Community Advisory Committee Meeting
March 16, 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
1743 140th Avenue, San Leandro CA 94578

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 two 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 February 17, 2026

C4. CAC Chair Report

C5. 2026 California Legislative Position Recommendations (BOD Action Item)
Staff recommendation to support AB 1761 and SB 1138

C6. 2026 California Legislative Preview (BOD Informational Item)
2026 California legislative preview

C7. Ad Hoc Committee Update (CAC Informational Item)

C8. CAC Member and Staff Announcements including requests to place items on future Community Advisory Committee Meeting Agendas

C9. Adjourn

The next Community Advisory Committee meeting will be held on Monday, April 13, 2026 at 6:00 pm.

Ava Community Energy

1999 Harrison Street, Suite 2300, Oakland, CA 94612

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.

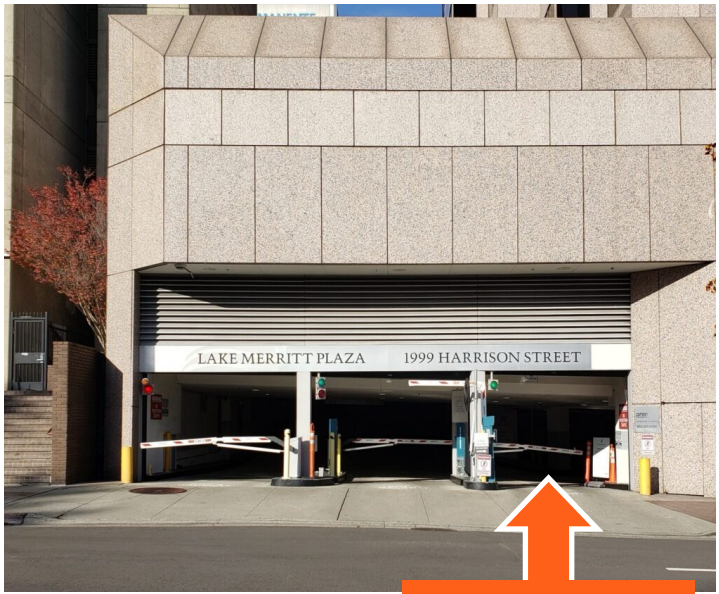
Directions to Parking Garage via Car

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.



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
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Eden Medical Building - 20400 Lake Chabot Rd #303, Castro Valley, CA 94546

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C1. (7:41) Welcome & Roll Call
Present: Members: Landry, Weiner, Stephenson, Swaminathan, Lakshman, Pacheco, Harper, Lutz and Vice-Chair Balkissoon and Chair Souza

Not Present: Members: Hernandez

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 two minutes per speaker and must complete an electronic speaker slip. The Committee Chair may increase or decrease the time allotted to each speaker.

(10:32) Public Comment - Jessica Tovar spoke about the current climate crisis, and in opposition to working with organizations that have a relationship with ICE.

(12:35) Public Comment – Debbie Pearson spoke about expenses related to her energy bill.

C3. (16:33) Approval of Minutes from January 20, 2026

Member Landry noted that the minutes should include reference to Jessica Tovar's opposition, stated during general public comment, to working with organizations that have a relationship with ICE.

Member Lutz motioned to approve the minutes as amended. Vice-Chair Balkissoon seconded the motion, which was approved 10/0/0/0/1 (yes/no/abstain/recuse/not present):
Yes: Members: Landry, Weiner, Stephenson, Swaminathan, Lakshman, Pacheco, Harper, Lutz, Vice-Chair Balkissoon and Chair Souza
No: none
Abstain: none
Recuse: none
Not Present: Members: Hernadez

C4. (12:05) CAC Chair Report

Chair Souza provided a verbal report on the February BOD meeting.

No comments.

C5. (23:10) Overview of large electric load growth trends and implications for Ava Community Energy (BOD Informational Item)

Informational Item providing an overview of large electric load growth trends and implications for Ava Community Energy

Arielle Romero Cox, Director of Strategic Load, introduced the item and answered questions from the committee.

(1:09:52) Public Comment – Rebecca Franke asked if there had been any thought about the incentives that Ava could provide to encourage energy efficiency at data centers.

C6. (1:11:54) SmartHome Battery Program Launch Update (BOD Informational Item)

Informational items presenting program development and status before program launch.

JP Ross, Vice President of Local Development, Electrification, and Innovation, introduced the item and answered questions from the committee.

(2:00:21) Jessica Tovar asked for information about the sites that were not included in the critical municipal facilities program.

C7. (2:01:54) Ad Hoc Committee Update (CAC Informational Item)

There were no updates from the ad hoc committees, but **Chair Souza** stated that the Energy Affordability ad hoc committee will begin to explore the concept of CCA 3.0. CCA 3.0 shifts the focus from a supply side green utility model to a demand side municipal redevelopment model where CCAs would sell energy efficiency and distributed energy resource retrofit packages rather than electricity.

No comments.

C8. (2:05:25) CAC Member and Staff Announcements including requests to place items on future Community Advisory Committee Meeting Agendas

- **Cait Cady, Public Engagement Specialist,** reminded committee members that the deadline for CAC applications and reappointment requests is Friday, February 20 at noon.
- **Chair Souza** requested to agendize a discussion about a policy regarding community safety or a "no harm" policy concerning organizations that Ava works with.
- **Vice-Chair Balkissoon** requested an update on Ava's policy advocacy efforts with the CEC, CPUC, and other regulatory bodies.

C9. (2:10:19) Adjourn

The meeting was adjourned at 8:13 p.m.

The next Community Advisory Committee meeting will be held on Monday, March 16, 2026 at 6:00 pm.

2/17/26 – Ava Community Advisory Committee

AI Generated Courtesy Summary - not official minutes

This summary has not been reviewed for accuracy

Welcome & Roll Call

The meeting of the Community Advisory Committee was called to order at 6:10 PM on February 17, 2026, at the Ava Community Energy Board Room, 1999 Harrison Street, Suite 2300, Oakland, California, with remote locations available. Chair Susan apologized for the slight delay in starting the meeting.

The clerk conducted roll call, confirming the following members were present: Member Landry, Member Stevenson, Member Swaminathan, Member Lachman, Member Cheka, Member Harper, Member Lewis, Vice Chair Foxen, and Chair Susan. A quorum was established.

Public Comment

Jessica Guadalupe Tobar from Local Clean Energy Alliance commented on two issues: the extensive rain currently affecting the community, highlighting the climate challenges they have been advocating against, and serious concerns regarding ICE activities in communities. Ms. Tobar emphasized that these issues directly relate to energy concerns, noting that resource wars are energy issues, and that vulnerable communities often lack access to clean energy while facing significant energy burden and debt.

Debbie Pearson shared concerns about a $450 PG&E bill she recently received despite having installed solar panels in July 2024. She expressed confusion about the Net Energy Metering (NEM) charges over the year and how PG&E's billing works in relation to Ava's billing, which she was told would come in March. Ms. Pearson noted that as a retired senior citizen on limited income, she was upset about receiving such a large bill when she thought solar installation would be saving money.

In response to Ms. Pearson's concerns, Kelly Brozov, Senior Director of Account Services at Ava Community Energy, recommended that the customer contact Ava's call center at 1-833-699-3223, which operates from 9 AM to 5 PM with typically short wait times. Chair Susan reiterated that Ava takes these concerns seriously and encouraged Ms. Pearson to use their excellent call center for assistance.

Approval of Minutes from January 20, 2026

Member Landry requested an amendment to the January 20 minutes, noting that during public comment from Ms. Tobar, she had thanked the committee for opposing contracts with corporations that work with ICE, and a specific corporation name had been mentioned

but was not included in the minutes. Member Landry felt this was important to include as it is a corporation that does business with ICE.

Member Luts commented that they appreciated seeing the summary in the minutes, even though "Ava" was misspelled, as it helped understand the context of that meeting.

> Member Luts moved to approve the minutes as amended by Member Landry, seconded by Member Landry. The motion passed unanimously.

CAC Chair Report

Chair Susan provided an update from the Ava Community Board meeting held on January 20, 2026. Key points included:

- Discussion of the Integrated Resource Planning (IRP), an informational item required by the state of California. The board is using several planning tools that may help with future resource planning beyond meeting requirements.
- Information on rate changes based on PG&E's changes to their rates.
- An action item concerning meeting management to handle long meetings, potentially moving items to subsequent board meetings with approval. This item was voted for.

Overview of large electric load growth trends and implications for Ava Community Energy

Ariel Romero Cox, who recently joined Ava Community Energy two months ago after working with Silicon Valley Power for a decade, presented an overview of large electric load growth trends and their implications.

