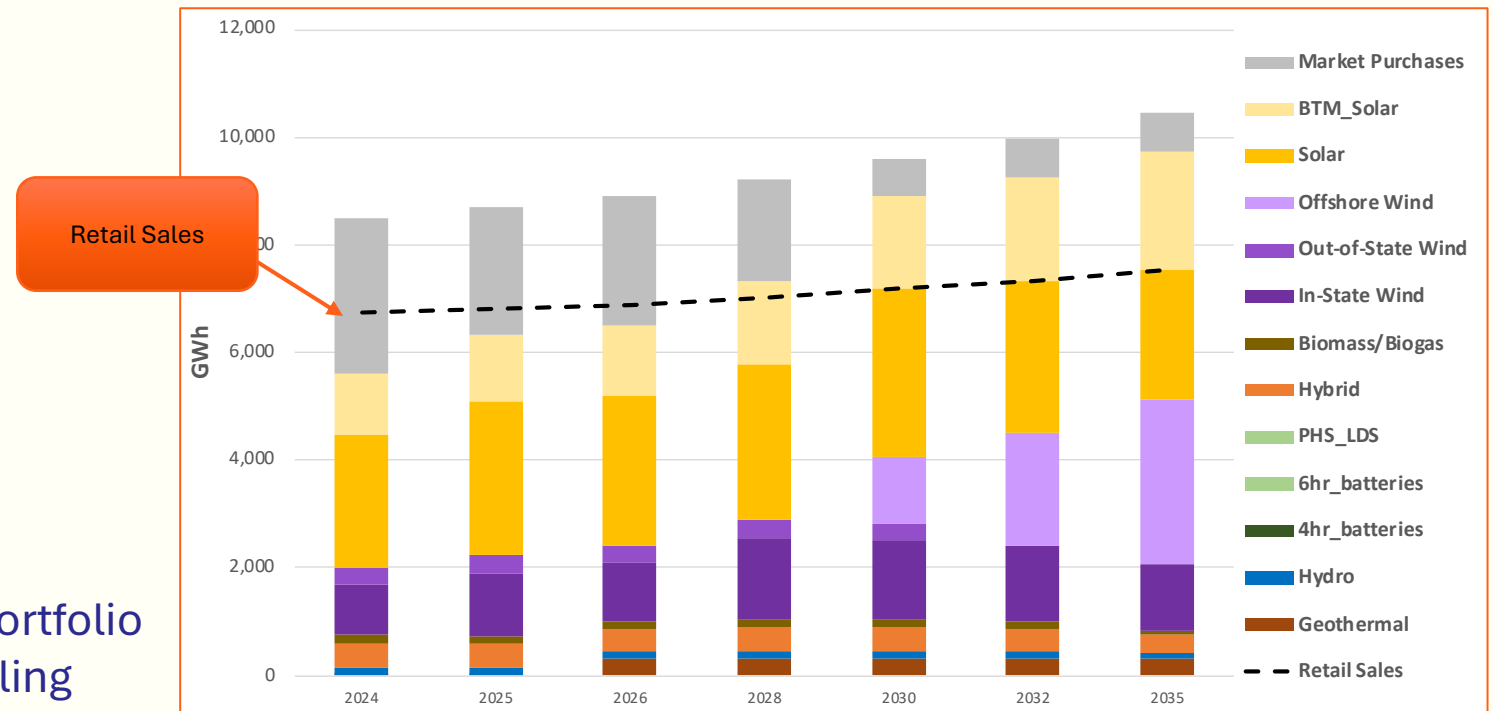


Image: example of Conforming Portfolio Buildout; 2022 IRP compliance filing



**CAC Item C7  
Staff Report Item 9**

|                |  |
|----------------|--|
| <b>To:</b>     | Ava Community Energy Authority           |
| <b>From:</b>   | Annie Henderson, Chief Customer Officer  |
| <b>Subject</b> | Update on Changes to 2026 Customer Bills |
| <b>Date:</b>   | January 21, 2026                         |

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**Summary/Recommendation**

Receive an update from staff on recent changes that impact customer bills. Specifically, receive an update on Ava's generation rates, power charge indifference adjustment (PCIA), an upcoming new delivery charge called the Base Services Charge, and planned customer education.

**Analysis and Context**

**January 2026 Rate Updates**

Staff provided information at the December 2025 Board meeting regarding the financial forecast through calendar 2026. A portion of the presentation addressed 2026 rate changes based on the October 2025 Energy Resource Recovery Account (ERRA) filing made by PG&E with a note that final rates would be based on the Annual Energy True-Up (AET), filed in late December 2025.

