



**Board of Directors Meeting
Wednesday, May 20, 2026**

6:00 pm

In Person:

Board Room

Ava Community Energy
1999 Harrison St, Ste 2300
Oakland, CA 94612

Or from the following locations:

- Clipper Club – 5 Captain Dr. Emeryville, CA 94608
- 4917 Knowlson Terrace, Fremont, CA 94555
- City of Pleasanton – 200 Old Bernal, Pleasanton, CA 94566
- Stockton City Hall – 425 N El Dorado St., Stockton, CA 95202
- 1755 Harvest Landing Ln., Tracy, CA 95376

Via Zoom:

<https://avaenergy-org.zoom.us/j/87023071843>

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 888 475 4499 (Toll Free) or 877 853 5257 (Toll Free)
Webinar ID: 870 2307 1843

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 Board of Directors, please email it to the clerk by 5:00 pm the day prior to the meeting.

1. Welcome & Roll Call

2. Pledge of Allegiance

3. Public Comment

This item is reserved for persons wishing to address the Board on any Ava-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 Board are customarily limited to two minutes per speaker and must complete an electronic speaker slip. The Board Chair may increase or decrease the time allotted to each speaker.

CONSENT AGENDA

4. Approval of Minutes from April 15, 2026

5. Contracts Entered Into (Informational Item)

REGULAR AGENDA

Pursuant to Board direction, any agenda item not started by 9:00 p.m. will be continued to a future meeting unless the Board, by majority vote, elects to hear the item that evening. The Board may also determine an alternate disposition of the item at its discretion.

6. CEO Report

7. CAC Report

8. Integrated Resource Planning (IRP) Process Overview (Informational Item)

Review the compliance IRP process and timing of submission, and a preview of initial analysis

9. Fiscal Year 2026-2027 Draft Budget Review (Informational Item)

Review the estimated draft budget for the next fiscal year

10. City of San Leandro's request for default service plan change (Informational Item)

Update the Board about the City of San Leandro's request to change their default service plan to Bright Choice

11. Board Member and Staff Announcements including requests to place items on future Board of Directors Meeting Agendas

12. Adjourn

The next Ava Board of Directors meeting will be held on Wednesday, June 17, 2026 at 6pm.

Board Meeting Access Instructions

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

Directions

Directions via BART

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

Directions via Bike

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

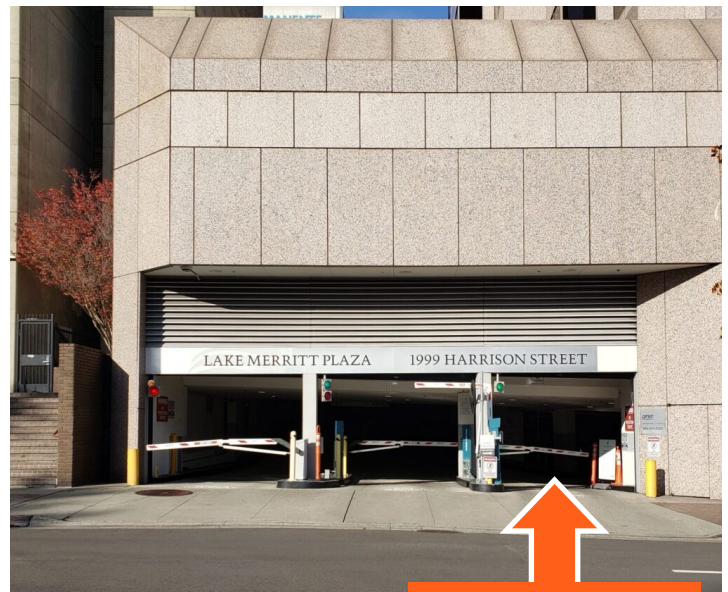
Directions to Parking Garage via Car

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

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

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

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



Public Parkers entrance

Check-in at Security Desk

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



Draft Minutes (corrected)
Board of Directors Meeting
Wednesday, April 15, 2026
6:00 pm

In Person:

Board Room
Ava Community Energy
1999 Harrison St, Ste 2300
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Or from the following locations:

- Clipper Club - 5 Captain Dr. Emeryville, CA 94608
- 4917 Knowlson Terrace, Fremont, CA 94555
- 35653 Scarborough Dr Newark, CA 94560
- 1100 Webster St, 2nd Floor Conference Room, Oakland, CA 94607
- Larch Clover Community Center – 11157 West Larch Road, Tracy, CA 95376
- Stockton City Hall – 425 N El Dorado St., Stockton, CA 95202

Via Zoom:

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1. (1:21) Welcome & Roll Call

Present: Members: Marquez (Alameda County), Jordan (Albany), Tregub (Berkeley), Morada (Dublin), Kaur (Emeryville), Keng (Fremont), Roche (Hayward), Barrientos (Livermore), Del Catancio (Newark), Brown (Oakland), Nibert (Pleasanton), Fugazi (Stockton), Nygard (Tracy), Sakakihara (Union City), CAC Chair Souza (Community Advisory Committee) and Chair Andersen (Piedmont)

Not Present: Members: Diallo (Lathrop) and Rickman (San Joaquin County)

Alternate Member Jordan served as representative for the City of Albany (Lopez).
Alternate Member Nibert served as the representative for the City of Pleasanton (Balch).

2. (2:48) Pledge of Allegiance

3. Public Comment

This item is reserved for persons wishing to address the Board on any Ava-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 Board are customarily limited to two minutes per speaker and must complete an electronic speaker slip. The Board Chair may increase or decrease the time allotted to each speaker.

(4:09) Public Comment – Jessica Tovar provided historical context on the development of community choice energy in the East Bay. Tovar also spoke about community work to advance local clean energy investments—particularly for underserved communities.

(7:28) CONSENT AGENDA

4. Approval of Minutes from March 18, 2026

5. Contracts Entered Into (Informational Item)

6. CAC Appointments

R-2026-7

Report overview of CAC application process and resolution approving all nominations

7. FY 2025-2026 Q2 Treasurer’s Report

Update on Ava’s for FY 2026 Q3 cash position

8. 2026 Legislative Program Administrative Update (Action Item)

R-2026-8

Administrative updates on legislative program for 2026

Member Fugazi requested a correction to the March 18, 2026 Board of Directors minutes to reflect that Alternate Member Blower represented Stockton, not Tracy.

A. Member Tregub motioned to pull Consent Agenda Item 6 – CAC Appointments. Member Marquez seconded the motion, which was approved 12/4/0/0/2

Yes: Members: Marquez, Jordan, Tregub, Kaur, Keng, Roche, Barrientos, Del Catancio, Brown, Nibert, Nygard and Sakakihara

No: Members: Morada, Fugazi, Vice-Chair Gonzalez and Chair Andersen

Abstain: none

Recuse: none

Not Present: Members: Diallo and Rickman

- B. Member Roche motioned to approve Consent Items 4, 5, 7 and 8, including the correction to the minutes. Member Tregub seconded the motion which was approved 16/0/0/0/2 (yes/no/abstain/recuse/not present):**

Yes: Members: Marquez, Jordan, Tregub, Morada, Kaur, Keng, Roche, Barrientos, Del Catancio, Brown, Nibert, Fugazi, Nygard, Sakakihara, Vice-Chair Gonzalez and Chair Andersen

No: none

Abstain: none

Recuse: none

Not Present: Member: Diallo and Rickman

- C. Consent Item 6 – CAC Appointments**

Howard Chang, CEO, presented on the CAC Appointments item and answered questions from the Board.

Public Comment:

(36:53) Jim Lutz

(39:21) Cynthia Landry

(41:33) Jessica Tovar

(43:51) Margie Lewis

(45:57) Ed Hernandez

(48:17) Colin Logan

(51:01) Alexa Zargoza

Multiple speakers expressed concern regarding the proposed CAC appointments, particularly the potential loss of institutional knowledge and continuity. Speakers, including former and current CAC participants, also raised concerns about the process and encouraged the Board to consider alternatives such as staggered terms, retention of experienced members, and more inclusive approaches to CAC membership.

Member Fugazi motioned to approve the staff's recommendation for Consent Item 6. Member Barrientos seconded the motion, which was approved 15/1/0/0/2 (yes/no/abstain/recuse/not present):

Yes: Members: Jordan, Tregub, Morada, Kaur, Keng, Roche, Barrientos, Del Catancio, Brown, Nibert, Fugazi, Nygard, Sakakihara, Vice Chair Gonzalez and Chair Andersen

No: Member Marquez

Abstain: none

Recuse: none

Not Present: Members: Diallo and Rickman

REGULAR AGENDA

9. (1:17:51) CEO Report

Howard Chang, CEO, presented the CEO Report and answered questions from the Board. A written version of the report is available in the April 15, 2026 agenda packet.

There were no public comments on this item.

10. (1:20:45) CAC Report

CAC Chair Souza presented the CAC Report and answered questions from the Board. A written version of the report is available in the April 15, 2026 agenda packet.

11. (1:22:49) Procurement Policy Update (Action Item)

R-2026-9

Proposed additions to Ava's procurement policy and contract template to more closely align with Member practices (Berkeley & Oakland)

John Perkins, Legislative Director, presented the CEO Report and answered questions from the Board.

Public Comment:

(1:34:08) Jessica Tovar

(1:36:15) Jenna Rafia Yuan

(1:38:31) Margie Lewis

(1:40:00) Colin Logan

Multiple speakers expressed support for the policy and urged the Board to make it permanent, citing concerns about impacts of ICE-related activities on immigrant communities and alignment with agency values.

Member Tregub motioned to approve the staff recommendation. Member Jordan seconded the motion.

Member Tregub accepted friendly amendments to:

- 1. Remove the last sentence in the Prohibition on Contracting section stating, "This Prohibition on Contracting expires on December 31, 2028"; and**

2. **Direct staff to return the policy to the Board for discussion and/or consideration between March and June 2029.**

Member Jordan accepted the friendly amendments.

Vice-Chair Gonzalez then offered a substitute motion to approve the staff recommendation, as amended to:

1. **In the Prohibition on Contracting section of the policy, replace the first sentence with the following: “Ava shall seek to not enter into a new contract or amend or extend an existing contract with any Provider of Data Brokerage or Extreme Vetting services to ICE for the purpose of immigration enforcement”;**
2. **In the Prohibition on Contracting section of the policy, remove the last sentence stating, “This Prohibition on Contracting expires on December 31, 2028”;** and
3. **Direct staff to return the policy to the Board for discussion and/or consideration between March and June 2029.**

Member Jordan seconded the substitute motion, which was approved 16/0/0/2 (yes/no/abstain/recuse/not present).

Yes: Members: Marquez, Jordan, Tregub, Morada, Kaur, Keng, Roche, Barrientos, Del Catancio, Brown, Nibert, Fugazi, Nygard, Sakakihara, Vice-Chair Gonzalez and Chair Andersen.

No: none

Abstain: none

Recuse: none

Not Present: Members: Diallo and Rickman

12. (2:19:38) 2026 Legislative Positions (Action Item)

R-2026-10

Consideration of 2026 proposed legislative positions

Sam Sadle, Principle Legislative Manager, presented the 2026 Legislative Positions and answered questions from the Board.

There was no public comment for this item.

Vice-Chair Gonzalez motioned to approve the staff’s recommendation. Member Roche seconded the motion which was approved 15/0/0/3 (yes/no/abstain/recuse/not present):

Yes: Members: Marquez, Jordan, Tregub, Morada, Kaur, Keng, Roche, Barrientos, Del Catancio, Brown, Nibert, Fugazi, Nygard, Sakakihara, Vice-Chair Gonzalez and Chair Andersen.

No: none

Abstain: none

Recuse: none

Not Present: Members: Diallo, Rickman and Fugazi

Items 13–14 Not Reached

- Pursuant to the Board’s Agenda Schedule Protocol adopted on January 21, 2026, agenda items not reached by 9:00 p.m. are continued unless the Board elects to hear them by majority vote.
- As the meeting reached 9:00 p.m. prior to consideration of Items 13 and 14, and no motion was made to hear the items that evening, both items were continued to a future meeting.

13. Health-e Communities Pilot Update (Informational Item)

Not heard

14. Ava Impact Report (Informational Item)

Not heard

15. (3:06:53) Board Member and Staff Announcements including requests to place items on future Board of Directors Meeting Agendas

- **Member Marquez** requested to consider the addition of a third At Large CAC seat and to stagger CAC appointments.
- **Chair Andersen** announced the opening of the City of Piedmont’s public pool, the second all-electric municipal pool in Northern California.

16. (3:08:11) Adjourn

The meeting was adjourned at 9:09 p.m.

The next Ava Board of Directors meeting will be held on Wednesday, May 20, 2026 at 6pm.



Consent Item 5

To:	Ava Community Energy Authority
From:	Howard Chang, Chief Executive Officer
Subject:	Contracts Entered Into
Date:	May 20, 2026

RECOMMENDATION

Accept the CEO's report on contracts that Ava Community Energy has entered into, as required by the Administrative Procurement Policy, from April 10, 2026 through May 14, 2026.