Ms. Cox explained that California is experiencing significant projected increases in peak electricity demand after two decades of relatively flat load. The California Energy Commission forecasts a 42-61% rise in peak demand by 2045, primarily driven by electric vehicles, data centers, and building electrification.

She clarified the distinction between peak load growth versus total annual consumption, explaining that while electric vehicles contribute most to peak load growth (like rush hour traffic), data centers contribute more to overall annual energy consumption (like trucks constantly using highways).

Ms. Cox discussed why data centers are growing in California despite not being the least-cost state, citing proximity to technology centers, strong grid infrastructure, access to clean energy to meet sustainability commitments, and capital market dynamics. However, California is not the primary hub for data center growth compared to locations like Northern Virginia, Arizona, and Texas.

For Ava's service territory, independent studies project 530-770 megawatts of peak demand from data centers by 2030, representing about 11-16% of the statewide forecast. Ms. Cox explained this could equate to approximately 5-7 data centers, with the current pipeline estimated at about 198 megawatts (potentially 3-4 data centers). She noted that 1 megawatt of data center capacity running at 80% load equals the electricity used by about 1,300 average homes in Oakland for a year.

Ms. Cox outlined potential benefits for Ava and member communities, including economic benefits (jobs and tax revenue), spreading fixed administrative costs over a larger sales base, supporting long-term clean energy procurement at scale, and enabling investments in new clean resources and grid infrastructure.

Committee members raised several concerns and questions:

- Member Luts asked about protecting existing customers from transmission costs potentially being spread to Ava's customers.
- Member Stevenson suggested that like highway taxes where trucks pay more, hyperscalers should pay more for their impact on infrastructure, and noted that companies like Google and Amazon have agreed to defray extra costs in other jurisdictions.
- Member Davis asked about Ava's leverage as an energy utility to influence conditions around data center projects and whether Ava had done any analysis of JPA members on land use policies regarding data centers.
- Member Hernandez expressed concerns about how Ava will balance environmental justice criteria while competing with PG&E.
- Member Landry asked about potential impacts from federal rollbacks on electrification.
- Member Butcheco requested information about the current data center applicants and emphasized the need to discuss potential community disadvantages from these projects.

Ms. Cox acknowledged these concerns and explained that Ava plans to bring more information and potential policy discussions to the board in the future, including considerations for large load tariffs and non-standard rate agreements.

SmartHome Battery Program Launch Update

JP Ross, Vice President of Local Development at Ava Community Energy, presented an update on the upcoming Smart Home Battery Program launch and the Resilience Hub Initiative.

The program has $15 million in upfront and ongoing incentives aimed at adding approximately 21 megawatts of dependable batteries to their virtual power plant (VPP). The initiative targets both residential customers (income-qualified and general market) and community resilience hubs.

Program timeline:

- March 2026: Launch for newly installed solar and battery systems
- April 2026: Open for customers with existing solar and battery systems
- Q2/early Q3 2026: Open for batteries owned by aggregators (third-party owners)

For resilience hubs, recruitment is already underway through a grant with Emerald Cities Collaborative, with technical assistance beginning for sites that have applied.

Mr. Ross explained their approach to installer and customer engagement, emphasizing that solar installers are key partners in delivering program information to customers. Ava has

conducted training for installers and engaged with the California Solar and Storage Association (CALSSA) for outreach.

Key program details:

- The program integrates with Ava's virtual power plant, which already includes their Smart Home Charging program for electric vehicles
- Launch will begin with Tesla and Lunar battery systems, with negotiations underway with 3-4 other vendors
- For resilience hubs, they've had challenges finding commercial battery providers willing to integrate with their systems, so they'll initially launch without requiring VPP enrollment
- Income-qualified customers (CARE/FERA) will receive $500 per kilowatt hour of battery capacity, compared to $90 per kilowatt hour for market-rate customers

Committee members asked questions about:

- Resource adequacy credit for the VPP
- The integration challenges with commercial battery providers
- Marketing and customer engagement approaches
- Confirmation that adding batteries to existing NEM 2.0 solar systems won't affect their grandfathered status
- Program metrics and success measures
- Group discount possibilities

Mr. Ross addressed these questions, explaining that while they're not pursuing formal resource adequacy designation, the assets will help reduce Ava's peak demand. He also clarified that customer engagement will focus on working through installers rather than direct lead generation, and confirmed that adding batteries will not affect NEM 2.0 status.

Chair Susan congratulated Ava on being recognized by the National Laboratory of the Rockies as the #3 top green power provider, with 1,957,441 megawatt hours of clean energy sold.

Ad Hoc Committee Update

There were no substantial updates from the ad hoc committees, but Chair Susan introduced the concept of "CCA 3" (Community Choice Aggregation 3), which would enhance the CCA's reach. The Energy Affordability ad hoc committee will explore this concept and prepare a summary.

Member Hernandez shared information about CCA 3, describing it as shifting from a supply-side green utility model to a demand-side municipal redevelopment model where CCAs would sell energy efficiency and distributed energy resource retrofit packages rather than electricity. This approach treats every home and business as a micro-infrastructure project and could lower barriers to participation through on-bill financing mechanisms.

CAC Member and Staff Announcements

Katie from Ava staff reminded committee members that the deadline for CAC applications and reappointment requests is Friday, February 20 at noon. She agreed to resend the application form.

Chair Susan mentioned a need for a policy regarding community safety or a "no harm" policy concerning organizations that Ava works with. This was suggested for potential inclusion on the March agenda.

Member Hernandez requested a future update on Ava's policy advocacy efforts with the CEC, CPUC, and other regulatory bodies.

Adjourn

The meeting was adjourned at 8:13 PM. The next Community Advisory Committee meeting will be held on Monday, March 16, 2026, at 6:00 PM.

CAC Item C5

Staff Report Item 11

To:	Ava Community Energy Authority
From:	Sam Sadle, Principal Legislative Manager
Subject:	Approval of Legislative positions for AB 1761 and SB 1138
Date:	March 18, 2025

Summary/Recommendation

Ava staff has worked to implement the Board approved Legislative Program since the Legislative Program's adoption in July of 2018. The Legislative Program provides a framework for the Ava legislative team to identify, assess, track, and (with Board approval) take advocacy-related action regarding proposed legislation. Furthermore, the Legislative Program guides staff in identifying which of the more than 1,800 bills per year that are introduced in Sacramento are important to Ava and relevant to our services.

Ava staff recommend adopting a "support" position on two bills that the statewide CCA trade association (CalCCA) is sponsoring. The bills are Assembly Bill 1761 (Rogers) and Senate Bill 1138 (Padilla). As detailed below, AB 1761 increases transparency of rate setting processes by requiring data disclosures from the Public Utilities Commission (PUC) and Investor Owned Utilities (IOUs). SB 1138 facilitates affordability by allowing Ava and others to trade load obligations rather than spending additional money on resource adequacy under certain circumstances.

Financial Impact

- **AB 1761 (Rogers) - Support:** Unlikely to have a direct fiscal impact on Ava.
- **SB 1138 (Padilla) - Support:** The effect of SB 1138 and the ensuing launch of a Resource Adequacy (RA) transactability scheme will provide some level of financial

savings to Ava. Per analysis from CalCCA, if RA was transactable in summer of 2025, LSEs would have saved $182 million through a combination of a reduction in RA prices and avoidance of excess RA procurement. Ava's share of that savings depends on a number of factors including Ava's procurement strategy, RA prices, and broader CAISO marketplace dynamics.

Analysis and Context

- **AB 1761 (Rogers) - Support:** If passed, AB 1761 will require the Public Utilities Commission (PUC) to ensure that all data relied on in any decision or ruling, or in any proposal or analysis provided by an investor-owned utility (IOU), PUC staff, or any other party, for the determination or application of a calculation methodology (e.g., for the Power Charge Indifference Adjustment (PCIA)) be made available to LSEs (including Ava) and ratepayer advocates. The CCA trade association (CalCCA) is sponsoring AB 1761 and Ava staff worked directly with CalCCA to draft the initial proposal and ensure its introduction in the California Assembly. If approved, AB 1761 would support Ava's affordability efforts by ensuring our staff would have access to all data relied upon by the PUC, PG&E, and other IOUs to calculate, e.g., the PCIA. This would allow Ava (and others) to review the data, ensure it is correct, and better plan for future changes to the PCIA and how to address its rate impacts on our customers.

