



Consent Item 7

To:	Ava Community Energy Authority
From:	Matthew Chiodo – Senior Analyst, Power Resources
Subject:	Approving Two Resolutions (1) Authorizing the Chief Executive Officer to Negotiate and Execute a First Amendment to the Power Purchase Agreement with ESCA-PLD-TRACY9, LLC and (2) Authorizing the Chief Executive Officer to Negotiate and Execute a First Amendment to the Power Purchase Agreement with ESCA-PLD-TRACY16, LLC
Date:	February 18, 2026

Recommendation

(1) Adopt a Resolution authorizing the Chief Executive Officer to negotiate and execute a First Amendment to the Power Purchase Agreement with ESCA-PLD-TRACY9, LLC.

(2) Adopt a Resolution authorizing the Chief Executive Officer to negotiate and execute a First Amendment to the Power Purchase Agreement with ESCA-PLD-TRACY16, LLC.

Background

In February 2024, the Ava Community Energy (“Ava”) Board of Directors (“Board”) approved the execution of five Power Purchase Agreements (“Agreements”) for solar projects located in Ava’s service territory with Prologis, Inc. (the “DAC Portfolio”). These solar projects are part of two California Public Utilities Commission (“CPUC”) funded programs: the Disadvantaged Communities Green Tariff (“DAC-GT”) and Community Solar Green Tariff (“CSGT”). These programs intend to promote development of renewable generation within Disadvantaged Communities (“DAC”) and offer primarily California Alternate Rates for Energy (“CARE”) and Family Electric Rate Assistance (“FERA”) program customers living in a DAC access to 100 percent renewable energy supply and a 20 percent discount on electricity bills.

The DAC Portfolio totals 7.28 MW of renewable energy from commercial rooftop solar projects in Ava’s service territory, including rooftop solar projects in Oakland, San Leandro, Hayward, and two projects in Tracy. This portfolio of long-term contracts is intended to serve approximately 3,700 customers in Ava’s service territory, consistent with the CPUC’s rules for the DAC-GT program¹. Of the five projects, construction has begun on the Oakland, San Leandro, and Hayward projects, with the Oakland project expected to be online this spring.

Within the DAC Portfolio, the two Tracy projects, ESCA-PLD-TRACY16, LLC (“Tracy 2”) and ESCA-PLD-TRACY9, LLC (“Tracy 12”), have experienced interconnection delays during their development, making the development milestones currently unreachable, even with the allowed delay days in the Agreements. These challenges in meeting the online dates for Tracy 2 and Tracy 12 are due to delays in the interconnection process managed by Pacific Gas and Electric (“PG&E”). PG&E is the party responsible for managing the interconnection study process and syncing projects to the distribution system. Since the projects were unable to meet the interconnection deadlines outlined in the Agreements, the Milestone Dates, including the Expected Construction Start, Financial Close Date, Initial Synchronization Date, and Commercial Operation Dates, are no longer achievable. Therefore, contract amendments are needed to ensure that the projects remain viable and can come online later than originally planned.

When these two Tracy projects come online, they will provide valuable benefits to Ava customers, including bill savings for customers eligible for the Disadvantaged Community Green Tariff program. Both projects are expected to begin construction in late spring of 2026. Once completed, the projects will become the fourth and fifth DAC projects to be built and operational within Ava’s service territory. On November 18, 2024, Ava’s advice letter seeking additional eligible DAC-GT program volumes was approved by the CPUC, allowing Ava to increase the number of customers enrolled in the program. Currently, 4,196 Ava customers are enrolled in the DAC program. Staff will release a second request for offers (RFO) to solicit and contract additional DAC-GT program eligible long-ter contracts this spring. In the meantime, DAC-GT clean energy is served by short-term contracts. Below is a table with enrolled customers by city within Ava’s service territory:

City	# DAC-GT Customers
Berkeley	33
Emeryville	81
Hayward	147
Lathrop	71
Newark	59
Oakland	1,925

¹ [CPUC D.18-06-027](#)

San Leandro	323
San Lorenzo	1
Stockton	1,250
Tracy	217
Union City	89
Total	4,196

Attachments

- A. Resolution of the Board of Directors of Ava Community Energy Authority Authorizing the Chief Executive Officer to Negotiate and Execute a First Amendment to the Power Purchase Agreement with ESCA-PLD-TRACY9, LLC
- B. Resolution of the Board of Directors of Ava Community Energy Authority Authorizing the Chief Executive Officer to Negotiate and Execute a First Amendment to the Power Purchase Agreement with ESCA-PLD-TRACY16, LLC