Counterparty Name	Record Name	Record Type	Contract Purpose	Contract Value	Not To Exceed	Expiration Date	City	State	Ironclad Id
Abbott, Stringham & Lynch	March 2026 Purchase Rider	Purchase Rider	Provide 2025 data audit services to Ava	\$13,000.00	\$13,000.00	2026-10-31	Campbell	CA	IC-2688
Bike East Bay	April 2026 Purchase Rider	Purchase Rider	Sponsorship of Bike East Bay for 2026	\$12,875.00		2027-04-24	Oakland	CA	IC-2741
COASTAL CLOUD, LLC	May 2026 Amendment to the Consulting Services Agreement	Consulting Services Agreement	Contract Purpose: Provide consulting services and subject matter experts for various Salesforce functionality.; Amendment Purpose: Extending the agreement by 40 hours to accommodate a change order driven by Ava needs	\$9,000.00	\$222,350.00	2026-12-31	Palm Coast	FL	IC-2789
DataEndure	Quote #DATQ25473	Vendor Purchase Template	Professional services only and is related to the new software licensing we just purchased for Okta	\$10,000.00		2027-04-20	Santa Clara	CA	IC-2735

Counterparty Name	Record Name	Record Type	Contract Purpose	Contract Value	Not To Exceed	Expiration Date	City	State	Ironclad Id
GB Endeavors LLC	May 2026 Amendment to the Consulting Services Agreement	Consulting Services Agreement	Contract Purpose: Provide CEO executive coaching services; Amendment Purpose: Extend executive coaching agreement by one year.	\$10,000.00	\$35,000.00	2027-06-30	Oceanside	CA	IC-2838
Jonathan Tedesco	March 2026 Consulting Services Agreement	Consulting Services Agreement	CEO evaluation	\$12,000.00	\$12,000.00	2027-04-21	San Diego	CA	IC-2702
Moss Adams	Order Form	Vendor Purchase Template	LOOM software purchase (for creating recorded demos)	\$960.00		2027-04-17	Seattle	WA	IC-2765
Oakland Venue Management Inc.	April 2026 Amendment to the Consulting Services Agreement	Consulting Services Agreement	Contract Purpose: Provide audio support for Board meetings.; Amendment Purpose: Renew contract	\$68,000.00	\$207,794.00	2027-06-30	Oakland	CA	IC-2771

Counterparty Name	Record Name	Record Type	Contract Purpose	Contract Value	Not To Exceed	Expiration Date	City	State	Ironclad Id
Twenty to Nine LLC d/b/a Delve	Terms of Service	Vendor Purchase Template	Short-term market research project (March - July 2026) using Delve.	\$200.00		2027-02-27	New York	NY	IC-2732



CEO Report Item 6

TO: Ava Community Energy Board of Directors
FROM: Howard Chang, Chief Executive Officer
SUBJECT: CEO Report (Informational Item)
DATE: May 20, 2026

Recommendation

Accept Chief Executive Officer (CEO) report on update items below.

Executive Committee Meeting

An Executive Committee Meeting was held on Wednesday, May 6, 2026. Quorum was lost during the proceedings and the meeting was adjourned. The next regular Executive Committee will be held on June 3, 2026, at 3pm.

CalCCA Annual Conference

CalCCA held its annual conference May 12-14, 2026 in Sacramento, CA. This year marked the 10-year anniversary of CalCCA, which now represents 25 CCAs throughout California, collectively serving over 15,000,000 people. Ava sent a contingent of staff and board members to collaborate, learn, and share best practices. In addition to CCA staff, industry partners, state legislators, along with members of the CPUC, CEC, and CAISO, convened to celebrate this milestone and collaborate.

San Joaquin County Launch

On May 1, Ava began enrolling customers in unincorporated San Joaquin County. Customers will see this change reflected on the PG&E bill they receive beginning in June 2026. Ava is currently distributing the third of four required enrollment notices; customers will receive either an oversized postcard or an email, depending on the contact information available.

As of May 11, 2026, unincorporated San Joaquin County customers have a participation rate of 92%, meaning that 3,900 customers have opted to stay with PG&E for generation service.

The first solar customer enrollments will begin in June for customers with a PG&E true-up month in May or June. Like non-solar customers, solar customers receive four required enrollment notices: two prior to their enrollment month, one during the enrollment month, and one following enrollment.

Ava enrolls solar customers on a rolling schedule designed to reduce potential bill impacts associated with an early solar true-up. Enrollment timing takes into account seasonal energy usage patterns and each customer’s specific PG&E true-up month. Solar customer enrollments will continue throughout 2026, with the final group scheduled to enroll in April 2027.

Marketing & Outreach

Ava continues outreach in San Joaquin County through participation in local events (see “Ava in the Community” below) including Municipal Advisory Committee meetings and tailored webinars in Spanish and English for agriculture and residential customers.

In May, Ava is running advertisements online featuring updated creative that reflects the official launch of service. Ads are appearing on Google, Meta, YouTube, and AudioGo platforms, as well as in print publications (Latino Times, San Joaquin Magazine, Tracy Press). Sample advertisements shown here:





Ava in DC

Community Choice Energy Alliance, the national trade association for CCAs (formerly known as LEAN Energy US), held its annual advocacy trip from April 20-24 in Washington, DC. Sam Sadle and Dominic Faria on Ava's Public Policy team were there representing Ava alongside a diverse group of CCA leaders from across the country. In total, 22 participants representing 14 CCAs—from California, Massachusetts, New Hampshire, New York, and Ohio—engaged in 28 total meetings with Congressional offices and Federal agencies and led networking events that strengthened connections among CCA advocates, national organizations, and Congressional staff. This included meetings with members of Ava's Congressional delegation and their staff (Reps. Lateefah Simon, Josh Harder, Ro Khanna, Adam Gray, and Mark DeSaulnier, and Sens. Alex Padilla and Adam Schiff), along with other members of the California Congressional delegation.

During these meetings and events, Ava and fellow CCA leaders educated policymakers on the CCA business model and how CCAs provide affordable, clean, and reliable power to millions of Americans all over the country. These included discussions on both challenges and opportunities, including the loss of federal clean energy tax credits, the importance of maintaining tax-exempt bond financing as a key tool for affordability, strengthening federal programs that support energy efficiency and reliability, and removing unnecessary burdens on clean energy development. Policymakers were particularly interested in solutions related to affordability, permitting reform, and emerging large load issues. Overall, this was a meaningful opportunity that helped Ava continue to establish itself as a player and leader in the federal policy space, as well as further relationships with decisionmakers in both parties.

Local Development Update

Given the high number of local development activities and varied status of design, implementation, and operations, we will aim to provide a summary update of all programs and services on a quarterly basis via the CEO report. The purpose is to keep the Board apprised of Local Development Programs and activities at a summary level. Action items and deep dives will continue to be brought forth on an as needed basis.

Program Name	Status	Description	Key Metrics	Key Upcoming Dates
Planning				
Customer Programs Roadmap	On Hold	Define Ava's customer programs roadmap for 2027-2032	N/A	Ava evaluating options to progress the Roadmap
Transportation Electrification				
Ava Charge	Operational	Developing EV fast charging sites on City lots and garages across Ava's service territory with a focus on locating near multi-family dwellings	Oakland City Center West garage with 31 chargers is now in operation	Ava negotiating with developers currently under contract to deliver the next Ava Charge projects
Ava SmartHome Charging	Operational	Program to shift home EV charging away from peak hours while helping customers lower their cost of home EV charging.	>2,700 EVs enrolled, Virtual Power Plant performance metrics are being met	Refining customer engagement and dispatch strategy to increase participation and optimize performance
Ava Bike Electric	Operational	Program to provide incentives for customers to purchase electric bikes, CARE customers receive higher incentives and 40% of allocated funds	over 19,000 applications received, 4,444 e-bikes purchased from 29 participating bike shops. 52% of rebate funding has been for CARE customers	Drawing on 4th Tuesday of each month.
Building Electrification				
Health-e Communities Pilot	Closed	Direct installation program to replace gas stoves with induction for CARE customers and complete indoor air quality monitoring to evaluate air quality impacts.	Installed 162 induction cooktops	Ava has closed the program and is documenting Program Learnings

Building Efficiency Accelerator	Operational	CPUC funded program to complete energy efficiency and building electrification projects on commercial and industrial customers, like LED lighting and heat pump water heaters	On target to reduce consumption by 12.8 GWh, 14 customers engaged in 100 unique projects	Program enrollment ends April 2026
SolarApp Heat Pump Water Heater (HPWH) permitting	Canceled	Contract with SolarApp to add heat pump water heaters to their online permitting application	SolarApp will deliver lessons learned from permitting departments, HPWH installers, and manufacturers on the value of expedited permitting	Contract cancelled do to Federal withdrawal of IRA funding and SolarApp needing to focus on core solar permitting business
Resilience				
Critical Municipal Facilities	In Development	Program to provide resilience on critical municipal sites. Eight projects across four cities will provide bill savings	Installing 258kW of PV and 1.34MWh of batteries generating 778,000 kWh of clean energy in year 1.	Five projects have recieved electrical sign-off. All seven NEM 2.0 projects are expected to be completed on time. Projects will become operational over the next quarter. Ava coordinating celebrations with City staff.
SmartHome Battery	Operational	Program to provide \$11.25M in upfront and ongoing incentives for residential solar and storage projects	Manage 21MW of solar paired batteries for residential and low income customers.	SmartHome Battery Program launched in March. Initial projects being connected to Ava VPP
Community Resilience Hubs	Operational	Provide \$5.75M in funding for Technical Assistance and incentives for the development of Community serving Resilience Hubs	Provide technical assistance for up to 50 Resilience Hubs sites and provide incentives for Resilience Hubs	Currently providing Technical Assistance to cohort of 14 sites that will be eligidle to apply for an incentive this summer. Additional sites can enroll in Technical Assistance.

Community Grants				
Community Grant Program	Operational	\$8M budgeted for Community Grants to work with Community Based Organizations across four strategic focus areas	Award ~24 grants through 2033	Staff hosted Community Grants public workshop to solicit ideas for next round of community grants. Staff compiling results and will develop next round of grant RFPs for issuance in 2026 with community input
EV Charging	Operational	Provided grants to local non-profits to install up to twelve level 2 EV chargers at multiple places of worship	Two grants of \$300k over 3 years to Green the Church and Interfaith Power and light to install community owned EV chargers	Green the Church has installed their first project at Glad Tidings Church in Hayward. Both grantees continue to work on identifying sites
Youth Training	Operational	Empowering young individuals through education and exposure to employment opportunities and hands-on training in clean energy technologies through	Two grants of \$300k over 3 years to Rising Sun and AGAPE to train over 150 youth in electrification and clean energy trades	Students are beginning to matriculate into the job market. Rising Sun is developing an online jobs platform to help graduates find work in the trades.
Community Resilience Hubs	Operational	Emerald Cities Collaborative	Grant of \$350k over 2 years, ECC has completed three community workshops with over 170 participants and 26 unique community based organizations	ECC planning additional Community engagement workshops in 2026 to educate groups about Resilience Hubs and get potential sites into Ava's Technical Assistance Program

Ava in the Community - May

To raise awareness of Ava's service, support our community, and connect customers to our offerings, Ava sponsors and staffs events throughout our service territory all year long. Additionally, we also deliver presentations to community groups. Below is a list of upcoming events we'll be attending between 5/20 and 6/30. Learn more at <https://avaenergy.org/about-ava/meetings-events/events/>

Date	Event	Type	Location

5/21/2026	French Camp CMAC	Presentation	French Camp Elementary
5/20/2026	Stockton State of the City	Sponsoring & Tabling	Adventist Health Arena
5/29/2026	Wind Farm Tour	Internal Tour	Scott Haggerty Wind Energy Center
5/29/2026	El Concilio Coalition Meeting	Sponsoring & Tabling	El Concilio California Community Center
5/31/2026	Ballers Sun Day #1	Sponsoring & Tabling	Raimondi Park
6/6/2026	San Leandro Cherry Festival	Sponsoring & Tabling	Downtown San Leandro
6/6/2026	East Bay Green Home Tour	Sponsoring & Tabling	Various homes in East Bay
6/12/2026	Stockton Ports game	Sponsoring & Tabling	Banner Islandball Park
6/13/2026	Fremont Pride Fair	Tabling	Fremont Main Library
6/14/2026	San Joaquin AgFest	Sponsoring & Tabling	San Joaquin County Fairgrounds
6/20/2026	Hayward Juneteenth	Sponsoring & Tabling	Hayward Heritage Plaza
6/20/2026	Stockton Juneteenth	Sponsoring	San Joaquin County Fairgrounds
6/27/2026	E Bike Test and Ride	Sponsoring & Tabling	Oakland Coliseum BART

Community Sponsorship Recipients

Three times a year, Ava awards sponsorships to community organizations across our service area. Funding areas include (but are not limited to) sports, art, music, and STEM. More information, eligibility criteria, and a link to apply for the next round of sponsorships can be found at <https://avaenergy.org/community/grants-sponsorships/community-sponsorships/>. The most recent sponsorship recipients are:

Recipient Org	City	Type	Sponsorship Amount
Women of the World Fund	Oakland	Social Services	\$2,500
Oakland Ballet Company	Oakland	Arts and Culture	\$2,500
The Leap Center	San Leandro	Environmental	\$2,500
California Field School	Oakland	Bike	\$2,500
Beloved Communities Network	Oakland	Food	\$2,500
Stockton Art League	Stockton	Arts and Culture	\$2,500
Roosevelt Green Hornets	San Leandro	Education	\$2,500
Seneca Family of Agencies	San Leandro	Youth	\$2,500
Partners For Change Tri-Valley	Livermore	Social Services	\$2,500
Green Silicon Valley	Fremont	Education	\$2,500

The Peace Haven Corporation	Hayward	Social Services	\$2,500
Albany Climate Action Coalition	Albany	Environmental	\$2,500
Trybe Inc.	Oakland	Arts and Culture	\$2,500
Walk Oakland Bike Oakland	Oakland	Bike	\$2,500
Down by the Bay Nursery	Hayward	Environmental	\$2,500
East Bay Photo Collective	Oakland	Arts and Culture	\$2,500
Serenity House	Oakland	Public Health	\$2,500
Tri-City Ecology Center	Fremont	Environmental	\$2,500



Staff Report Item 8

To:	Ava Community Energy Authority
From:	Marie Fontenot, SVP of Power Resources
Subject:	Updating the board on the status of Ava's 2024 Integrated Resource Plan compliance filing, due to the California Public Utilities Commission in August, 2026.
Date:	May 20, 2026

Summary/Recommendation

This staff report seeks to (1) provide an overview of deliverables Ava is required to submit no later than August 10, 2026 to comply with the California Public Utilities Commission (CPUC) Integrated Resource Plan (IRP) proceeding; and (2) discuss preliminary results of Ava's analysis and describe what additional information will be presented to the Board for approval prior to completion of the compliance filing. This item is informational and no action is required.