- **SB 1138 (Padilla) - Support:** If adopted, SB 1138 would require the PUC to permit LSEs to demonstrate compliance with Resource Adequacy (RA) requirements by selling to, or otherwise making transactions with, another LSE to meet not more than 25% of our compliance obligation, on a short-term basis, and to permit those transactions to be denominated in the same unit of time used to denominate RA compliance requirements. CalCCA is sponsoring SB 1138 and Ava staff worked directly with CalCCA to draft the initial proposal and ensure its introduction in the California Senate. The proposal to allow for the trading of RA compliance products stems from the ongoing transition of RA compliance obligations from a monthly framework to a slice-of-day (hourly) framework. As of today, adjustments to an LSE's portfolio are limited to transacting product for the whole month even though obligations are now measured on an hourly basis. This mismatch means Ava must purchase more RA than we need to meet compliance obligations, creating artificial market scarcity and unnecessarily driving up RA demand (and prices). SB 1138 will allow Ava to trade RA obligations with other LSEs and will facilitate the efficient procurement of Resource Adequacy, driving down prices across California.

Committee Recommendation

This matter was discussed at the March 6 Marketing, Regulatory, and Legislative Subcommittee meeting.

Attachments

A. Resolution in support of AB 1761 and SB 1138
B. AB 1761 Legislative language
C. AB 1761 Fact sheet
D. SB 1138 Legislative language
E. SB 1138 Fact sheet
F. Presentation - “2026.03.18 Board Item XX 2026 California Legislative Position Recommendations”

RESOLUTION NO. R-2026-__

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE AVA COMMUNITY ENERGY AUTHORITY IN SUPPORT OF AB 1761 (ROGERS) AND SB 1138 (PADILLA)

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 federal and state governments consider numerous legislative proposals throughout the year that can have either a beneficial or negative impact on Ava Community Energy and our customers;

WHEREAS Ava Community Energy's Legislative Program was first adopted in 2019 and has been updated frequently since then;

WHEREAS Ava Community Energy seeks to advance policy positions on a variety of issues including rate affordability, transmission affordability, managing data center growth, utility scale decarbonization, industrial and large load decarbonization, distributed energy resources, transportation electrification, dynamic rates, among others;

WHEREAS the Power Charge Indifference Adjustment has a significant impact on Ava Community Energy's forecasting and customer energy affordability, which AB 1761 will mitigate by ensuring better transparency into Power Charge Indifference Adjustment (PCIA) costs;

WHEREAS the ongoing transition of Resource Adequacy compliance obligation from a monthly framework to a slice-of-day framework presents both challenges and opportunities, and SB 1138 will facilitate the efficient procurement of Resource Adequacy;

WHEREAS Ava Community Energy staff worked closely with CalCCA staff to draft AB 1761 and SB 1138 and identify legislative authors;

WHEREAS the CalCCA Board of Directors is in support of AB 1761 and SB 1138 and the organization serves as the official legislative "sponsor" of the bills;

WHEREAS the state legislative session is already under way and bills are moving through the legislative process;

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

Section 1. The Board of Directors hereby expresses its support for Assembly Bill 1761 (Rogers) and Senate Bill 1138 (Padilla).

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

_____

Betsy Andersen, Chair

ATTEST:

_____

Adrian Bankhead, Clerk of the Board

CALIFORNIA LEGISLATURE—2025–26 REGULAR SESSION

ASSEMBLY BILL No. 1761

Introduced by Assembly Member Rogers

February 9, 2026

An act to add Section 365.4 to the Public Utilities Code, relating to electricity.

LEGISLATIVE COUNSEL'S DIGEST

AB 1761, as introduced, Rogers. Electricity: calculation methodology: data disclosure.

Existing law vests the Public Utilities Commission with regulatory authority over public utilities, including electrical corporations. Existing law authorizes the commission to fix the rates and charges for every public utility and requires that those rates and charges be just and reasonable.

This bill would require the commission to ensure that all data relied on in any decision or ruling, or in any proposal or analysis provided by an electrical corporation, the commission's staff, or any other party, for the determination or application of a calculation methodology for any charge imposed on customers of a load-serving entity to recover the cost of contracts or resources owned by an electrical corporation or any value derived from that calculation is made available to load-serving entities and ratepayer advocates on behalf of customers. The bill would require that data to meet specified requirements, including that it is made through a public disclosure, except for market-sensitive data, as provided.

Under existing law, a violation of the Public Utilities Act or any order, decision, rule, direction, demand, or requirement of the commission is a crime.

Because the above prohibition would be a part of the act, and because a violation of a commission action implementing the above prohibition would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 365.4 is added to the Public Utilities Code, to read:

365.4. (a) The commission shall ensure that all data relied on in any decision or ruling, or in any proposal or analysis provided by an electrical corporation, the commission's staff, or any other party, for the determination or application of a calculation methodology for any charge imposed on customers of a load-serving entity, as defined in Section 380, to recover the cost of contracts or resources owned by an electrical corporation or any value derived from that calculation is made available to load-serving entities and ratepayer advocates on behalf of customers.

(b) Data provided pursuant to subdivision (a) shall meet all of the following requirements:

(1) It shall be made through a public disclosure, except for market-sensitive data, which shall be made through disclosure to a nonmarket participant reviewing representative pursuant to the terms of a reasonable, commission-approved nondisclosure agreement.

(2) It shall be made available to load-serving entities and ratepayer advocates concurrent with any proposal or analyses from the electrical corporation, the commission's staff, or any other party, or any commission adopted outcome. This requirement may be met through adoption of data sharing practices mutually agreed to by parties at the outset of a proceeding.

(3) It shall be made available in native file format.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

O

Assemblymember Chris Rogers, 2nd Assembly District

Assembly Bill 1761 – Improving Energy Bill Transparency

Updated: February 18, 2026

Bill Summary

AB 1761 improves transparency to how the Power Charge Indifference Adjustment (PCIA), a charge on nearly all energy bills, is calculated.

Background

Electricity bills in California are on the rise, in part due to challenging market conditions and outdated and inefficient regulatory policies. Families and businesses are feeling the impact. Lawmakers and regulators need practical, consumer-focused solutions that ensure customers do not pay more than their fair share.

One tool to ensure customers receive energy bills that are fair and accurate is increased transparency in how PCIA charges are calculated. The PCIA is a fee designed to ensure customers who leave utility generation service, like customers of a Community Choice Aggregator (CCA) or Energy Service Provider (ESP), pay their portion of legacy power costs. But since the PCIA was implemented, there has been no consistent standard for what data must be made available in any California Public Utilities Commission (CPUC) process or proceeding where the PCIA, or a related charge, is set.

Problem

CCAs, ESPs, and their customers must pay the PCIA charge but often lack access to the data, assumptions, and methods used to set it. This transparency problem leads to disputes, inefficiencies, and unexpected rate impacts for customers. More specifically:

- Disclosures vary by utility and by CPUC proceeding, resulting in repeated fights between CCAs and Investor-Owned Utilities (IOUs) over data access and increased administrative inefficiencies as the CPUC resolves disputes on a case-by-case basis.
- Utilities sometimes make mistakes. In a 2019 PG&E proceeding, CalCCA identified $73 million in errors (including a $16 million increase for CCA customers). In a recent proceeding, PG&E identified an accounting error that would have cost CCA customers $217 million.
- In an ongoing PCIA Rulemaking, the Commission withheld information on the evidence underlying their proposal and the rate impacts of a proposed change. The CPUC did not respond to a Public Records Act request for the information.

Without adequate transparency, CCAs and ESPs are unable to verify the accuracy of the PCIA charges that their customers must pay and cannot confidently forecast rates – both of which are affordability tools needed to protect customers from unexpected rate increases.

Solution

AB 1761 proposes amending the Public Utilities Code to require the CPUC and IOUs to disclose all data used to calculate PCIA costs, including cost inputs, forecasting assumptions, and methodologies. The bill would also ensure that when parties make proposals in a proceeding to change the PCIA they provide all the underlying data informing that proposal. Sensitive information would remain protected through Commission-approved nondisclosure agreements – a practice already used to protect sensitive information in other compliance areas.

Greater transparency allows CCAs and ESPs to better advocate for their customers and assess proposals to change the PCIA. It also can inform cost forecasts and shield customers from sudden rate swings. It reduces repeated fights over information, improves regulatory efficiency, and encourages utilities to verify calculations since the underlying data would be open to review. Costs to implement the proposal are miniscule, as most of this information already exists, while the benefits for rate, accuracy, stability, and consumer protection are substantial. This proposal strengthens confidence that customers pay their fair share — and not more.

For More Information:

Logan Pitts, Legislative Director
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Support

California Community Choice Association-CalCCA(sponsor)

SENATE BILL No. 1138

Introduced by Senator Padilla

February 18, 2026

An act to amend Section 380 of the Public Utilities Code, relating to electricity.

LEGISLATIVE COUNSEL'S DIGEST

SB 1138, as introduced, Padilla. Load-serving entities: resource adequacy requirements.