The final rates filed in the AET differed from what PG&E provided in the October ERRA filing. Based on information in the October ERRA filing, staff projected an overall decrease to Ava generation rates + PCIA of 22-29%. However, the final numbers in the AET resulted in a decrease of 15-21%. The overall bill impact changes from a forecasted 10% decrease to a 5% decrease.

**Summary of Rate Forecast Changes as a % of an average Ava residential customer bill**

|                                    | Generation + PCIA | Generation + Delivery + PCIA |
|------------------------------------|-------------------|------------------------------|
| Forecast based on Oct ERRRA filing | decrease 22-29%   | decrease 10%                 |
| Updated based on AET filing        | decrease 15-21%   | decrease 5%                  |

Ava provides the generation services for customers and sets rates for that portion of the bill only. Below is the average effective generation rate (inclusive of the reduction of PCIA cost) for an Ava residential customer. These figures are still in draft and are subject to further analysis and refinement.

|  | Average 2025 Residential Rate | Forecast 2026 Residential Rate | Draft 2026 Residential Rate |
|--|-------------------------------|--------------------------------|-----------------------------|
| Bright Choice average residential rate (per kWh) | 14.22¢                        | 10.08¢                         | 11.27¢                      |
| Renewable 100 average residential rate (per kWh) | 15.22¢                        | 11.8¢                          | 13.02¢                      |
| Bright Choice % decrease 2025 to 2026            |                               | 29%                            | 21%                         |
| Renewable 100 % decrease 2025 to 2026            |                               | 22%                            | 15%                         |

**Recap of Changes to Bright Choice Discount and Renewable 100 Premium**

Staff has taken the appropriate actions to implement changes to the Bright Choice discount and Renewable 100 premium as directed by the Board in December 2025. Updates to relevant language on the website and customer bills have been made to reflect the changes. The necessary updates to our billing engine, which generates customer billing data, will be deployed on January 23 with an effective date of January 1. The updated Ava rates will appear on customer bills with bill cycles that begin after January 1. For example, a Bright Choice customer whose bill cycle begins on the 15<sup>th</sup> of each month will see the following:

- Statement date January 25 billed for usage from December 15-January 14. Customer will still be billed for generation at a 5% discount to PG&E 2025 rates and 2025 PCIA
- Statement date February 25 billed for usage from January 15-February 14. Customer will be billed for generation at a 0.5% discount to PG&E 2026 generation rates and 2026 PCIA

**Base Services Charge**

Base Services Charge is the customer-facing name for what was previously presented to the Board in April 2024<sup>1</sup> as the Income Graduated Fixed Charge (IGFC). Base Services Charge is a

<sup>1</sup> <https://avaenergy.org/wp-content/uploads/2024/03/16.-Item-16-Income-Graduated-Fixed-Charge.pdf>

fixed, monthly fee to all PG&E customers that will appear on the PG&E delivery portion of the bill starting in March. The fee is \$24 for most residential customers, \$6 for CARE customers, and \$12 for FERA customers and/or residents of Affordable Housing. The delivery rate charged by PG&E per kWh will go down when the Base Services Charge begins. This fee is the result of Assembly Bill 1999, approved by the legislature in 2024.

PG&E messages this fee on their website as follows:

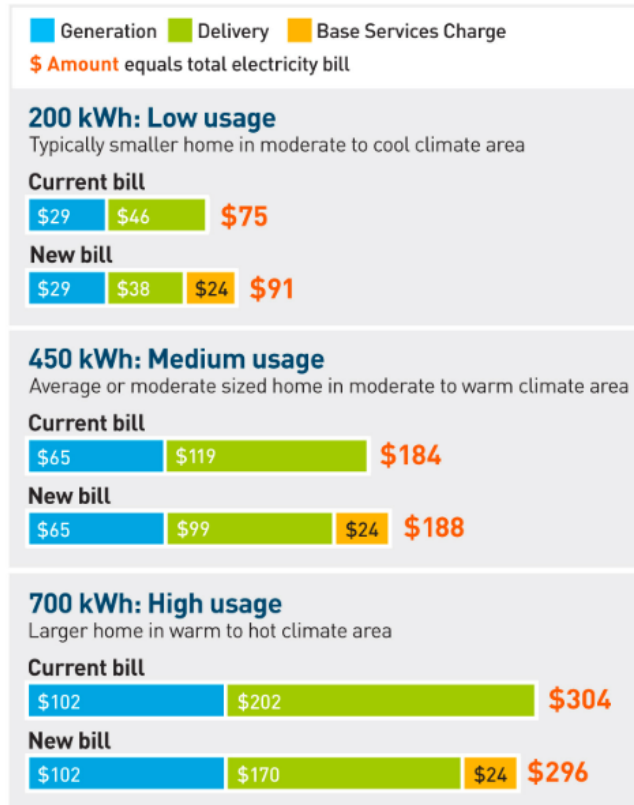
**Starting in March 2026, PG&E will restructure your energy bill. Your new bill will separate some costs of services from the price per kilowatt hour (kWh) of electricity usage.**