Financial Impact

N/A

Analysis and Context

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

The 2026 bi-annual compliance analysis and filing must be submitted to the CPUC by August 10, 2026. Ava must perform a long-term resource planning analysis that looks out into the

2040s and evaluates what resources are the best fit for Ava's portfolio going into the future. The analysis will evaluate potential portfolio costs and how effectively the future, hypothetical portfolio will be able to reduce emissions. The analysis must comply with the CPUC's prescriptive assumptions and incorporate Ava own assumptions of resource availability as well as internal requirements, like achieving an carbon-free portfolio as measured on a net annual basis by 2030.

Regulation requires that Ava obtain Board approval of the compliance analysis prior to filing it with the CPUC. Based on the current filing due date of August 10, 2026, staff will present the compliance analysis and filing materials to the Board for approval in the July Board meeting.

In today's meeting, staff will present an overview of what will be filed in August as well as some preliminary analytical results to demonstrate the type of information that will be presented for the Board's approval prior to filing. The preliminary results are not an accurate numerical or value representation of what will be included for filing in August. Staff also attaches to this report copies of the previous IRP compliance filing materials, completed in 2022, to help the Board familiarize itself with the required format of the materials.

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

Attachments

- A. Staff Presentation
- B. 2022 IRP Narrative Document in required format
- C. 2022 IRP Resource Data Template in required excel format
- D. 2022 IRP Clean System Power Calculator in required excel format



Integrated Resource Planning - 2026

Marie Fontenot | May 20, 2026



Agenda

- **Overview of IRP**
- **Timeline**
- **Submission**
- **Required Materials for Submission**
- **CPUC Required Inputs**
- **Description of Model Assumptions**
- **Discussion of Preliminary Results**

Overview of Integrated Resource Planning

- The California Public Utility Commission's (CPUC) Integrated Resource Planning (IRP) program is a long-term planning process to ensure enough generation capacity is built to:
 1. Reliability meet customer demand
 2. Meet greenhouse gas reduction targets
- CPUC staff use capacity expansion modeling to determine the optimal mix of resources needed to meet requirements 1 and 2
- To inform their modeling, the CPUC requires Load Serving Entities (LSEs) to submit our own IRP portfolios identifying least-cost, GHG-compliant resource mix to meet our customer demand
- Ava's IRP Portfolio submission is both a compliance requirement and an opportunity to express our procurement preferences

Timeline & Process

Date	Event
Oct 28, 2025	Scoping Memo establishing 2026 IRP Schedule
Jan 16, 2025	Filing requirements published via ALJ ruling
August 10, 2026	IRP filing deadline to CPUC
~Q3 & Q4 2026	CPUC staff aggregate LSE IRPs, prepare proposed PSP portfolio
~Q1 or Q2 2027	ALJ ruling seeking comments on proposed PSP
~Q2 or Q3 2027	Proposed decision addressing LSE IRPs and adopting PSP
~Q3 2027	Final decision addressing LSE IRPs and PSP

Submission of Ava's IRP

- Every two years, Ava is required to submit an IRP that meets CPUC-determined reliability and decarbonization metrics
- Specifically, Ava must submit:
 - Resource Data Template (RDT): Summary of current and planned procurement
 - Clean System Power (CSP) Calculator: Evaluation of portfolio emissions
 - Narrative Template: Description of portfolio and modeling process
- GenX modeling *informs*, but does not directly translate into, these deliverables

The Filing – Required Materials

Narrative Template

- Executive Summary
- Study Design
- Study Results
- Action Plan
- Lessons Learned
- Note: each section has required, defined subsections
- Ava's 2022 IRP Narrative Template:
https://res.cloudinary.com/diactiwk7/image/upload/v1667342459/2022_IRP_EB_CE_LSE_Plan_xj6yzo.pdf

Resource Data Template

- Excel workbook; many, many tabs
- Contract list w/ details
- Confirm contracts / resources are assumed to have “right” capacity factors based on when they come online & other details
- Summarize capacity value of resource
- Summarize types of resources in portfolio
- Ava's 2022 IRP RDT for 25 MMT portfolio:
<https://cdn.sanity.io/files/pc49kbjr/production/b06053ae09b11af066a291fa70d00d9653186e0b.xlsm>

CSP Calculator

- Tool to estimate GHG & criteria pollutant emissions in portfolios
- Requirement to use this tool & method for emission accounting in IRP filing
- Only relevant to forecasting emissions, not calculating actual emissions
- Excel workbook; many, many tabs
- Ava's 2022 IRP CSP for 25 MMT portfolio:
https://drive.google.com/file/d/1Dib2bFk5wLpibytxlLyxFxSjLM4Kr2qp/view?usp=share_link

Ava's 2018, 2020, 2022 IRPs can be found online at: <https://avaenergy.org/about-ava/key-documents/integrated-resource-plan/>

CPUC Requirements

Required Inputs

- Load forecast & GHG benchmark for each LSE
- CAISO zonal topology
- Resource regions align with CAISO study areas
- Rules on candidate resources; i.e. **x** much natural gas for whole system, **x** much geothermal, **x** much in-state wind, **x** much out-of-state wind, etc)
 - Includes rules for different resource capacity factors
 - Resource cost assumptions
 - Restrictions on how much of a resource type can be developed in different areas
 - Resource generation profiles
- Planning reserve margin and resource capacity factors (effective load carrying capability ELCC)
- 2024 dollar year

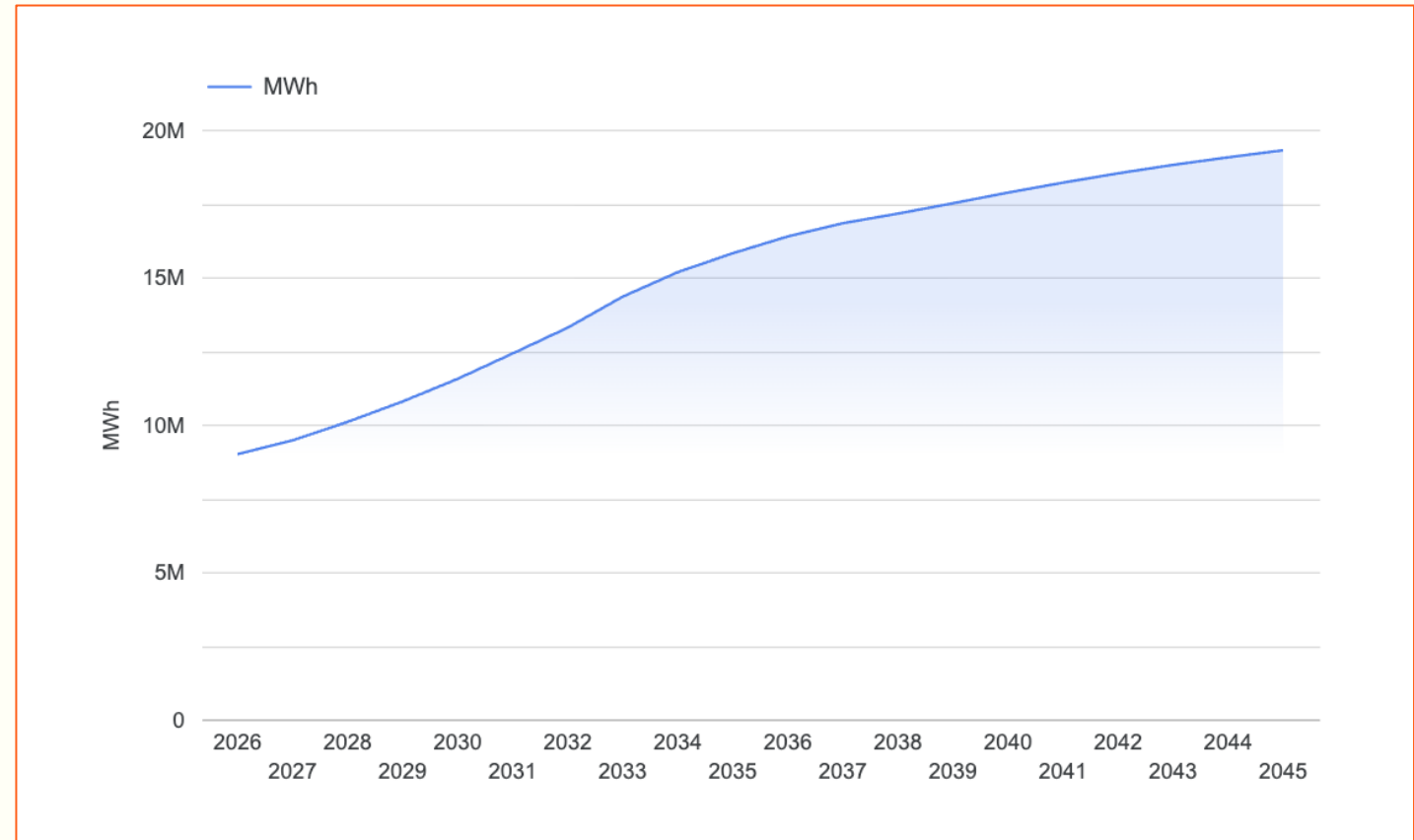
Preliminary Model Assumptions

Category	Constraint
Maximum Annual Build Capacity	500 MW
Maximum Market Purchase	1000 MWh
Maximum Market Sale	1000 MWh
Maximum out of state wind capacity	200 MW per year, 800 MW across all years
PCIA Hedge	Incorporated as market purchase
Minimum Annual Build Capacity	N/A

Preliminary Model Assumptions

Retail Demand: Applied historical load data shape to 2025 IERP Planning Forecasted Demand

Year	Retail Demand (MWh)
2026	8,990,567
2028	10,085,167
2030	11,544,908
2035	15,806,806
2040	17,863,484
2045	19,300,035



Current Model Assumptions

Peak Demand Forecast: CPUC input, Ava 2026 Filing Requirement Data

Year	Annual Peak Demand (MW)	PRM (%)	PRM Demand (MW)	Reliability Demand (MW)
2026	1954.5	18%	2306.3	2382
2028	2415.9	19%	2874.9	2463
2030	2497.6	21%	3022.1	2062
2035	3021.9	23%	3717.0	2419
2040	3260.3	23%	4010.1	2744
2045	3532.0	23%	4344.4	2944

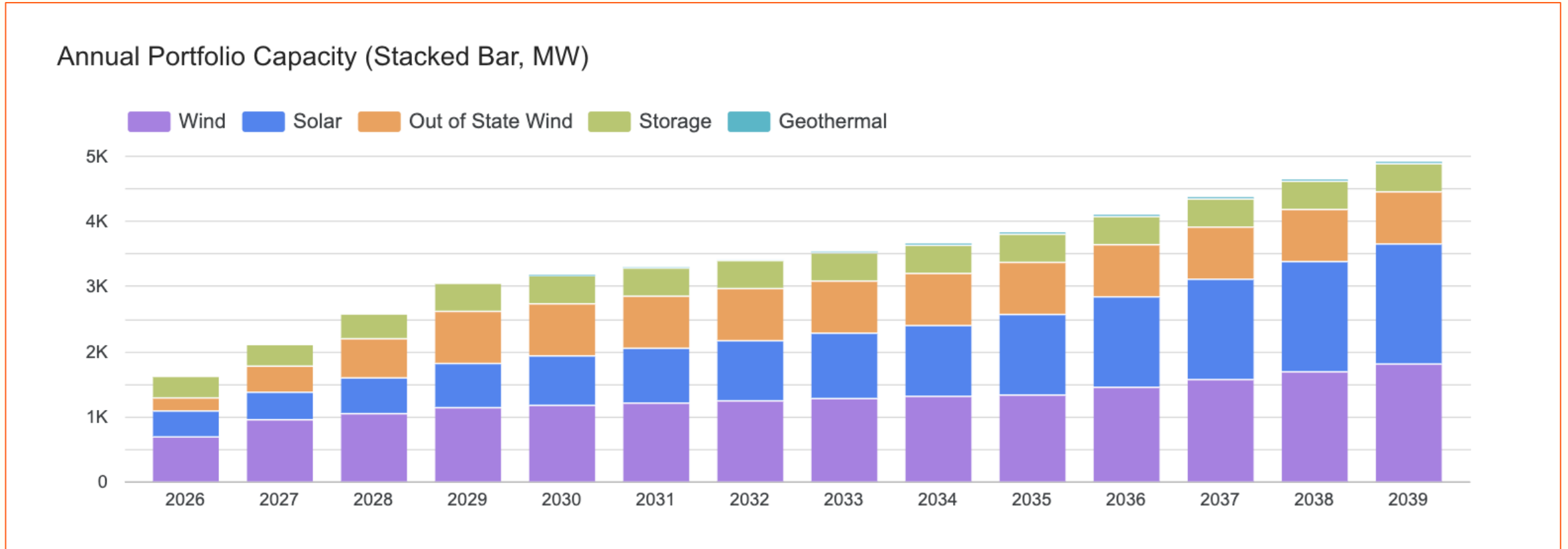
Preliminary “Results”