Existing law vests the Public Utilities Commission with regulatory authority over public utilities, including electrical corporations. Existing law requires the commission, in consultation with the Independent System Operator, to establish resource adequacy requirements for all load-serving entities, as provided. Existing law defines load-serving entity, for that purpose, as an electrical corporation, electric service provider, or community choice aggregator. Existing law requires each load serving to be subject to the same requirements for resource adequacy, the renewables portfolio standard program, and the integrated resource planning process that apply to electrical corporations, as provided.

This bill would require the commission to permit a load-serving entity to demonstrate compliance with resource adequacy requirements by selling to, or otherwise making transactions with, another load-serving entity to meet not more than 25% of its compliance obligation, on a short-term basis, and to permit those transactions to be denominated in the same unit of time used to denominate resource adequacy compliance requirements.

Under existing law, a violation of the Public Utilities Act or any order, decision, rule, direction, demand, or requirement of the commission is a crime.

Because the above provisions would be a part of the act, and because a violation of a commission action implementing the above prohibition would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 380 of the Public Utilities Code is amended to read:

380. (a) The commission, in consultation with the Independent System Operator, shall establish resource adequacy requirements for all load-serving entities.

(b) In establishing resource adequacy requirements, the commission shall ensure the reliability of electrical service in California while advancing, to the extent possible, the state's goals for clean energy, reducing air pollution, and reducing emissions of greenhouse gases. The resource adequacy program shall achieve all of the following objectives:

(1) Facilitate the development of new generating, nongenerating, and hybrid capacity and the retention of existing generating, nongenerating, and hybrid capacity that is economical and needed for reliability and to achieve the state policy specified in Section 454.53.

(2) Establish new, or maintain existing, demand response products and tariffs that facilitate the economical dispatch and use of demand response that can either meet or reduce an electrical corporation's resource adequacy requirements, as determined by the commission.

(3) Equitably allocate the cost of generating capacity and demand response in a manner that prevents the shifting of costs between customer classes.

(4) Minimize enforcement requirements and costs.

(5) Consideration of mitigation measures, if the commission determines they are needed, to reduce costs to ratepayers.

(6) Maximize the ability of community choice aggregators to determine the generation resources used to serve their customers.

(c) Each load-serving entity shall maintain physical generating capacity and electrical demand response adequate to meet its load requirements, including, but not limited to, peak demand and planning and operating reserves. The generating capacity or electrical demand response shall be deliverable to locations and at times as may be necessary to maintain electrical service system reliability, local area reliability, and flexibility.

(d) Each load-serving entity shall, at a minimum, meet the most recent minimum planning reserve and reliability criteria approved by the board of directors of the Western Systems Coordinating Council or the Western Electricity Coordinating Council.

(e) *(1)* The commission shall implement and enforce the resource adequacy requirements established in accordance with this section in a nondiscriminatory manner. Each load-serving entity shall be subject to the same requirements for resource adequacy, the renewables portfolio standard program, and the integrated resource planning process pursuant to Section 454.52 that apply to electrical corporations pursuant to this section, or are otherwise required by law or by order or decision of the commission. The commission shall exercise its enforcement powers to ensure compliance by all load-serving entities.

(2) Notwithstanding subdivision (c), the commission shall permit a load-serving entity to demonstrate compliance with resource adequacy requirements by selling to, or otherwise making transactions with, another load-serving entity to meet not more than 25 percent of its compliance obligation, on a short-term basis, and shall permit those transactions to be denominated in the same unit of time used to denominate resource adequacy compliance requirements.

(f) (1) The commission shall require sufficient information, including, but not limited to, anticipated load, actual load, and measures undertaken by a load-serving entity to ensure resource adequacy, to be reported to enable the commission to determine compliance with the resource adequacy requirements established by the commission.

(2) The commission shall calculate and publish annually on its internet website, in a new report or as part of another report, the percentage of each load-serving entity's local and system resource

adequacy requirements from the previous calendar year that was met with capacity from eligible renewable energy resources pursuant to the California Renewables Portfolio Standard Program (Article 16 (commencing with Section 399.11)), other zero-carbon resources, including large hydroelectric and nuclear resources, or energy storage resources. In determining the percentage of each load-serving entity's resource adequacy requirements, the commission shall include all directly owned or contracted resources and each load-serving entity's allocation of any centrally procured resources or allocation of resources pursuant to any other mechanism that involves an assignment or allocation of resources purchased or owned by a single buyer, and shall exclude any share of a load-serving entity's resources that were allocated to another load-serving entity.

(g) An electrical corporation's costs of meeting or reducing resource adequacy requirements, including, but not limited to, the costs associated with system reliability, local area reliability, or flexible resource adequacy, that are determined to be reasonable by the commission, or are otherwise recoverable under a procurement plan approved by the commission pursuant to Section 454.5, shall be fully recoverable from those customers on whose behalf the costs are incurred, as determined by the commission, at the time the commitment to incur the cost is made, on a fully nonbypassable basis, as determined by the commission. The commission shall exclude any amounts authorized to be recovered pursuant to Section 366.2 when authorizing the amount of costs to be recovered from customers of a community choice aggregator or from customers that purchase electricity through a direct transaction pursuant to this subdivision.

(h) The commission shall determine and authorize the most efficient and equitable means for achieving all of the following:

(1) Meeting the objectives of this section.

(2) Ensuring that investment is made in new generating capacity.

(3) Ensuring that existing generating capacity that is economical is retained to ensure reliability.

(4) Ensuring that the resource adequacy program can reasonably maintain a standard measure of reliability, such as a one-day-in-10-year loss-of-load expectation or a similarly robust reliability metric adopted by the commission, and use it for planning purposes.

(5) Ensuring that the cost of generating capacity and demand response is allocated equitably.

(6) Ensuring that community choice aggregators can determine the generation resources used to serve their customers.

(7) Ensuring that investments are made in new and existing demand response resources that are cost effective and help to achieve electrical grid reliability and the state's goals for reducing emissions of greenhouse gases.

(8) Minimizing the need for backstop procurement by the Independent System Operator.

(i) In making the determination pursuant to subdivision (h), the commission may consider a centralized resource adequacy mechanism among other options.

(j) The commission shall ensure appropriate valuation of both supply and load modifying demand response resources. The commission, in an existing or new proceeding, shall establish a mechanism to value load modifying demand response resources, including, but not limited to, the ability of demand response resources to help meet distribution needs and transmission system needs and to help reduce a load-serving entity's resource adequacy obligation pursuant to this section. In determining this value, the commission shall consider how these resources further the state's electrical grid reliability and the state's goals for reducing emissions of greenhouse gases. The commission, Energy Commission, and Independent System Operator shall coordinate to jointly ensure that changes in demand caused by load modifying demand response are expeditiously and comprehensively reflected in the Energy Commission's Integrated Energy Policy Report forecast and in planning proceedings and associated analyses, and shall encourage reflection of these changes in demand in the operation of the *electrical* grid.

(k) For purposes of this section, "load-serving entity" means an electrical corporation, electric service provider, or community choice aggregator. "Load-serving entity" does not include any of the following:

(1) A local publicly owned electric utility.

(2) The State Water Resources Development System commonly known as the State Water Project.

(3) Customer generation located on the customer's site or providing ~~electric~~ *electrical* service through arrangements

authorized by Section 218, if the customer generation, or the load it serves, meets one of the following criteria:

(A) It takes standby service from the electrical corporation on a commission-approved rate schedule that provides for adequate backup planning and operating reserves for the standby customer class.

(B) It is not physically interconnected to the electrical transmission or distribution grid, so that, if the customer generation fails, backup electricity is not supplied from the electrical grid.

(C) There is physical assurance that the load served by the customer generation will be curtailed concurrently and commensurately with an outage of the customer generation.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

O

SB 1138 – Lowering the Cost of California's Resource Adequacy (RA) Program

Background
California's Resource Adequacy (RA) program, which ensures there is enough electricity supply to meet customer demand, recently transitioned to a new "Slice-of-Day (SOD)" compliance framework, which requires load-serving entities (LSEs), such as community choice aggregators (CCAs), investor-owned utilities (IOUs) and energy service providers (ESPs), to procure enough RA to meet load obligations in each hour rather than monthly. While this aligns resources more precisely with load, under current rules, LSEs can only buy or sell RA products for the whole month even though obligations are unique to each hour.

Problem
The mismatch between the procurement obligations and transaction rules forces LSEs to purchase more RA than they need to meet their obligations, creating artificial market scarcity and unnecessarily driving up RA demand (and prices). It's akin to having to buy a crate of oranges when you only need a few slices. These unnecessary costs fall directly on California ratepayers, totaling tens of millions of dollars annually.