The implementation of the Base Services Charge will restructure how customers are charged for some services and electricity. **It is not a new fee.** The Base Services Charge will cover approved infrastructure and maintenance costs for connecting your home to the grid, energy programs, call center services, and billing. These costs are currently included in your electricity usage cost.

Starting in March 2026, the Base Services Charge will be separated from your electric use charges. The price per kWh for electricity will also be lowered (compared to the otherwise applicable price), so **you will be paying less for the electricity you use.** Each customer's usage varies so lower electricity prices may or may not lead to a lower total bill.

Lowering the price of electricity will make it more affordable to transition to more clean-powered electric appliances in the home. [Learn more about home electrification.](#)

A PG&E email sent to customers in early January presented the impacts of Base Services Charge for a low, medium, and high usage customers as follows:



This fee will not be applied to commercial customer bills. Additionally, the Base Services Charge will replace the \$15 fixed fee that is currently part of the bill for customers on the E-ELEC schedule, which is a requirement for solar customers on the Solar Billing Plan.

### **Planned Customer Education**

The Ava Communications team works hard to ensure that there is up to date and accurate information available to our customers at all times. The team is using various channels to provide updated information to customers and members of the public on both the rate changes and new rate components like Base Services Charge, as described below.

- Website content
  - A new descriptive [Insight](#) (article) about customer bills
  - An update to the "[How PG&E rate changes impact Ava customers](#)" insight, previously posted in October 2025.
  - Updates to the "[Understanding Your Bill](#)" page
- Newsletter
  - Customers will learn more about upcoming changes to their electricity bills through content shared in our Direct Current newsletter.
- Digital
  - Social media posts that drive to the Insights listed above

- New digital ads will drive customers to content on the website that explains the relationship between Ava and PG&E and how to understand the electricity bill.
  - Short reel (video) that summarizes all the changes to bills and points to other Ava benefits.
- Talking Points
  - For the Board
  - For our call center





People's Clean Power Alliance  
339 15th Street Suite 208  
Oakland, CA 94612  
daniela@localcleanenergy.org

December 15, 2025

Dear Ava Community Energy Board of Directors, Community Advisors and Alternates,

We applaud [Ava Community Energy \(Ava's\)](#) recent decision to reject contracting with **Deloitte**, a firm that maintains contracts with [Immigration and Customs Enforcement \(ICE\) and the Department of Homeland Security \(DHS\)](#). By choosing not to align with an entity whose work contributes to the criminalization, harassment, detention and the disappearance of immigrant communities, you have taken a meaningful step toward ensuring that public resources do not reinforce systems that target immigrants and subject people to violent treatment without due process. Your action demonstrates a commendable commitment to transparency, accountability, well-being, and the solidarity of communities served by **Ava Community Energy** – who operates using public funds from electricity revenues.

We thank the agency for responding to community concerns and recognizing the importance of not investing public funds to operations and practices that undermine human rights. Our community's values are rooted in dignity, fairness, and inclusion.

Based on the recommendations of Ava's Legal Counsel and Board Member Elisa Márquez on November 19, we urge the agency to build on this leadership by developing a clear and forward-looking procurement policy that:

1. Prohibits contracts and purchases with firms engaged in activities that contribute to the criminalization, detention, surveillance, and disappearance of immigrants. In addition, prohibit contracts that make community–customer data, personal information, and gatherings vulnerable to such surveillance, criminalization, and other harmful uses.
2. Prioritize contracting with small, local, and emerging businesses and organizations rooted in Ava Community Energy cities and counties.

Such a policy would not only safeguard against future misalignment of ethical standards, adhere to Ava member cities who have committed to being sanctuary cities, but also strengthen the local economy by uplifting businesses that reflect and serve our community. It would embody an investment in equitable growth, shared prosperity, and humane public governance.

Thank you again for your thoughtful action and continued dedication to ethical stewardship of public funds. We look forward to seeing the agency continue to lead with integrity and compassion.

Sincerely,

*Daniela Suarez*

Local Clean Energy Alliance