- Graphs represent the *type* of images and analytical findings that will be shared when IRP modeling is complete.
- Values in these images are *not* representative of final results.
- “A model is only as good as its assumptions”
 - To-be finalized assumptions: annual capacity “build” limitations, resource-specific annual capacity limitations, any resource types to “force” offtake from

Total Capacity Results

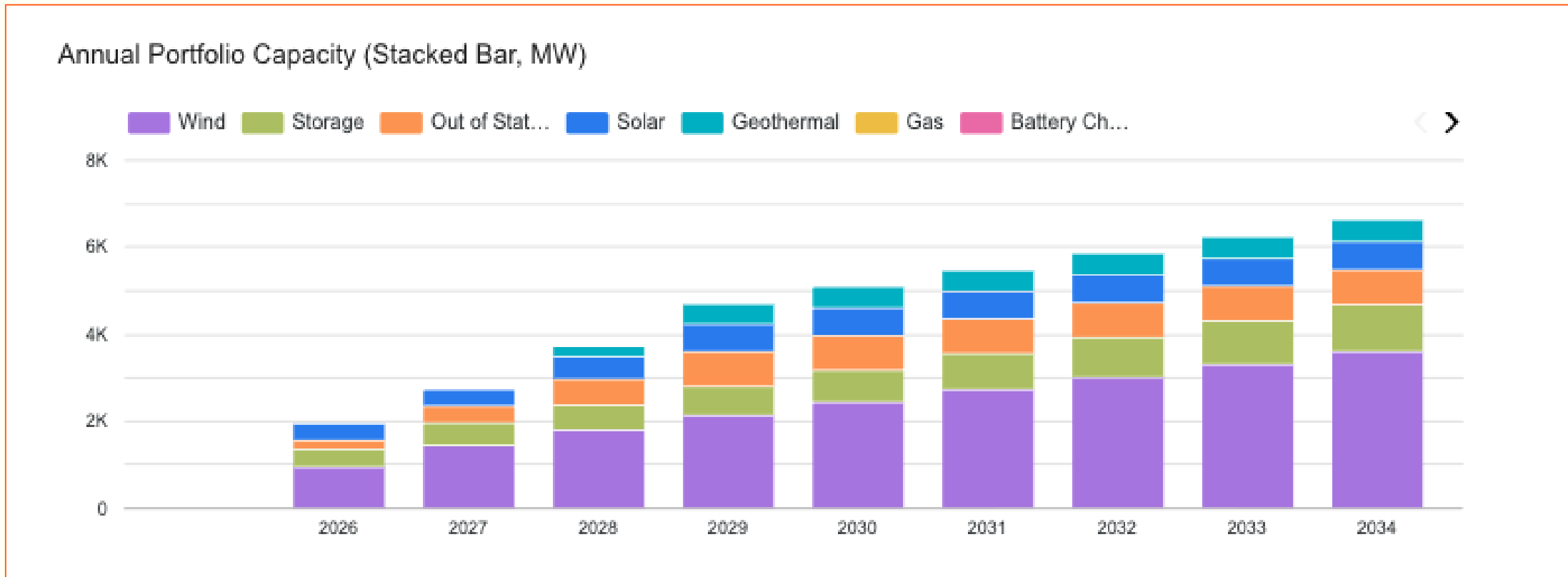
(With 500 MW/year build constraint)

Annual Portfolio Capacity



Total Capacity Results (If no capacity constraint)

Annual Portfolio Capacity (If no capacity constraint on total new build)

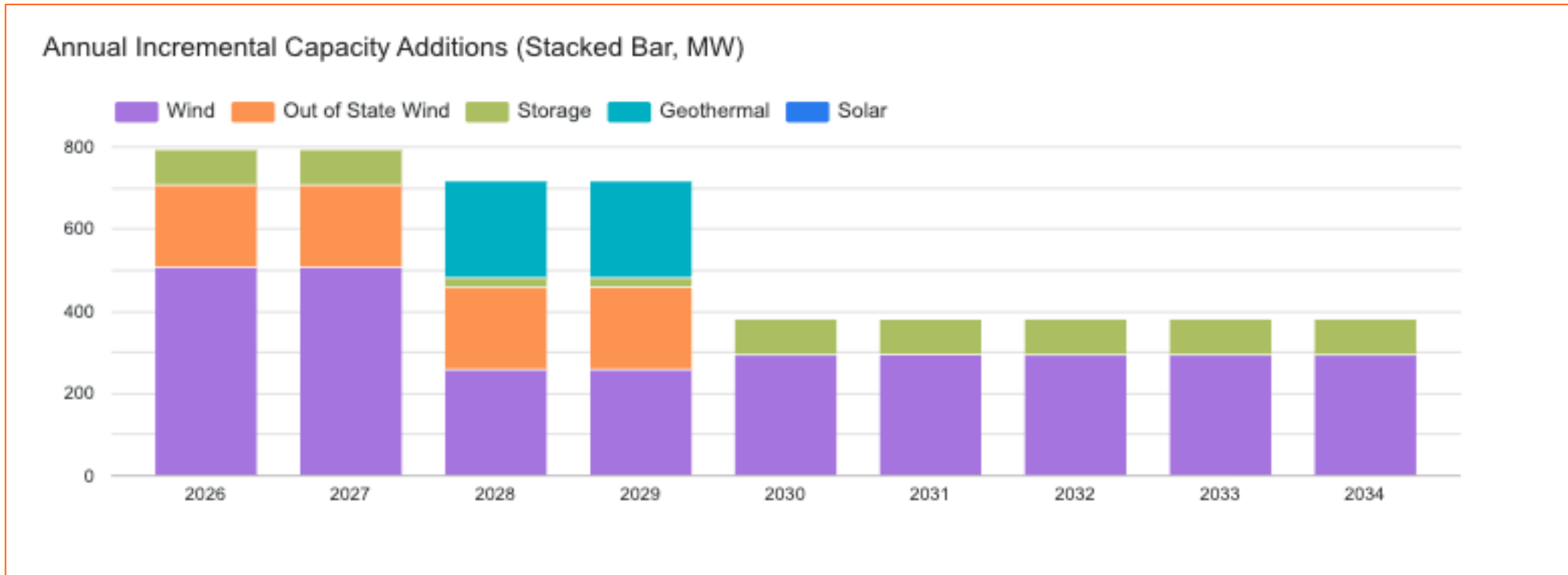


Note: lack of new-build constraint results in significantly more geothermal added to portfolio

Incremental Capacity Results

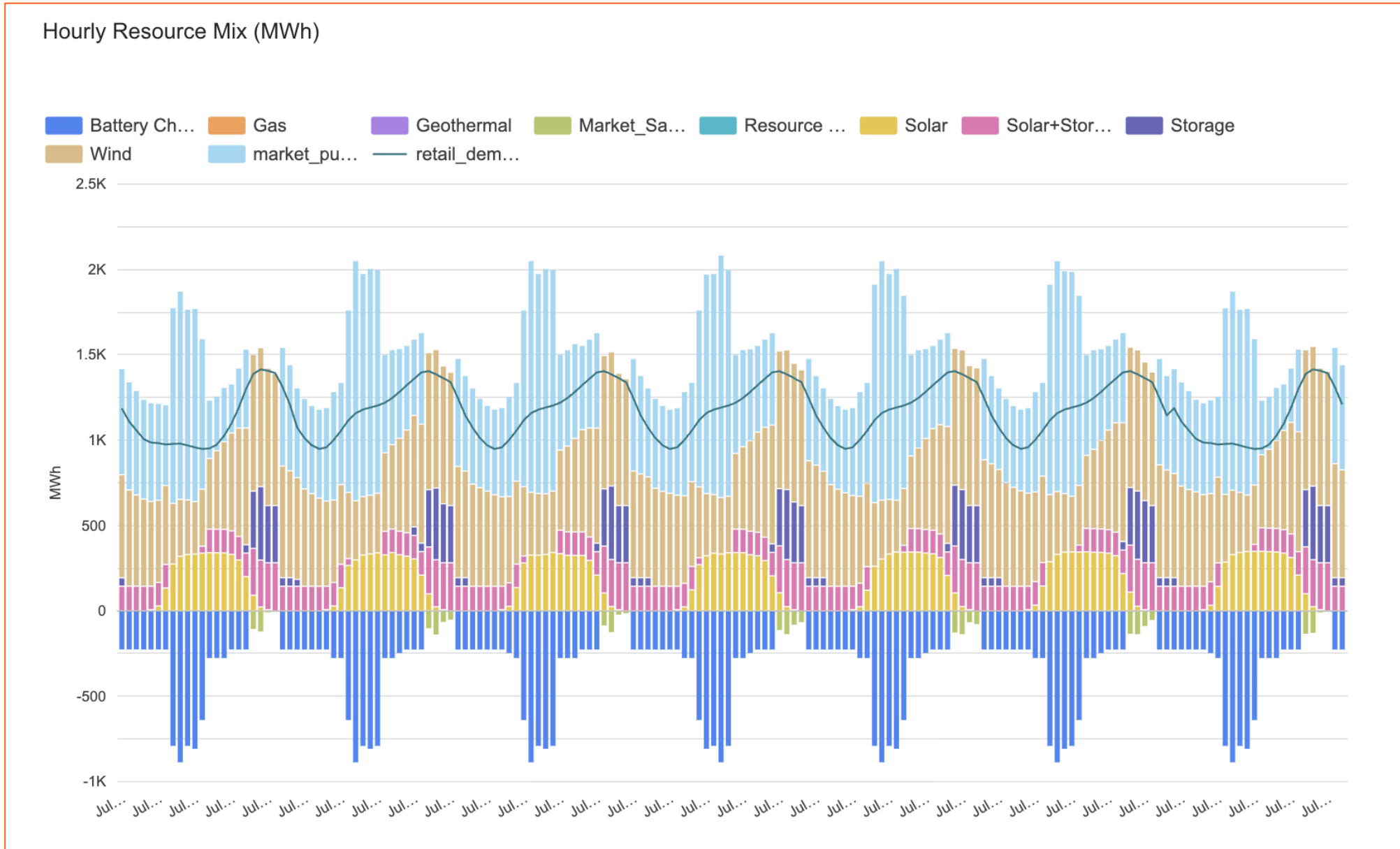
(If no capacity build constraint)

Annual Incremental Capacity (New Build only, no build constraint)



Note: lack of new-build constraint results in significantly more geothermal added to portfolio in early years