Solution
At a time of rapidly rising costs in the electricity sector, policymakers should provide LSEs maximum flexibility in how they contribute their fair share to keep the overall system reliable. SB 1138 would lower the costs to consumers of California's RA trading program by allowing LSEs to transact RA load obligations on an hourly basis to align with the new slice-of-day RA program.

Benefits
Enabling hourly load obligation trading:

- ✓ Promotes efficiency: LSEs with excess resources in one hour could trade with LSEs that are short, reducing the need to purchase additional RA.
- ✓ Delivers affordability: In 2025, hourly trading could have lowered RA costs for consumers **by avoiding $105 million in excess RA purchases for summer 2025** and **potentially saving an additional $77 million annually**.
- ✓ Maintains LSE Responsibility: Creates a new procurement product rather than offering relief from meeting existing requirements
- ✓ Requires limited administrative oversight: Trades can be executed bilaterally with existing RA tracking tools, making the system administratively simple while maintaining each LSE's full responsibility to meet obligations.

Today's RA rules make it difficult for CCAs to allocate resources efficiently, resulting in unnecessary costs and administrative hurdles. By allowing hourly transactions, CCAs can better match supply to local demand, reduce over-procurement, and protect customers from inflated electricity costs. The system becomes more transparent, predictable, and fair. **These reforms could save tens of millions of dollars each year while maintaining reliability and supporting California's clean energy goals.**

Staff Contact

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Support

- California Community Choice Association (sponsor)

Ava Community Energy

2026 California Legislative Position Recommendations

Sam Sadle – March 18, 2026

Power Charge Indifference Adjustment (PCIA)

2025: What changed with the PCIA?

Power Charge Indifference Adjustment (PCIA) is Meant to Prevent Unintended Cost Shifts

- The PCIA seeks to ensure departed customers neither impose nor receive unintended benefits bundled customers through evaluating the value of legacy utility resources relative to recent market values.

February 2025: Energy Division Report Asserts PCIA Calculation Methodology Needs Reform

- CPUC staff asserts the way the PCIA's RA market price benchmarks were calculated was flawed—resulting in a undesirably distorted valuation of legacy utility resources—and urgently needed reform.

February 2025 to May 2025: CPUC's Undertakes Accelerated Rulemaking

- After only two months of consideration, in May, CPUC staff proposes (and then in June the Board subsequently elects) to implement new RA market price benchmarks as part of the PCIA calculation that result in meaningful impacts for Ava and other CCA customer costs to the benefit of bundled customers.

KEY TAKEAWAY: Lack of Transparency

- Despite requests from Ava and other CCAs, in the proceeding *and* through Public Records Act requests, the **CPUC has refused to share the information staff used** to conclude that the previous methodology was flawed and that rapid change was needed. **Absent legislative action, we do not expect this to change in the ongoing track 2 and 3 PCIA regulatory processes.**

Power Charge Indifference Adjustment (PCIA)

2026: Potential PCIA legislative action

AB 1761 Electricity: calculation methodology: data disclosures (Rogers):

- Official summary: *This bill would require the commission [CPUC] to ensure that all data relied on in any decision or ruling, or in any proposal or analysis provided by an electrical corporation, the commission's staff, or any other party, for the determination or application of a calculation methodology for any charge imposed on customers of a load-serving entity to recover the cost of contracts or resources owned by an electrical corporation or any value derived from that calculation is made available to load-serving entities and ratepayer advocates on behalf of customers. The bill would require that data to meet specified requirements, including that it is made through a public disclosure, except for market-sensitive data, as provided.*

(Emphasis added)

Support:

CAL CCA

RCRC

LEAGUE OF CALIFORNIA CITIES

CSAC

Oppose:

SOUTHERN CALIFORNIA EDISON
An EDISON INTERNATIONAL Company

SDGE

Staff proposed action:

Ava Community Energy

Support AB 1761 (Rogers)

Resource Adequacy (RA)

2025: Transition to ”Slice-of-Day” and unsuccessful regulatory and legislative strategy

CPUC transitions RA program to “Slice-of-Day”

- Prior to 2025, LSEs were required to procure sufficient RA capacity in order to demonstrate they were able to meet demand for the **single highest demand hour** each month
- Launched in 2025, the CPUC’s Slice of Day (“SOD”) RA program now requires LSEs to show available generating capacity to meet the highest demand for **each hour on the day with the highest demand each month**.

Compliance mismatch

- Under existing rules, LSEs are restricted in how they can transact with other entities to ensure compliance and are limited to transacting RA product for the whole month even though obligations are unique to each hour.
- This mismatch means LSEs must purchase more RA than they need to meet their obligations, creating artificial market scarcity and unnecessarily driving up RA demand (and prices)

CCA initiatives to allow hourly transactability to address mismatch in "Slice-of-Day" program

- Regulatory approach: Since 2022, CalCCA and other parties have sought achieve hourly transactability through regulation. The CPUC refused to consider transactability until February 2026 when it released an assessment concluding that while it would provide cost savings for customers, the CPUC was ill-equipped to implement it.
- 2025 legislative session: CalCCA pursued a strategy to insert RA transactability language into other energy legislative proposals and budget trailer bills. This was unsuccessful.

Resource Adequacy (RA)

2026: Potential RA transactability legislative action

SB 1138 Load-serving entities: resource adequacy requirements (Padilla):

- Official summary: *This bill would require the commission to permit a load-serving entity to demonstrate compliance with resource adequacy requirements by selling to, or otherwise making transactions with, another load-serving entity to meet not more than 25% of its compliance obligation, on a short-term basis, and to permit those transactions to be denominated in the same unit of time used to denominate resource adequacy compliance requirements.*

(Emphasis added)

Support:

CAL CCA

Oppose:

Staff proposed action:

Ava Community Energy

Support SB 1138 (Padilla)

CAC Item C6

Staff Report Item 12

To:	Ava Community Energy Authority
From:	Sam Sadle, Principal Legislative Manager
Subject:	2026 California Legislative Preview
Date:	March 18 2026

Summary/Recommendation

This staff report provides the Board with an overview of the current state of play in the California legislature and previews future staff recommendations to be considered at the April Board meeting.

This is informational. No action is required.

Financial Impact

N/A

Analysis and Context

This presentation provides a summary of the current state of play in the California Legislature as it relates to legislative and budget proposals that may have an impact on Ava Community Energy and our Legislative Program. The presentation also provides frameworks through which to analyze the various proposals working through the legislature and background ahead of Board position proposals in April.

Attachments

A. Presentation entitled “2026.03.18 Board Item 12 2026 California Legislative Preview”

Attachment Staff Report Item 12A

Ava Community Energy

2026 California Legislative Preview

Sam Sadle, Kendall Downie, Dominic Faria – March 18, 2026

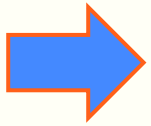
2026 California Legislative Timeline

January 5: Legislature reconvenes 10: Governor submits budget	**February** 20: Bill introduction deadline	**March**	We are here	**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 Bill Review

California legislators proposed **~1,800 bills**

February 20



Ava legislative team is monitoring **~80 bills**

Ongoing

"The purposes [of Ava]… include securing electrical energy supply for customers in participating jurisdictions, addressing climate change by **reducing energy related greenhouse gas emissions**, **promoting electrical rate price stability**, and **fostering local economic benefits** such as jobs creation, community energy programs and local power development. It is the intent of this Agreement to promote the development and use of a wide range of renewable energy sources and energy efficiency programs, including but not limited to State, regional and local solar and wind energy production."

Ava Community Energy's Joint Powers Agreement

2026 Bill Review

Ava legislative team is monitoring **~80 bills**

Ongoing

Cross-functional analysis of **33 bills** (Internal, CalCCA, Board)

Today

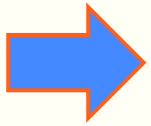
- Making Electricity More Affordable
- Protecting Community Choice
- Accelerating Decarbonization
- Promoting Local Development
- Increasing Bill Transparency and Understanding

Ava Community Energy's Legislative Program

2026 Bill Review

Cross-functional analysis of **33 bills** (Internal, CalCCA, Board)

Today



Staff recommends Board take a position on **TBD bills**

April Board meeting

1. Directly impacts our operations or legislative program.
2. Supports the JPA's vision of an affordable, sustainable, and local energy ecosystem and has broad-based support.
3. Ava's perspective has specific resonance with key decisionmakers and could impact the legislative language or path forward.