RESOLUTION NO. R-2026-XX

A RESOLUTION OF THE BOARD OF DIRECTORS

OF AVA COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE A FIRST AMENDMENT TO THE POWER PURCHASE AGREEMENT WITH ESCA-PLD-TRACY9, LLC

WHEREAS Ava Community Energy Authority (“Ava”) was formed as a community choice aggregation agency (“CCA”) on December 1, 2016, under the Joint Exercise of Powers Act, California Government Code sections 6500 et seq., among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The Cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of Ava and parties to the Joint Powers Agreement (“JPA”) in March of 2020. The City of Stockton, located in San Joaquin County, was added as a member of Ava in September of 2022. The City of Lathrop, located in San Joaquin County, 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; and

WHEREAS Ava issued the 2022 Disadvantage Communities Green Tariff and Community Solar Request for Offer in December 2022; and

WHEREAS Ava executed a Power Purchase Agreement (“PPA”) with ESCA-PLD-TRACY9, LLC (“Seller”) on February 22, 2024; and

WHEREAS The Power Purchase Agreement is for 3 mega-watts of Solar Energy with an Expected Construction Start Date of January 1, 2026, Financial Close Date of January 1, 2026, Initial Synchronization Date of March 1, 2026, and an Expected Commercial Operation Date of June 1, 2026; and

WHEREAS Ava staff is negotiating a first amendment to the PPA with the Seller to amend the Expected Construction Start Date, Financial Close Date, Initial Synchronization Date, and the Expected Commercial Operation Date.

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

Section 1. The Chief Executive Officer, in consultation with staff and legal counsel, is hereby authorized to negotiate and execute a First Amendment to the Power Purchase Agreement with ESCA-PLD-TRACY9, LLC to amend the Expected Construction Start Date, Financial Close Date, Initial Synchronization Date, and the Expected Commercial Operation Date.

ADOPTED AND APPROVED this 18th day of February, 2026.

Betsy Andersen, Chair

ATTEST:

Adrian Bankhead, Clerk of the Board

RESOLUTION NO. R-2026-XX

A RESOLUTION OF THE BOARD OF DIRECTORS

OF AVA COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE A FIRST AMENDMENT TO THE POWER PURCHASE AGREEMENT WITH ESCA-PLD-TRACY16, LLC

WHEREAS Ava Community Energy Authority (“Ava”) was formed as a community choice aggregation agency (“CCA”) on December 1, 2016, under the Joint Exercise of Powers Act, California Government Code sections 6500 et seq., among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The Cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of Ava and parties to the Joint Powers Agreement (“JPA”) in March of 2020. The City of Stockton, located in San Joaquin County, was added as a member of Ava in September of 2022. The City of Lathrop, located in San Joaquin County, 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; and

WHEREAS Ava issued the 2022 Disadvantage Communities Green Tariff and Community Solar Request For Offer in December 2022; and

WHEREAS Ava executed a Power Purchase Agreement (“PPA”) with ESCA-PLD-TRACY16, LLC (“Seller”) on February 22, 2024; and

WHEREAS the PPA is for 2 mega-watts of Solar Energy with an Expected Construction Start Date of January 1, 2026, Financial Close Date of January 1, 2026, Initial Synchronization Date of March 1, 2026, and an Expected Commercial Operation Date of June 1, 2026; and

WHEREAS Ava staff is negotiating a first amendment to the PPA with the Seller to amend the Expected Construction Start Date, Financial Close Date, Initial Synchronization Date, and the Expected Commercial Operation Date.

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

Section 1. The Chief Executive Officer, in consultation with staff and legal counsel, is hereby authorized to negotiate and execute a First Amendment to the Power Purchase Agreement with ESCA-PLD-TRACY16, LLC to amend the Expected Construction Start Date, Financial Close Date, Initial Synchronization Date, and the Expected Commercial Operation Date.

ADOPTED AND APPROVED this 18th day of February, 2026.

Betsy Andersen, Chair

ATTEST:

Adrian Bankhead, Clerk of the Board