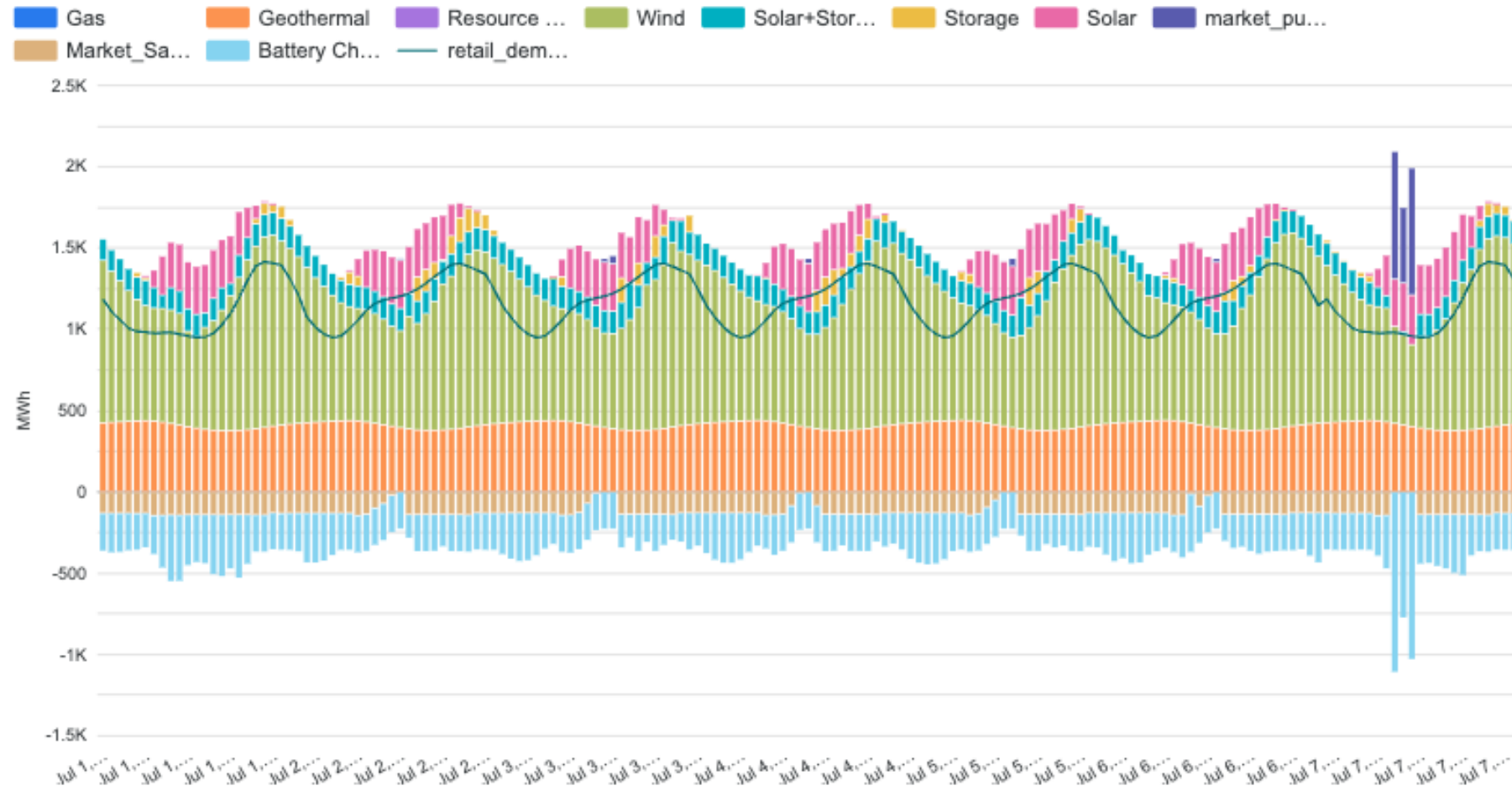
Hourly Resource Results



Hourly Resource Results

If no new build capacity constraint:

Hourly Resource Mix (MWh)



Additional Elements of Compliance Filing

- Estimated cost & revenues of portfolio
- Estimation of Ava's compliance portfolio emissions and portfolio contribution to state-wide emissions
- Estimation of annual generation from Ava's compliance portfolio and value/ability of portfolio to contribute to hedging
- Portfolio contribution to system reliability
- CAISO market exposure associated with the portfolio
- Ability of portfolio to meet RPS compliance obligations



Staff Report Item 9

To:	Ava Community Energy Authority Board of Directors
From:	Howard Chang, CEO
Subject:	Draft Budget Review for Fiscal Year 2026-2027
Date:	5/20/2026

Summary/Recommendation

Receive, review, and provide feedback on the Draft Budget for the next fiscal year.

Financial Impact

This is an informational item

Analysis and Context

Ava's fiscal years (FY) runs from July 1st through June 30th. Staff is presenting a draft version of next fiscal year's budget for the Board of Directors (the "Board") to review and provide feedback.

The attached presentation fills out the complete details on staff's best estimates and provides key discussion points.

Committee Recommendation

This item has been before the Executive Committee on May 6, 2026. Although this meeting was inoperative, any questions regarding clarification of certain details have been addressed in this presentation.

Attachments

- A. Appendix A: Draft Budget FY 2026-2027 1-Pager
- B. Draft Budget FY 2026-2027 presentation

APPENDIX A: Draft Budget FY 2026-2027 1-Pager

Ava Community Energy	FY 2026	FY 2027	FY 2027	
	BUDGET	BUDGET	Delta	%D
	FY 2026	BASE CASE		
Wholesale Load (MWh)	8,984,000	9,544,000	560,000	5.9%
Retail Load (MWh)	8,439,000	8,966,000	527,000	5.9%
Revenue & Other Sources				
Electricity Sales	869,170,000	815,730,000	(53,440,000)	-6.6%
Uncollectables	(8,692,000)	(10,197,000)	(1,505,000)	14.8%
GASB 62	35,327,000	5,250,000	(30,077,000)	-572.9%
Total Operating Revenue	895,805,000	810,783,000	(85,022,000)	-10.5%
Energy Operations				
Cost of Energy	836,970,000	756,505,000	(80,465,000)	-10.6%
Energy Services				
Data Management/CRM	10,080,000	9,980,000	1,180,000	11.8%
Billing & Metering	3,208,000	3,446,000	10,000	0.3%
Scheduling	768,000	792,000	42,000	5.3%
Cost of Energy Services	14,056,000	14,218,000	162,000	1.1%
Total Energy Expenses	851,026,000	770,723,000	(80,303,000)	-10.4%
Overhead Expenses				
Personnel	29,639,000	31,470,000	1,050,000	3.3%
Marketing & Communication	3,872,000	3,421,000	119,000	3.5%
Legal, Policy, & Regulatory Affairs	4,243,000	4,308,000	144,000	3.3%
Other Professional Services	3,518,000	4,387,000	149,000	3.4%
General & Administrative	7,095,000	9,975,000	333,000	3.3%
Total Overhead Expenses	48,367,000	53,561,000	5,194,000	9.7%
Total Operating Expenses	899,393,000	824,284,000	(75,109,000)	-9.1%
Non-Operating Revenue				
Interest Income	15,066,000	24,727,000	(8,667,000)	-35.1%
Other Non-Operating Revenue	49,000	48,000	0	0.0%
Total Non-Operating Revenue	15,115,000	24,775,000	9,660,000	39.0%
Non-Operating Expenses				
Local Development Funding	10,190,000	0	0	0.0%
Borrowing Interest	1,087,000	0	0	0.0%
Capital Expenditures	250,000	120,000	0	0.0%
Total Non-Operating Expenses	11,527,000	120,000	(11,407,000)	-9505.8%
NET NON-OPERATING REVENUES	3,588,000	24,655,000	21,067,000	85.4%
TOTAL NET REVENUES	0	11,154,000	11,154,000	100.0%

Fiscal Year 2026-2027 Draft Budget

Howard Chang, CEO | May 20, 2026



Introduction

- Every year in June, Ava Board of Directors (the “Board”) approves the following fiscal year’s budget
- This draft budget was reviewed by an ad hoc group of the Ex Comm on 5/6 and will be further reviewed by FAP (5/27) and Ex Comm (6/3) with approval scheduled for the meeting on June 17th.
- The Budget covers the overall categories of the General Operating Fund:
 - Revenues from Operations
 - Energy Operating Expenses (typically 90%+ of total expenses)
 - Services to Facilitate Energy Operations
 - Operational Overhead to Energy Operations
 - Non-Operating Revenues
 - Non-Operating Expenses, including a Capital Transfer to the Local Development Fund
- PG&E issued an updated ERRA filing on May 15 that materially altered the forecast in this presentation and was updated on 5/20, after the first review by ExComm
 - Staff may consider delaying the first review of the budget draft to post May ERRA filing in future years

Current Fiscal Year 2025-2026 Performance

- Details on “Actuals” are settlements through March and updated projections through June.
- Revenue is expected to settle above budget due to Board action on value proposition in December.
 - Other Operating Revenue is primarily fees and damages to Ava on energy contracts
- Cost of energy is coming in below expectations as market prices softened and higher than expected large hydro generation
- Total overhead is currently estimated at \$6.5MM below budget due to opex reductions
- Non-operating activity is higher than expected as interest rates remain higher-for-longer and with the reduction of Local Development contributions
 - Borrowing interest expenses have been moved to General & Administrative overhead due to accounting treatment changes
- Overall Net Revenues are expected to come in at \$83MM above estimates without using \$35MM budgeted GASB 62 funds.

Ava Community Energy	FY 2026	FY 2026	FY 2026	FY 2026
	BUDGET	ACTUAL	Delta	%D
	FY 2026	FY 2026		
Wholesale Load (MWh)	8,984,000	8,368,000	(616,000)	-6.9%
Retail Load (MWh)	8,439,000	7,887,000	(552,000)	-6.5%
Revenue & Other Sources				
Electricity Sales	869,170,000	890,848,000	21,678,000	2.5%
Uncollectables	(8,692,000)	(8,912,000)	(220,000)	2.5%
Other Operating Revenue	0	1,620,000	1,620,000	0.0%
GASB 62	35,327,000	0	(35,327,000)	-100.0%
Total Operating Revenue	895,805,000	883,556,000	(12,249,000)	-1.4%
Energy Operations				
Cost of Energy	836,970,000	770,312,000	(66,658,000)	-8.0%
Cost of Energy Services	14,056,000	14,252,000	196,000	1.4%
Total Energy Expenses	851,026,000	784,564,000	(66,462,000)	-7.8%
Overhead Expenses				
Total Overhead Expenses	48,367,000	41,828,000	(6,539,000)	-13.5%
Total Non-Operating Revenue	15,115,000	26,540,000	11,425,000	75.6%
Total Non-Operating Expenses	11,527,000	741,000	(10,786,000)	-93.6%
TOTAL NET REVENUES	0	82,963,000	82,963,000	0.0%

Fiscal Year 2026-2027 Draft Budget



Draft Budget Fiscal Year 2026-2027

- **Revenues:** Energy prices continue to soften, and with the resolution of Track 1 Ava’s effective PCIA is lowering while PG&E’s rates are increasing due to persistent costs in their portfolio
- **Cost of Energy:** Lower energy prices reduce open position costs
- **Overhead:** Increase in G&A is predominantly due to increased rent, a change in accounting treatment of credit facility fees, and increasing software costs
- **Non-Operating Activity:** Higher interest income and lower borrowing interest due to a change in accounting treatment of credit facility. No incremental contributions to Local Development Funding in fiscal year 2026-2 with current fund balance at \$83.6MM

Ava Community Energy	FY 2026	FY 2027	FY 2027	
	BUDGET	BUDGET	Delta	%D
	FY 2026	BASE CASE		
Wholesale Load (MWh)	8,984,000	9,544,000	560,000	5.9%
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Non-Operating Revenue				
Total Non-Operating Revenue	15,115,000	24,775,000	9,660,000	39.0%
Total Non-Operating Expenses	11,527,000	120,000	(11,407,000)	-9505.8%
TOTAL NET REVENUES	0	11,154,000	11,154,000	100.0%

Expanded budget view shown in appendix

Draft Budget: Forecast Uncertainty

- May 15, 2026 ERRA filing provided a year-to-date update on a subset of the underlying assumptions that generate the PCIA and rates, but did not provide updated MPBs. Assumptions require additional diligence and validation. This is separate from potential changes that may come from the General Rate Case (GRC)
- PCIA Tracks 2 and 3 may have material impacts on PCIA and rate setting methodologies. Track 3 scope and timing presents the greatest uncertainty. 3 pre-scoping workshops have been scheduled for June.
- Load forecast uncertainty:
 - Weather conditions present the greatest impact on actualized load volume and shape
 - With the addition of SJC, estimates will become more accurate as Ava receives more data beyond initial enrollment
 - Longer-term: data center and electrification presents significant uncertainty as well
- New power generation project online dates may be delayed or moved forward impacting power portfolio expenses
- Energy prices are highly volatile and currently softening in response to a mild winter, accelerated melting snowpack, and new energy capacity coming online.
 - While forecasted summer prices are softening, actuals may vary greatly based on temperatures and demand
- Opaque portfolios with the IOU could lead to materially different MPBs in the October ERRA filing
- Interest rates and macroeconomic environment may change

May ERRA Addendum Filings

- The May 15 ERRA filing consists of the filing documents and the series of datasets called the “Working Papers”
 - The filing and working papers can be accessed through the PG&E Azure website here: <https://pgera.azurewebsites.net/Regulation/search>
 - Select the “ERRA 2027 PGE – Forecase [A.25-05-007]” case from the dropdown menu and click search to see all documents available for download
- Staff is still processing the working papers with consultants to get better color on the details
- What is known:
 - 2025 RA PCIA reform is in place at a steady state for 2027
 - Load appears to be materially lower for PG&E due to milder than expected weather to date and community load departure
 - PG&E's revenue requirements remain stable despite the reduction in load, increasing generation rates
- What is not known from the ERRA:
 - Direction on MPB settlement for all attributes
 - A significant portion of the filing is redacted due to market sensitive confidential information and our 3rd party consultant has access to this information, which may be shared on a very limited basis
 - There were some known errors/inconsistencies that are in the process of being validated and reconciled

The screenshot shows the search interface on the PG&E Azure website. The URL is pgera.azurewebsites.net/Regulation/search. The page features a blue header with the PG&E logo and navigation links: For My Home, About, Contact Us, Safety, English, Go, and Log In. Below the header is a navigation bar with tabs for Company Info, Newsroom, Environment, Community, and Careers. The main content area is titled "Search for Public Case Documents" and contains a search form. The form includes a dropdown menu for "Case" with the selected option "ERRA 2027 PGE - Forecase [A.25-05-007]". Other fields include "Document Type" (set to "All"), "Keyword" (with a note: "When using the 'Keyword' search, confidential documents will not be included in your search results."), "Description/Title Contains", "Party" (set to "All"), "Date(s) from" and "to" (both set to "MM/DD/YY" with a note: "(default is all dates)"), "Sort Order" (set to "File Name"), and "Records Per Page" (set to "100"). There are "Search" and "Clear" buttons at the bottom of the form. Below the form, there is a link: "If you need an ADA reasonable modification to view a document, please reach out to ADA_Support@pge.com". At the bottom of the page, there are links for "For My Home", "For My Business", "Doing Business with PG&E", "About PG&E", "Privacy", and "Accessibility", along with a copyright notice: "PG&E refers to Pacific Gas and Electric Company, a subsidiary of PG&E Corporation. © 2014 Pacific Gas and Electric Company. All rights reserved." and social media icons for Facebook, Twitter, and LinkedIn.