Making Electricity More Affordable

Rate affordability via PUC process and consideration changes

AB 2463 – Petrie-Norris
Requires PUC to study IOU return on equity and propose how to link earnings to outcomes

AB 2266 – Schultz
Requires PUC to set a single RA value for all types and duration of generation contracts

AB 1975 – Schultz
Requires PUC to consider maintenance costs when approving infrastructure spending

SB 924 – Hurtado
Requires PUC to consider costs and affordability in home weatherization programs

AB 2611 – Bains
Requires PUC to develop rates that do not impose an "unreasonable hardship" on low-income communities in hot climate zones

Cost considerations

Transmission and distribution affordability via process changes and faster timelines

AB 2493 – Petrie-Norris
Requires IOUs to have an interconnection auditor

AB 2239 – Carillo
Requires PUC to designate "infrastructure-constrained energization areas" to expedite development and interconnection

Interconnection

AB 2111 – Papan
Energy agencies to consider affordability and wider range of future scenarios for transmission planning

AB 2516 – Petrie-Norris
Requires GOBiz to procure critical grid infrastructure in bulk and sell to utilities

Protecting Community Choice

Managing data center growth

AB 1577 – Bauer-Kahan
Requires monthly energy and water use reporting from all data centers

SB 887 – Padilla
Subjects all data centers to CEQA unless they install 100% zero-carbon energy storage (4 hrs) and procure 100% zero-carbon generation (at least 75% net new) within 5 years (among other requirements)

AB 2383 – Zbur
Creates large load tariff (>20 MW) to prevent costs shifts and require facilities to pay for interconnection over 15 years

SB 886 – Padilla
Requires PUC to create large load definition and tariff that prohibits costs shifts, requires 50% onsite zero-carbon storage, participation in demand response (among other requirements)

SB 978 – Perez
Requires PUC to create large load tariff (>75 mw) with upfront T&D upgrade payments and require all backup generation to be onsite solar paired with backup batteries

Create new data center tariffs

Accelerating Decarbonization

Supporting industrial and large load decarbonization

SB 943 – Becker
Directs PUC to develop new TAC and NBC regimes that encourage industrial decarbonization and electrification

SB 1168 – McNerney
Imposes a surcharge on all gas generation used by data centers and use funds to support CARE/FERA

Supporting decarbonized utility-scale generation

AB 1156 – Wicks
Updates Solar-Use Easement law to encourage development of solar on water-constrained farmland

AB 2464 – Wicks
Requires the PUC to study clean firm zero-carbon resources and what is needed to achieve state's 2045 goals

SB 1295 – Stern
Requires PUC to consider procurement of an additional 40 GW of storage and allocate procurement to LSEs

Promoting Local Development

Distributed energy resources

AB 2612 – Schultz
Requires the Building Standards Commission to adopt mandatory standards for portable solar systems

SB 868 – Weiner
Exempts portable solar generation (max output of 1,200 watts) from interconnection requirements

Portable solar

SB 222 – Weiner
Requires local communities to adopt heat pump water heater and HVAC system permitting streamlining

Budget trailer – DSGS
Reallocates remaining DEBA funding to DSGS (~$20 million)

Transportation electrification

AB 1942 – Bauer-Kahan
Requires class 2 and 3 ebikes to be registered with the DMV and plated

SB 1167 – Blakespear
Clarifies the definition of ebikes and bans advertising of non-eligible vehicles as ebikes

Ebikes

SB 1215 – Cortese
Requires IOUs to 3x the number of level 2 and 3 vehicle chargers in multifamily housing and recover costs as O&M

SB 1282 – Becker
Requires the Energy Commission to study and adopt Vehicle-to-Grid (V2G) regulations

Electric vehicles

Increasing Bill Understanding and Transparency

Dynamic rates

AB 710 – Irwin
Requires IOUs to offer dynamic pricing and require IOUs and POUs to plan for smart meter rollout to all customers

AB 1787 – Schultz
Requires IOUs to offer dynamic pricing if smart meter infrastructure is in place

Other

Brown Act updates

SB 1187 – Durazo
Defines ”majority” for purposes of open meetings requirements

PUC reform

AB 13 – Ransom
Requires Governor to consider diversity in PUC appointments and PUC to publish an annual “affordability” report

AB 2181 – Petrie-Norris
Requires Governor to consider geographic diversity in PUC appointments

20(!!!) spot or intent of legislature bills

AB 1677 – Boerner
Intent of legislature to reduce customer bills by 25%

AB 2396 – Harabedian
Spot bill – “Energy”

IOU spending restrictions

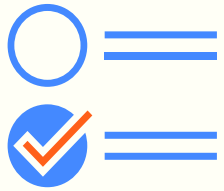
SB 327 – McNerney
Prohibits IOUs from using ratepayer funds for advocacy activities related to municipalization

What comes next? Bill review and positions

March Board meeting

- **One informational item**:
  - Present 2026 legislative preview to the MRL, CAC, and Board for feedback
- **One action item:**
  - Propose *Support* position for AB 1761 (Rogers) and SB 1138 (Padilla)

April Board meeting



- **Two action items:**
  - Propose annual updates to the Ava Legislative Program
  - Propose additional bill positions (*Support, Support If Amended, Oppose Unless Amended, Oppose*) to MRL, ExCo, CAC, and Board

What comes next? Legislative session

First house

- **April 24:** First house policy committee deadline (fiscal)
- **May 1:** First house policy committee deadline (non-fiscal)
- **May 15:** First house Appropriations suspense deadline
- **May 29:** First house passage deadline

Second house

- **July 2:** Second house policy committee deadline
- **August 14:** Second house Appropriations suspense deadline
- **Aug 31:** Second house floor passage deadline
- **September 30:** Veto/signature deadline

Budget

- **May 14:** Governor's budget revise
- **June 15:** Budget deadline
- **May to August:** Budget trailer and cleanup hearings

Full Universe of Ava Monitored Bills

AB 13	Ransom (D)	PUC membership and reporting
AB 34	Patterson (R)	Extends the authority of POUs to count large hydro towards RPS
AB 61	Pacheco (D)	Require PAO to analyze ratepayer impacts of mandated programs
AB 705	Boerner (D)	Creates independent PUC audit office
AB 706	Aguiar-Curry (D)	Fire fuel reduction procurement program
AB 710	Irwin (D)	Dynamic pricing and advanced metering mandate
AB 942	Calderon (D)	Changes climate credit
AB 1016	Gonzalez (R)	State certification exemption for geothermal power plants
AB 1020	Schiavo (D)	Requires IOUs to report taxpayer funding
AB 1117	Schultz (D)	Require IOUs to offer optional dynamic rate
AB 1156	Wicks (D)	Updates farmland solar-use easement statute
AB 1553	Connolly (D)	Spot bill -- CEQA reform
AB 1577	Bauer-Kahan (D)	Data Center Monthly Reporting
AB 1677	Boerner (D)	Require IOUs to cut rates by 25%
AB 1761	Rogers (D)	PCIA data transparency

Full Universe of Bills

AB 1774	Boerner (D)	Spot bill -- IOU rates
AB 1787	Schultz (D)	Require IOUs to offer a dynamic tariff if smart meter infrastructure is in place
AB 1791	Sanchez (R)	Prohibits CARB from adopting regulations that would add more than 2 cents to a gallon of gas or $2,000 to a home
AB 1942	Bauer-Kahan (D)	Restrictions on class 2 and class 3 ebikes
AB 1975	Schultz (D)	PUC to consider of maintenance costs for IOU structure siting decisions
AB 1995	Patel (D)	State Fire Marshal lithium battery working group
AB 2057	DeMaio (R)	Prohibits city and counties from implementing gas bans
AB 2111	Papan (D)	Transmission planning alignment with affordability and FERC Order 1920
AB 2175	Garcia (D)	Removes advanced electricity storage from smart grid deployment objectives
AB 2181	Petrie-Norris (D)	Requires PUC commission diversity
AB 2182	Irwin (D)	Creates IOU run industrial decarbonization program
AB 2234	Papan (D)	CEQA exemptions for geothermal exploratory projects
AB 2239	Carillo (D)	Infrastructure-constrained energization areas and IOU energization timelines
AB 2266	Schultz (D)	RA valuation standardization
AB 2369	Rogers (D)	Spot bill