PCIA & Operating Headroom

- Ava's generation rates to customers are indexed to PG&E's generation rate
- A portion of the generation cost is a charge from PG&E for the Power Charge Indifference Adjustment (PCIA)
 - The PCIA is how PG&E recovers "stranded costs or credits" for legacy generation resources



- PCIA rates are based on an annual mark-to-market
 - For Energy, Resource Adequacy (RA), and Renewable Portfolio Standard (RPS) resources, the mark-to-market is against "Market Price Benchmarks" (MPBs)
 - Forecasts for MPBs are presented by the Investor-Owned Utilities (IOUs) in May and then updated in October to establish the following year's rates
 - PCIA and rates are "trued up" from forecast to actual, and any over-collection or under-collection is recovered in rates the following year.
 - Higher MPBs --> higher rates and lower PCIA = more operating headroom for Ava
 - Lower MPBs --> lower rates and higher PCIA = less operating headroom for Ava

PCIA Proceeding & Risk Elements

The CPUC has an ongoing proceeding regarding the PCIA, divided into "Tracks".

○ **Track 1**

- **CalCCA has appealed CPUC Track 1 decision; appeal is pending**
- Revised the MPB for RA retroactive through 2025
- Major driver for the much higher PCIA most Ava customers see in 2026 versus 2025

○ **Track 2**

- **Proceeding is ongoing; decision expected in time for inclusion in 2027 rates**
- The CPUC is reviewing the methodology for valuing RECs that PG&E "banked" prior to 2019 but did not actually use for compliance purposes until 2025. An interim methodology values those RECs at \$0. This increases the PCIA for most Ava customers versus what the PCIA would be if those RECs were valued at the current market price for RECs
- Outcome indeterminate; CalCCA proposal would use current market prices for REC value, and lower the PCIA for most Ava customers versus status quo; PG&E proposal would make the status quo interim methodology permanent

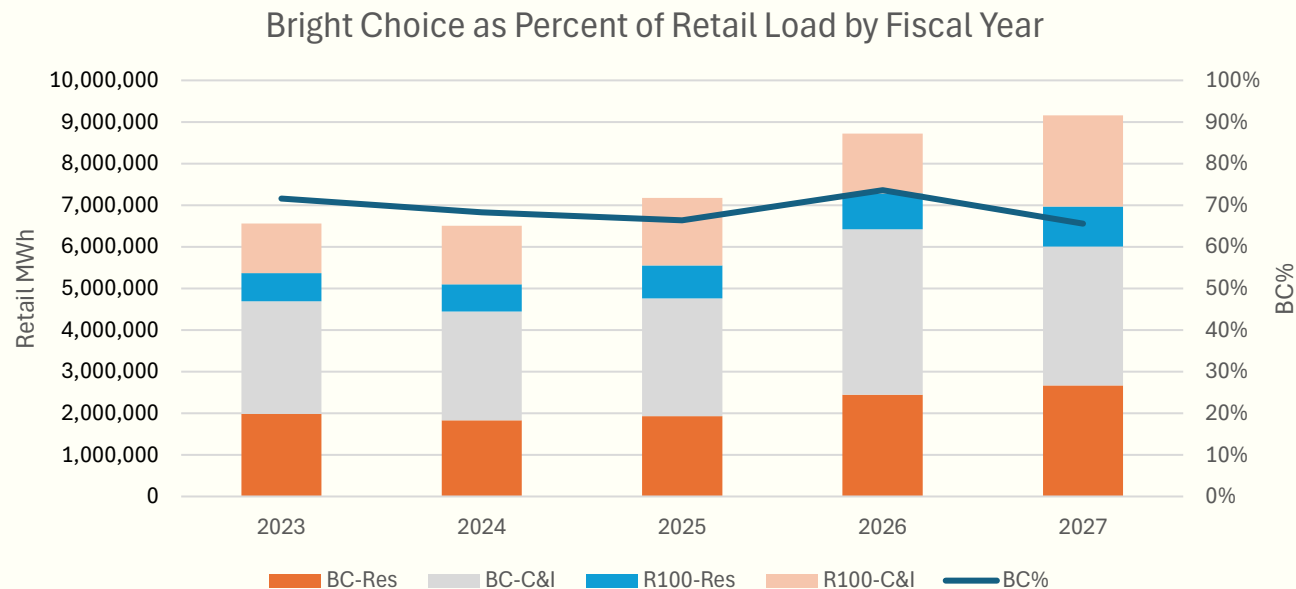
○ **Track 3**

- **Scope and timing undetermined**
 - CCAs propose to address reviewing the Track One revisions to MPBs; aligning the RA MPB with the RA Slice of Day framework; reimagining of PCIA resources; PCIA GHG-free methodology; and potentially other structural changes to the PCIA
 - IOUs propose to prioritize changes to RPS MPBs ahead of any other issues, with changes to the brown power MPB next
- Outcome indeterminate; CCA approach would likely reduce PCIA for most Ava customers if adopted while the IOU approach would likely raise the PCIA for most Ava customers if adopted



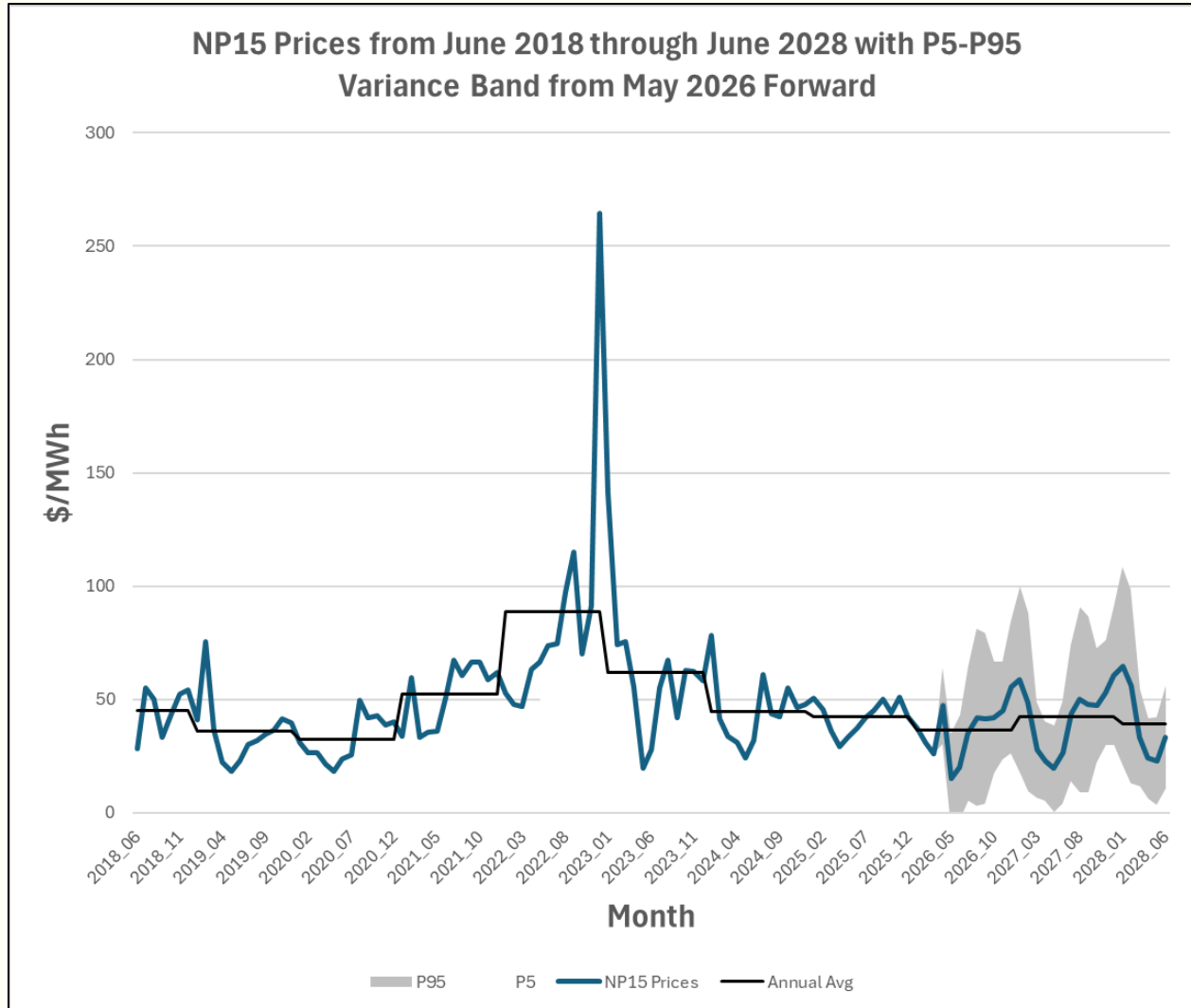
Electricity Product Load & Rates

- Renewable 100:
 - Originally set at \$0.01/kWh above PG&E and has migrated down as Ava financials improved
 - Currently priced at \$0.0175/kWh above PG&E rates
- Bright Choice:
 - Originally set at 1.5% discount to PG&E, reduced to a 1% discount in 2021, increased to a 3% discount in 2022, increased to 5% discount to PG&E rates in 2023. Latest adjustment was to 0.5% discount to PG&E in January of 2026
- The percent load of Bright Choice customers is estimated at ~66% for FY 2027



- Growth in Bright Choice in FY 2026 is due to unincorporated SJC
- Growth in Renewable 100 in FY 2027 is due to Fremont opt up
- Annual load and load shape can vary materially year to year and between budget to actuals due to weather, individual customer usage, and expansion to new territories

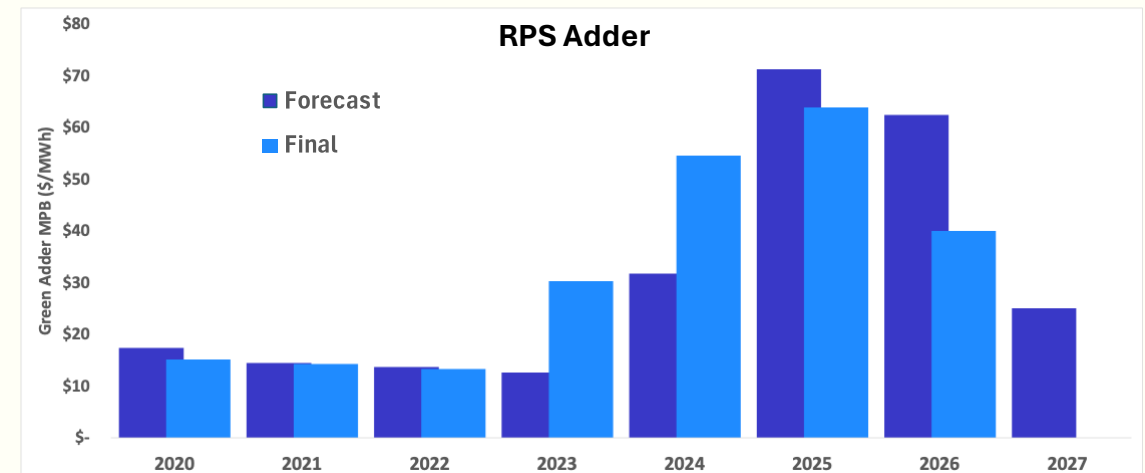
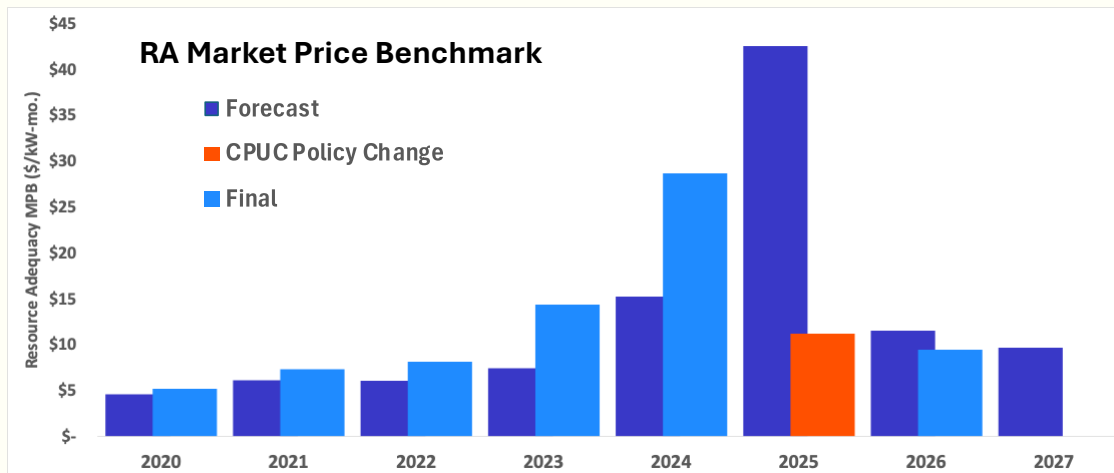
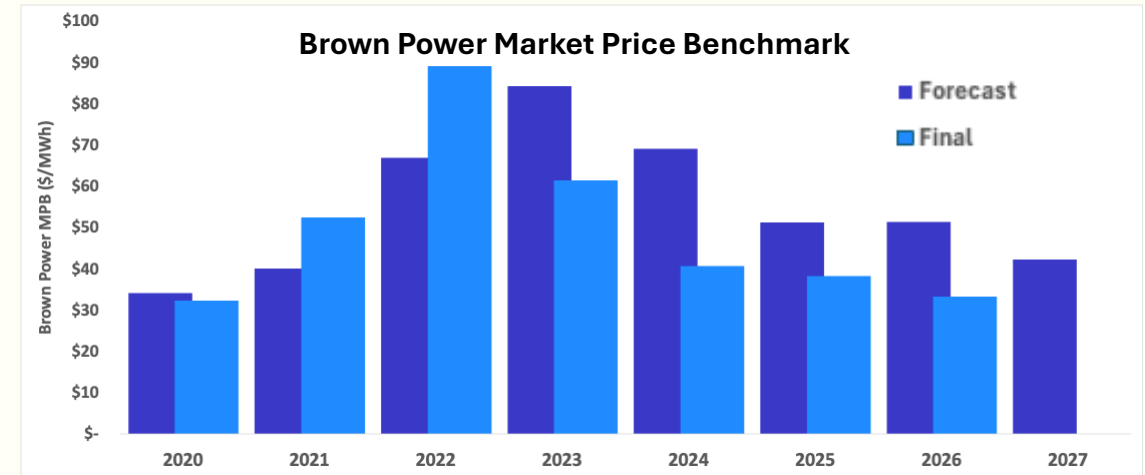
Brown Power Energy Price Volatility