Full Universe of Bills

AB 2383	Zbur (D)	Require creation of a large load customer class and rate schedule
AB 2396	Harabedian (D)	Spot bill
AB 2408	DeMaio (R)	Require all PPPs be detailed on bill and an annual report to each ratepayer
AB 2459	Wallis (R)	Spot bill -- climate credit
AB 2463	Petrie-Norris (D)	Require PUC to study IOU return on equity
AB 2464	Wicks (D)	Require PUC to study clean firm's role in 2045 goal
AB 2493	Petrie-Norris (D)	Require IOUs to have an interconnection auditor
AB 2508	Hoover (R)	Creates PPP vehicle to spend GGRF funds on EE programs run by RENs
AB 2516	Petrie-Norris (D)	California Grid Manufacturing Initiative
AB 2518	Sharp-Collins (D)	Spot bill -- utilities
AB 2554	Addis (D)	Spot bill -- utilities
AB 2589	Irwin (D)	Requires PUC to analyze OBBBA and adjust rates to reflect impacts
AB 2611	Bains (D)	Require PUC to develop rates that do not impose an "unreasonable hardship" on low-income communities in hot climate zones
AB 2612	Schultz (D)	Building standards for plug-in solar systems
AB 2647	Calderon (D)	Bans new nuclear power plants without fuel reprocessing capacity or adv tech

Full Universe of Bills

AB 2688	Zbur (D)	Spot bill – offshore wind
AB 2699	Zbur (D)	Spot bill -- utilities
AB 2700	Gallagher (R)	Spot bill -- rates and air pollution
AB 2710	Bauer-Kahan (D)	Intent of legislature to make changes in IOU bankruptcy processes
AB 2748	Quirk-Silva (D)	Revert EV regulations to 2022 state building code for BMR housing
AB 2762	Boerner (D)	Spot bill -- rates
SB 222	Weiner (D)	Heat pump water heater and HVAC system permitting streamlining
SB 327	McNerney (D)	Prohibits IOUs from using ratepayer funds for advocacy activities related to municipalization
SB 330	Padilla (D)	Transmission infrastructure financing pilots
SB 332	Wahab (D)	Study breaking up IOUs
SB 453	Stern (D)	Microgrid incentive program
SB 742	Perez (D)	IOUs to remove unused transmission facilities
SB 842	Stern (D)	Report on firm zero-carbon resources
SB 868	Wiener (D)	Plug-in solar interconnection exemption
SB 875	Wiener (D)	PG&E municipalization advancement

Full Universe of Bills

SB 886	Padilla (D)	Large load cost shift prevention
SB 887	Padilla (D)	Large load CEQA application
SB 905	Becker (D)	Spot bill -- Non-bypassable charges
SB 913	Becker (D)	Spot bill
SB 924	Hurtado (D)	PUC to consider affordability when looking at home weatherization
SB 925	McNerney (D)	Spot bill -- Energy efficiency
SB 943	Becker (D)	Industrial billing and NBC/TAC reform
SB 978	Perez (D)	Special tariff for large load customers
SB 1035	Strickland (R)	Suspend gas tax for one year
SB 1097	Weiner (D)	Spot bill -- Energy permitting
SB 1138	Padilla (D)	RA transactability
SB 1158	Stern (D)	Adds status of utility transmission upgrades and electrical grid infrastructure to Reliability Planning Assessment
SB 1167	Blakespear (D)	Clarifies ebike definition and bans advertising of non-eligible bikes
SB 1168	McNerney (D)	Data center gas usage surcharge
SB 1187	Durazo (D)	Brown Act meeting updates
SB 1215	Cortese (D)	Require IOUs to 3x the number of multifamily level 2 and 3 chargers

Full Universe of Bills

SB 1219	Strickland (R)	Requires PUC to consider discontinuation of nonperforming EE programs within 180 days
SB 1233	Allen (D)	Spot bill -- rates
SB 1245	Stern (D)	Intent of legislature to address cost containment of renewable integration into grid
SB 1282	Becker (D)	V2G standards
SB 1295	Stern (D)	Requires PUC to consider procurement of 40GW of storage and allocate procurement to LSEs
SB 1354	Archuleta (D)	Spot bill -- renewable energy
Budget Trailer	Dept of Finance	Reallocates outstanding funding from the Distributed Energy Backup Assets (DEBA) program to the Demand Side Grid Support (DSGS) program

March 6, 2026 Meeting with Local Power about CCA 3.0

Attendees: Handri Handoyo, Paul Fenn, Alex DiGiorgio, Cady Cait Mickey Souza, Davis Harper, Ernie Pacheco, Jim Lutz and Indira Balkissoon

CCA 3.0 focus is on demand side reductions at the point of demand and ownership of these technologies to make them more affordable to all people. To create and energy ecosystem that offers dividend paying DER ownership shares to local residents.

Local Power states that CCA's are highly successful in developing renewable energy (20,000 MW built in CA 2013 to 2025. Since this power is mostly centralized generation it neglects demand side reductions necessary for climate action.

Although CCA's are successful in achieving physical change energy users are left in a passive role and the system has become bureaucratic reproducing many of the practices of Corporate energy.

For CCA's to reach their full potential they need to have customer ownership, demand reduction, reduced market and rate exposure, local jobs, local economic development, electrification of natural gas and vehicle fuels, elimination of sewer and landfill waste GHG emission and reduced dependency on transmission.

The proposed CCA 3.0 model uses the design principles of advanced Distributed Energy Resources (DERs) including interoperability to eliminate the need for grid export. Onsite generation and energy storage and smart appliance and energy efficiency.

Entire proposed CCA 3.0 package includes:

1. All energy - technology package includes interoperable power, heat, vehicle and waste systems
2. Opt-out enrollment - aggregation of electricity and natural gas meters in a basic service
3. Structured finance - Green bonds and prequalified local bank loans
4. Shared ownership - facilitation of co-investment option to all users
5. User owned - voluntary DER ownership option to all users
6. Shared use - facilitation of sharing by neighbors

Local Power is working with the Ithaca NY and Ann Arbor MI.

Below are two articles that were written about Local Power's ongoing work in Ithaca, New York on the "Own Your Power" program. The article on Energy Changemakers is written by one of the leading microgrid writers in the nation - Elisa Wood.

- https://energychangemakers.com/ithaca-der-plan/
- https://ithacavoice.org/2026/02/heres-how-ithaca-plans-to-buy-cleaner-energy-and-cut-its-carbon-footprint/

Questions asked -

1. How to turn the tables on the IOUs?
2. Microgrids - PG&E can restrict microgrids
3. How to anticipate the barriers?
4. IOUs don't control - Nano grid, thermal loops, EV, Appliance automation, load management systems
5. Where is the revenue for microgrid?
6. How to get people to cooperate and invest?
7. What can be done at existing CCA e.g. electron sharing currently illegal?

Next Steps:

1. Ad hoc committee meet to discuss.
2. Create a presentation for the board that maps out the rationale, benefits, costs and opportunities to overcome the current hurdles to community/local governance of electrons.

What's Happening to Electricity Affordability? in Five Charts

JESSE BUCHSBAUM AND JENYA KAHN-LANG

These five charts unpack the trends and cost drivers shaping today's electricity prices—and what these trends mean for households and related policies.

Electricity affordability has become a top concern for US energy policy. In the past few years, affordability has been invoked to justify policies that range from expanding rate-assistance programs and clean energy subsidies to rolling back environmental regulations and electric vehicle (EV) mandates. From the president's numerous executive orders that emphasize energy costs to the proposed Energy Affordability, Independence, and Innovation Act in Massachusetts, leaders across the political spectrum warn of a growing affordability crisis for US households. Publicly available data suggest that some of these fears may be well founded.

In 2024, the National Energy Assistance Directors Association found that nearly 25 percent of US households and one-third of **homes with children would be unable to afford their energy bills over the summer**. High bills have led to unsafe behaviors, such as underheating or undercooling homes; **dangerous coping strategies to escape the cold** (e.g., sitting in cars with the heat running, burning trash for heat, sleeping near a burning fire); or forgoing basic household necessities, such as food and medicine. According to the 2024 Census Household Pulse Survey, 34% of households reported **cutting back on basic household necessities, such as medicine or food, to pay for an energy bill**. High prices also slow the electrification of buildings and vehicles, a key strategy for combating climate change. We set out to investigate the drivers of this household strain, including electricity grid and fuel costs, as well as broader economic conditions.

The current affordability challenge is set against the backdrop of a clean energy transition and an explosion of new demand sources, including energy-intensive artificial intelligence (AI), in the United States. New energy technologies are challenging the traditional paradigms for attracting and compensating electricity resources, while new, large electricity customers are driving an urgent need for the rapid expansion of grid infrastructure and energy generation.

As the electricity industry considers the future of the power sector, experts are asking, How can policymakers continue to drive the energy transition and be an AI leader while ensuring affordable power for all?

In this article, we explore recent trends in average residential electricity prices and some underlying causes of the changes that we see. We use data sets (many accessed through the Public Utility Data Liberation Project) from the US Energy Information Administration, the Bureau of Labor Statistics, and the Federal Energy Regulatory Commission. These data document how US electricity prices have changed from 2001 to 2024, how resulting costs have changed, and the various components of costs. Collectively, analyzing these data help us explore some of the underlying causes of changes in electricity prices. Note that certain data series have data available only through 2023. In all charts, we show all available data.

Policy discussions on electricity affordability are complicated by the fact that the concept of affordability can describe a wide variety of ideas, including limiting utility costs, limiting retail electricity prices, measuring electricity bills against household income, and implementing programs that help low-income households pay their bills and maintain access to electricity. Ultimately, we hope to provide insights into how policy and practice can limit residential electricity costs and provide actionable starting points for regulators and policymakers who are looking to make electricity more affordable.

Are Electricity Prices Rising?

Nationally, average real electricity prices have risen in the past four years, after nearly two decades of flat or decreasing real prices. However, this increase is driven by certain regions of the country; many other regions have experienced stable electricity prices.

The United States has seen historic increases in nominal average electricity prices since 2021, and these prices have risen even faster than inflation during the same period (Chart 1). As of 2024, nominal electricity prices had risen 27% since 2019 and 21% since 2021, while inflation-adjusted prices (normalized by the Core Consumer Price Index as measured by the Bureau of Labor Statistics) had risen by 4.5% and 4.9%, respectively.

However, this recent increase comes on the heels of 15 years of electricity prices that grew more slowly than inflation, on average. In fact, current inflation-adjusted average US electricity prices are similar to or lower than the prices that prevailed during most of the 2010s.

Although current inflation-adjusted average US electricity prices are similar to or lower than prices during most of the 2010s, some households may be struggling with the rapid change over the past few years. When electricity prices, inflation, and median wages all rise rapidly, as they have since 2021, the price increases may be felt most by households that have not experienced wage increases, including households in which members live on fixed incomes, work in sectors that experience slower wage growth, or are unemployed. Now, many of these households may be unable to afford their electricity bills.

Average national prices also mask geographic disparities in recent price increases across the country. Electricity prices have not risen everywhere; only a few regions have experienced real price increases of over 10%. Chart 2 displays the change in average inflation-adjusted electricity price by state between 2021 and 2024. The largest price growth occurred in Maine and California, which both experienced increases of over 20% in real prices. Other regions with especially large price increases include the Northeast and Mid-Atlantic. In

contrast, many states in the Central, Southeast, and Mountain regions experienced flat or decreasing prices during this time frame.

What Is Driving the Recent Increases in Electricity Prices?

Recent electricity price increases coincide with a temporary spike in natural gas prices, but we also observe longer-term, steady increases in the cost of transmission and distribution.

Average electricity prices are effectively calculated as the total costs collected by utilities through electricity bills—including infrastructure costs, fuel costs, and profits—divided by electricity consumption. Average prices rise when overall costs increase or when electricity consumption declines. Electricity consumption has remained relatively flat or grown modestly over the past two decades, with average annual growth of less than 1% since 2001, so this discussion focuses on analyzing trends in the underlying costs.

Costs to the electricity system can be broken down into several broad categories. Power production costs accrue through generating the electrons that consumers use; transmission costs are incurred when transporting electricity across long distances, such as large power lines along the highway; and distribution costs arise when delivering electricity throughout a community. Utility companies also incur other costs, such as employee salaries and administrative expenses.

Chart 3 shows these costs over time, adjusted by inflation, in the 14 states with the highest price increases and Washington, DC, from 2021 to 2024 as shown in Chart 2. Chart 3 largely reflects trends in utility costs throughout the New England, Mid-Atlantic, and Pacific regions. In areas with retail competition, we include revenues from non-utility suppliers in power production.

The uptick in costs around 2021 primarily comes from power production, seemingly from the costs of natural gas generation in particular. From 2020 to

2022, a stark increase in the costs of power production aligned with a period of high global natural gas prices during the first years of the Russia-Ukraine war. However, the longer-term trend is a reduction in the costs of power production, as real natural gas prices generally have been decreasing since the boom in hydraulic fracturing methods to extract natural gas around 2010 and as new renewable generation has reduced fuel expenses. Although we do not have complete 2024 data, natural gas prices returned to roughly pre-conflict levels by 2024, and the data available indicate that power production costs decreased commensurately, suggesting that natural gas prices are a temporary driver of high electricity prices.

A short-term natural gas price shock may affect states differently for several reasons. Retail prices in restructured areas (where utilities and other suppliers purchase a large share of their electricity from a uniformly priced spot market) may be more sensitive to a natural gas price shock than in areas with traditionally regulated utilities that own most of their generation. Additionally, suppliers in some areas hedge more of their power production costs by signing long-term contracts with generators or companies that specialize in hedging power prices. Some areas also have a more diverse resource mix that includes a larger share of non–fossil fuel generation, which can reduce exposure to volatile prices for fossil fuels.

Chart 3 shows that the costs of transmission and distribution have been increasing steadily over time. This trend is especially stark in regions of the country where electricity price increases have been highest, including the Northeast, the Mid-Atlantic, and California. In California, for instance, inflation-adjusted distribution costs have increased by 18% since 2021. Chart 4 shows that these regions experienced larger increases in transmission and distribution costs as a share of total costs, relative to other regions.

These cost increases reflect the higher costs of building new infrastructure for transmission and distribution or maintaining existing infrastructure. The

increases are not related to increases in the distance that electricity is transported nor the number of distribution circuits.

Chart 5 displays the inflation-adjusted costs for transmission and distribution by region since 2013, normalized by the miles of transmission lines (top) and the number of distribution circuits (bottom), highlighting regions with the largest recent price increases.

Nationally, inflation-adjusted transmission costs per mile have increased 98.8% since 2013, with especially large increases in the Northeast and Mid-Atlantic. Inflation-adjusted distribution costs per circuit increased 42.5% over the same period, with especially large increases in California. These cost increases come as net growth in transmission miles and distribution circuits has remained roughly unchanged.

Multiple factors could explain these increases in per-unit costs for transmission and distribution. Nationwide, much of the current transmission and distribution infrastructure was built in the 1960s and 1970s and is nearing its end of life. Growing penetration of intermittent renewable resources and generators on customer premises also **accelerate the need for upgrades** to this aging, twentieth-century infrastructure.

Furthermore, some regions have faced increasing climate risk that has resulted in higher grid costs; for instance, California has invested an enormous amount in upgrading its distribution system to mitigate wildfire risk.

In addition, the cost of siting, permitting, and constructing infrastructure for transmission and distribution may be increasing due to community opposition and local building restrictions.

As a last example, research also suggests that utilities that divested their generation assets as part of electricity restructuring may **invest more in**

transmission and distribution assets to maintain comparable shareholder returns, which is consistent with the trends in Chart 4.

Distinguishing among these and other potential drivers may be a fruitful area for future research.

What's Next?

Going forward, electricity prices may continue to rise, especially in the Northeast, Mid-Atlantic, and Pacific regions of the United States, for several reasons.

In the near term, recent capacity auctions cleared at high prices in New England and Pennsylvania–New Jersey–Maryland. However, these costs only just started to be included in rates beginning in 2025 and are not reflected in this analysis. Pending extreme rate increases in Florida (Florida Power & Light) and New York (Consolidated Edison) also are not reflected in this analysis.

Nationwide, electricity demand is expected to increase in the coming years as new sources of load, including data centers and electrified transportation and heating, come online. Rapid growth in grid resources will be needed to meet these new sources of demand and maintain reliability; without careful procurement practices, market reform, cost allocation, and rate setting, residential electricity prices could increase in response. In addition, rising distribution costs in California may be a harbinger of future grid costs across the country due to increasing climate change–induced natural disasters and wildfires.

Policymakers may be able to mitigate future electricity price increases and price volatility, protecting the most vulnerable households from high bills. For example, to mitigate grid costs, policymakers can reduce obstacles to building new energy infrastructure, reform markets and procurement practices to attract

an efficient portfolio of resources, and support demand-side alternatives like subsidies for rooftop solar and energy efficiency. Beneficial reforms to limit price volatility may include reducing reliance on fossil fuels.

Furthermore, policymakers may be able to soften the impact of rising electricity prices on the most vulnerable households by carefully allocating who pays for new costs on the grid and equitably designing rates and policies. In the short run, direct assistance programs can help customers afford their electricity bills, stay connected to the grid, avoid unsafe heating and cooling practices, and pay for other essential goods and services.

Beyond its implications for pocketbooks and electric bills, electricity affordability is critical for mitigating climate change. The future of power involves electrifying the heating of buildings and operation of vehicles, but realizing this future requires electricity prices to be low enough that millions of households can choose to purchase electric technologies over the existing fossil fuel alternatives. Keeping electricity affordable not only helps households in the present but also improves the climate for future generations.

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