- Brown power prices are set by a number of factors impacting supply and demand, such as weather, natural gas prices, system capacity, transmission congestion, etc.
- Volatility is high due to these uncertain and changing factors year to year
- Customer rates (generation and PCIA) are set based on a forecast while also incorporating a true up of the prior year's forecasted market prices with actualized prices
- 2026 rates were set by and 2026 forecasted prices and trueing up 2025 actualized prices. 2027 rates will be set by 2027 forecasted prices and trueing up 2026 actualized prices.

Market Price Benchmark Trends 2020-2027

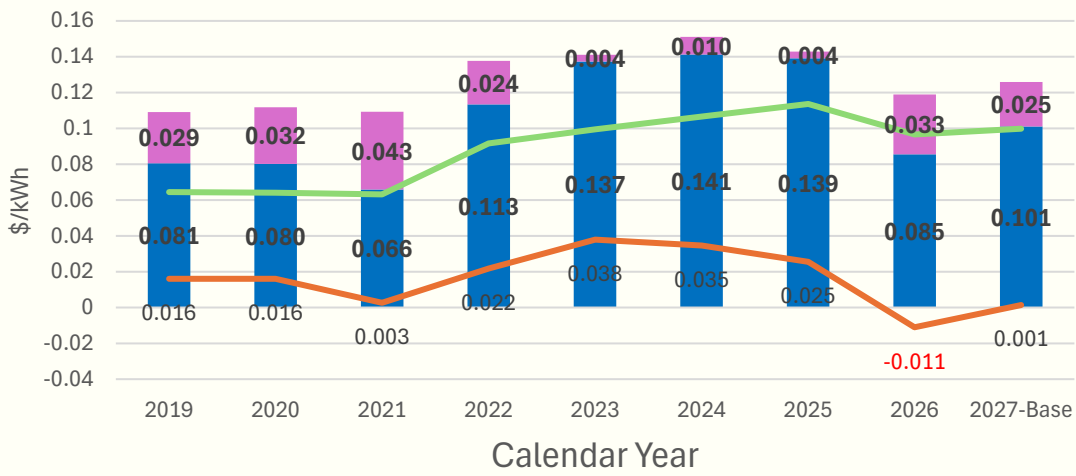
- Forecast MPBs used to develop PCIA and generation rates are calculated in Sept each year:
 - Energy: Avg forward price during Sept for delivery the following year
 - REC: Avg executed contract price in the past 15 months for delivery in following year
 - RA: Avg executed contract price in the past 3 years for delivery the following year
- Forecasted vs. Final MPBs vary significantly, reflecting year to year market volatility
- RA MPB in 2025 reflects regulatory changes, no future PCIA reform is assumed in forecasts
- "Final" numbers in 2026 reflect actuals through March and updated forecast as of April



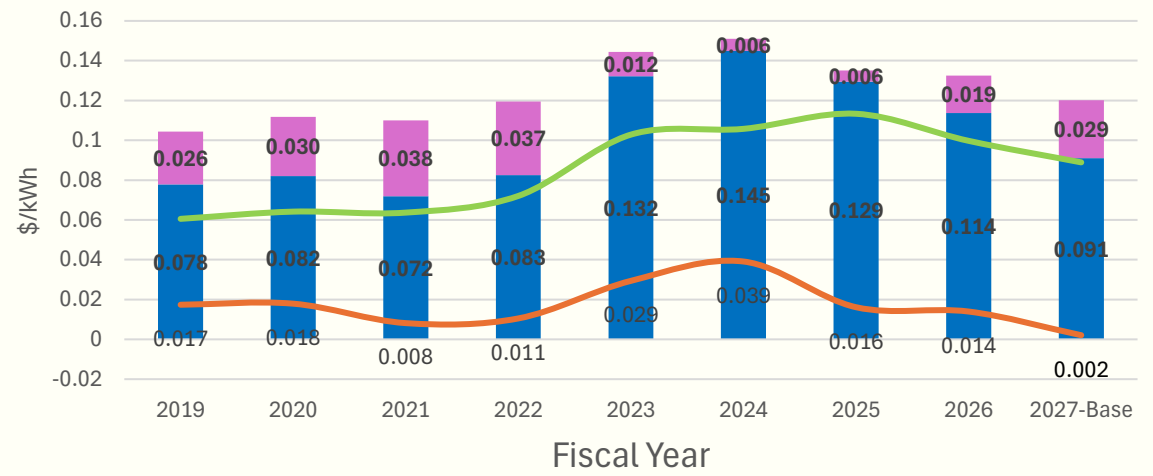
Expected Market Environment & Impact to Gen Rates & PCIA

- Rates increased and PCIA decreased from 2021 to 2025, driven by historic increases in market energy prices
- Since then, energy costs softened, setting PCIA higher and rates lower in 2026, in addition to substantive PCIA reform
- Lower prices are expected to continue through 2026 and we are forecasting a modest increase to generation rates and a lower PCIA in 2027, though rates remain stable
 - Between calendar year 2025 and 2026, customer rates dropped 20%, and between 2026 and 2027 Ava is estimating rates will increase 5.6% (inclusive of PCIA)
 - Between fiscal year 2025 and 2026, customer rates dropped 2%, and between 2026 and 2027, rates are expected to drop another 10%

Customer Rate Revenue Profile



Customer Rate Revenue Profile



■ Ava Average Rates
 ■ PCIA Fees
 ■ Operating Expenses
 ■ Margin

■ Ava Average Rates
 ■ PCIA Fees
 ■ Operating Expenses
 ■ Margin

Draft Budget: Revenues

Ava Community Energy	FY 2026	FY 2026	FY 2027	FY 2027	
	BUDGET	ACTUAL	BUDGET	<i>Delta</i>	<i>%D</i>
	FY 2026	FY 2026	BASE CASE		
Wholesale Load (MWh)	8,984,000	8,368,000	9,544,000	560,000	5.9%
Retail Load (MWh)	8,439,000	7,887,000	8,966,000	527,000	5.9%
Revenue & Other Sources					
Electricity Sales	869,170,000	890,848,000	815,730,000	(53,440,000)	-6.6%
Uncollectables	(8,692,000)	(8,912,000)	(10,197,000)	(1,505,000)	14.8%
GASB 62	35,327,000	0	5,250,000	(30,077,000)	-572.9%
Total Operating Revenue	895,805,000	883,556,000	810,783,000	(85,022,000)	-10.5%

- Revenues from sales of electricity are expected increase as PG&E is expected to raise rates and PCIA is expected to decrease from previous year’s budget
- Value proposition remains unchanged at 0.5% discount to PG&E for Bright Choice and a \$0.0175 premium on Renewable 100 products
- Estimated bad debt slightly increased from 1.0% to 1.25% of billings based on rising trends and getting ahead of possible inflation increases due to oil market volatility
- Recognition of GASB 62 deferred revenue is not from the Rate Stabilization Fund but is half of the amount deferred from resolution R-2024-26, which allocated \$10,504,837 to local, incremental generation and capacity from the 2023 RFO for projects starting in 2027

Draft Budget: Base Case Revenue Assumptions

Year	Energy		RPS		RA	
	Brown Power		RPS Adder		All RA (\$/kW-mo)	
	Forecast	Final	Forecast	Final	Forecast	Final
2026	\$ 51.13	\$ 40.90	\$ 62.45	\$ 40.00	\$ 11.53	\$ 9.42
2027	\$ 42.66	\$ 42.66	\$ 25.00	\$ 25.00	\$ 9.67	\$ 9.67

- Base Case Assumptions have MPB's for calendar year 2026 down to align with market actuals and forwards year to date
- Forward looking prices in cost of energy reflect market price assumptions
- In addition to MPB assumptions, revenue requirement inputs directly from PG&E are critical in determining generation rates
 - In May ERRA filing, PG&E's revenue requirement stayed relatively flat despite declining load in 2027, which needs further diligence

FY 2026-2027 Scenarios & Sensitivities

Ava looked at possible alternative MPB/revenue scenarios —High-End and Low-End

- **High-end:** calendar year 2026 prices end up as current MPB forecasts from May ERRA filings, which are unchanged from the October ERRA filing
- **Low-end:** calendar year 2026 prices are one standard deviation down from current forward averages for brown power and Ava’s base case RPS and RA estimates

	Base Case	Low End	High End
Revenues	810,783,000	741,506,000	900,593,000
Cost of Energy	770,723,000	751,537,000	843,483,000
Overhead	53,561,000	53,561,000	53,561,000
Net Non-Op	24,655,000	20,353,000	23,684,000
Net Revenues	11,154,000	(43,239,000)	27,233,000

	Base Case		Low End		High End	
	2026	2027	2026	2027	2026	2027
MPBs						
Power	34.05	42.66	23.70	33.28	40.90	47.61
RPS	40.00	25.00	40.00	25.00	62.45	62.45
RA	9.42	9.67	9.42	9.67	11.53	11.53

Draft Budget: Overview of Operating Expenses

Ava Community Energy	FY 2026	FY 2026	FY 2027		
	BUDGET	ACTUAL	BUDGET	FY 2027	FY 2027
	FY 2026	FY 2026	BASE CASE	Delta	%D
Energy Operations					
Cost of Energy	836,970,000	770,312,000	756,505,000	(80,465,000)	-10.6%
Cost of Energy Services	14,056,000	14,252,000	14,218,000	162,000	1.1%
Total Energy Expenses	851,026,000	784,564,000	770,723,000	(80,303,000)	-10.4%
Overhead Expenses					
Personnel	29,639,000	26,564,000	31,470,000	1,050,000	3.3%
Marketing & Communication	3,872,000	2,606,000	3,421,000	119,000	3.5%
Legal, Policy, & Regulatory Affairs	4,243,000	3,265,000	4,308,000	144,000	3.3%
Other Professional Services	3,518,000	2,425,000	4,387,000	149,000	3.4%
General & Administrative	7,095,000	6,968,000	9,975,000	333,000	3.3%
Total Overhead Expenses	48,367,000	41,828,000	53,561,000	5,194,000	9.7%
Total Operating Expenses	899,393,000	826,392,000	824,284,000	(75,109,000)	-9.1%

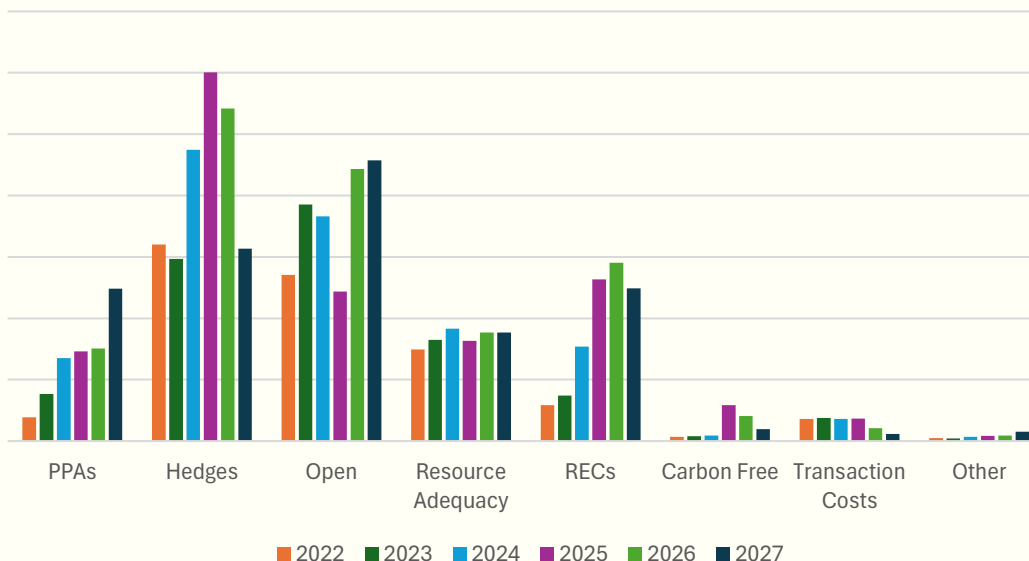
Expenses are divided into three overall cost center categories:

- **Energy Operations** which includes all energy, energy attributes, ancillary related costs and required management services such as scheduling, data management, and customer billing
 - This category comprises 93.5% of Ava's total operating expenses
- **Overhead Operations** which includes all personnel and staffing needs as well as work function cost centers required to manage the organization at large, and is about 6.5% of total operating expenses
- **Non-Operating Expenses** which are all capital and capital transfer related costs, including Local Development Fund contributions. This category is presented and discussed in a later slide

Draft Budget: Energy Operations

Ava Community Energy	FY 2026 BUDGET FY 2026	FY 2026 ACTUAL FY 2026	FY 2027 BUDGET BASE CASE
Energy Operations			
Cost of Energy	836,970,000	770,312,000	756,505,000
Energy Services			
Data Management/CRM	10,080,000	10,238,000	9,980,000
Billing & Metering	3,208,000	3,268,000	3,446,000
Scheduling	768,000	746,000	792,000
Cost of Energy Services	14,056,000	14,252,000	14,218,000
Total Energy Expenses	851,026,000	784,564,000	770,723,000

Fiscal Year Cost of Energy Budget by Attribute



Energy Costs

- Costs are generally derived from a blend of contracted and open position for all energy attributes
 - Currently, renewables, carbon free, and RA are fully procured
 - Open prices are non-stressed, mean forecasted
 - Material increase in PPAs due to reduced revenue expectations from lower market prices

Draft Budget: Renewable & Large Hydro Content

Year	Bright Choice				CA-RPS %
	Renewable %	Carbon Free %	TCR*-Emission Factor	PSDR-Emission Factor	Renewable %
2018	41%	87%	101	n/a	29%
2019	60%	85%	135	n/a	31%
2020	40%	54%	n/a	580	33%
2021	41%	55%	n/a	577	36%
2022	45%	63%	n/a	566	39%
2023	49%	66%	n/a	521	41%
2024	52%	71%	n/a	455	44%
2025	56%	76%	n/a	387	47%
2026	60%	81%	n/a	315	49%
2027	64%	85%	n/a	241	52%
2028	67%	90%	n/a	163	55%
2029	71%	95%	n/a	83	57%
2030	75%	100%	n/a	-	60%

- In April 2022, the Board approved the “Path to Zero by 2030” plan for the Bright Choice product, as shown in the table to the left
- Periodically, the Board has approved adjusting targets to fit Ava’s financial position, typically raising targets
- In December 2025, the Board approved a compliance period approach across multiple years instead of single year targets specifically

Year	Annual Targets			Actuals/Forecast			Long/Short
	Renewables	Lg. Hydro	Total	Renewables	Lg. Hydro	Total	
2024	52.0%	29.0%	81.0%	62.0%	33.7%	95.6%	14.6%
2025	56.0%	25.0%	81.0%	56.5%	37.6%	94.1%	13.1%
2026	55.6%	21.0%	76.6%	54.7%	18.0%	72.7%	-3.9%
2027	64.0%	21.0%	85.0%	58.4%	12.3%	70.8%	-14.3%
Period*	57.3%	23.7%	80.9%	57.9%	25.4%	83.3%	2.4%

* Load Weighted

This table shows where Ava currently stands with procurement relative to the compliance period, and annual, targets

Draft Budget: Fiscal Year Personnel Details

PERSONNEL	2026 BUDGET	2026 ACTUALS	2027 BUDGET	%Change
Salaries & Wages	23,171,000	21,233,000	23,070,000	-0.4%
Health Care/Benefits	3,242,000	2,456,000	4,884,000	50.6%
Retirement	2,745,000	2,461,000	2,983,000	8.7%
Payroll Expenses	481,000	414,000	533,000	10.8%
Total	29,639,000	26,564,000	31,470,000	6.2%

- FY 2026 Budget was set for 7 additional FTE (105 total) to build more depth and to continue addressing increased workflow in key areas to help scale operations further.
 - Ava is not filling 2 roles bringing the forecasted end of FY 2026 FTE to 103.
- FY 2027 Budget seeks to add 5 FTE (108 total) to provide added expertise and support in key areas and help to meet essential business needs.
 - 1) Contract Management Analyst 2) Finance Manager / Staff Accountant 3) Contract / Settlements Analyst
 - 4) Optimization Software Engineer 5) Data Analyst
- Compensation Adjustments:
 - COLA: 3%; Promotions/Wage Adjustments: 3%; AIP Compensation: 12%
 - Accounting for increased healthcare premiums and associated benefit costs (realized and expected)
- Change to benefits reflects some recategorization of expenses from Salaries & Wages to Health Care/Benefits

Public Hearing - AB 2561: Ava FY 25-26 YTD

FY 2025 - 2026 Budgeted Headcount	
Total Active FTE Budgeted	105
New FTE Budgeted	7
New FTE Filled to date	5
Average Time to Hire	67 Days
Vacancy Rate	29%
Retention Rate	95%
Average Turnover Rate	5%

Ava has a strong retention rate of 95%, with only 5 terminations so far this year.

Hiring Decision: Ava elected not to fill 2 positions this FY, bringing the total budgeted FTE down to 103.

Challenges faced in hiring:

- Finding a great fit can take time, but it's worth it.
 - We are prudent in our hiring process, strategically planning the timing of hiring, carefully considering all aspects of the role and desired impact.
- Competition for talent is high, especially in the Bay Area

What helps us overcome challenges?

- A strategic and robust hiring approach
- Ava is mission-driven & a certified Great Place to Work!

**For recruitment, only new budgeted positions are included. This does not account for other roles, like backfill positions.*

**Reporting Period: FY 25-26; July '25 - April '26 (YTD at time of report)*

**Average Time to Hire: Days from role posted to start date.*

**FTE: Full-time employee; YTD: Year-to-date*

This slide and data presented ensure compliance to AB 2561, which requires local public agencies to present the status of vacancies and recruitment and retention efforts at a public hearing before the governing board of the local agency at least once per fiscal year.

Draft Budget: Marketing & Communications

	BUDGET FY2026	ACTUALS FY2026	BUDGET FY2027	%Change
MARKETING				
Advertising & Promotions	1,130,000	256,000	713,000	-36.9%
Required Mailings	635,000	581,000	308,000	-51.5%
Communications	1,270,000	901,000	1,390,000	9.4%
Sponsorships	661,000	743,000	930,000	40.7%
Software & Subscriptions	176,000	126,000	80,000	-54.5%
Total	3,872,000	2,607,000	3,421,000	-11.6%

FY 2027 Summary of Adjustments:

- Continued notifications to unincorporated San Joaquin County solar customers
- Customer mailings for Fremont commercial Renewable 100 transition
- Investment to a brand awareness strategy and launch phase one of a multi-year awareness initiative
- Investment in sponsorships, fellow, partners to activate more robust community engagement

Draft Budget: Legal, Policy, & Regulatory Affairs

	BUDGET FY2026	ACTUALS FY2026	BUDGET FY2027	%Change
LEGAL, POLICY, & REGULATORY AFFAIRS				
Legal Consultants	3,143,000	2,527,000	3,110,000	-1.0%
Policy & Legislative Consultants	740,000	539,000	750,000	1.4%
Software & Subscriptions	281,000	148,000	325,000	15.7%
Memberships & Sponsorships	79,000	52,000	123,000	55.7%
Total	4,243,000	3,266,000	4,308,000	1.5%

FY 2027 Summary of Adjustments

Legal:

- Litigation counsel: funding to cover active litigation; litigation readiness; other potential disputes
- Commercial counsel: all procurement activities other than power resources
- Software and implementation: Legal research resources; contract platform Phase 3 rollout

Policy and Regulatory Affairs

- Federal and state lobbyists
- Consultants for compliance and CAISO matters
- Potential AI services

Draft Budget: Professional Services

	BUDGET FY2026	ACTUALS FY2026	BUDGET FY2027	%Change
PROFESSIONAL SERVICES				
Operations	1,125,000	954,000	1,070,000	-4.9%
Human Resources	792,000	372,000	556,000	-29.8%
Technology/IT	860,000	606,000	910,000	5.8%
Power Resources	741,000	492,000	651,000	-12.1%
Other Services	0	0	1,200,000	0.0%
Total	3,518,000	2,424,000	4,387,000	24.7%

FY 2027 Summary of Adjustments:

- **Technology Consultants:** Expanding operations requires additional engineering and CRM structure and design support
- **Other Services:** Primarily reflects temporary consultants and contractors, which was recategorized and consolidated this year

Draft Budget: General & Administrative

	BUDGET FY2026	ACTUALS FY2026	BUDGET FY2027	%Change
GENERAL OPERATIONS				
Operational Expenses	950,000	2,063,000	2,270,000	138.9%
Memberships & Sponsorships	1,212,000	1,183,000	1,220,000	0.7%
Software & Subscriptions	2,880,000	2,550,000	3,927,000	36.4%
Small Equipment	310,000	60,000	270,000	-12.9%
Rent & Utilities	1,021,000	848,000	1,533,000	50.1%
Conferences & Prof. Development	381,000	53,000	311,000	-18.4%
HR & Recruiting	250,000	164,000	390,000	56.0%
Board & Director Fees	91,000	45,000	54,000	-40.7%
Total	7,095,000	6,966,000	9,975,000	40.6%

FY 2027 Summary of Adjustments:

- **Operational Expenses:** Increase is primarily due to accounting change for fees with line of credit
- **Memberships Dues & Sponsorships:** Costs associated with JPAs, trade associations, and industry associations (CalCCA, CCCFA, CCPower, CFEE, Veloz, etc.)
- **Software & Subscriptions:** Increases to cover additional software needs for IT, Power Resources, and EAS data and increased cyber security needs
- **Rent & Utilities:** Increase due to initiation of primary lease agreement from a sub-lease agreement and no longer receiving TI related allowance
- **HR & Recruiting:** Some increase in recruiting costs for placing temporary consultants
- **Board & Director Fees:** These are reduced to more closely align with Board practices of requesting stipends

Draft Budget: Non-Operating Activity

Ava Community Energy	FY 2026 BUDGET FY 2026	FY 2026 ACTUAL FY 2026	FY 2027 BUDGET BASE CASE	FY 2027 Delta	FY 2027 %D
Non-Operating Revenue					
Interest Income	15,066,000	26,494,000	24,727,000	(8,667,000)	-35.1%
Grants	0	0	0	0	0.0%
Other Non-Operating Revenue	49,000	54,000	48,000	0	0.0%
Total Non-Operating Revenue	15,115,000	26,548,000	24,775,000	9,660,000	39.0%
Non-Operating Expenses					
Local Development Funding	10,190,000	190,000	0	0	0.0%
Borrowing Interest	1,087,000	0	0	0	0.0%
Capital Expenditures	250,000	551,000	120,000	0	0.0%
Total Non-Operating Expenses	11,527,000	741,000	120,000	(11,407,000)	-950.8%
NET NON-OPERATING REVENUES	3,588,000	25,807,000	24,655,000	21,067,000	85.4%

Non-Operating Revenue

- **Interest Income:** Reflects “higher-for-longer” FED interest rate policy and expected balance drawdowns
 - Rates are estimated to hold at 3.5%
- **Other Non-Operating Revenue:** is expected income AT&T tower rent at the 8th Street building

Non-Operating Expenses

- **Borrowing Interest:** reduced due to changes in line of credit accounting
- **Capital Expenditures:** costs estimated for general improvements at 1999 Harrison St offices
- **Local Development:** no planned incremental contributions in light of the current fund balance and future planning work that is underway

Draft Budget: Local Development Fund Balance*

Program Area		Balance
	Local Development	\$2,800,000
BE+EE	Building Electrification	\$14,600,000
	Building Efficiency Accelerator	\$1,300,000
TE	Vehicle Electrification	\$8,100,000
	Ava Charge	\$15,900,000
	Bike Electric	\$2,200,000
	SmartHome Charging	\$5,700,000
Resilience	Critical Municipal Facilities (CMF)	\$5,800,000
	SmartHome Battery	\$10,900,000
	Resiliency Hubs	\$5,600,000
BE+TE	Virtual Power Plant DERMS Platform	\$1,900,000
Grants	Community Investment Grants	\$8,800,00
	Total	\$83,600,000

*Fund balance as of 1/31/26

Local Development – FY27 anticipated spend

Program Area	FY '27 Spend	Committed	FY'27 Activities
Program Roadmap	\$500,000	\$500,000	Local Development Programs Roadmap
Ava Charge	\$2,640,000	\$6,750,000	Development, Operations and Marketing for 5 Sites
Critical Municipal Facilities	\$2,000,000	N/A - 25 yr PPA	Complete Projects, Establish operating reserves, bill customers
Grants	\$600,000	\$1,900,000	Issue new solicitation, select at least three grantees and Payments for contracted grants
SmartHome Battery incentives	\$1,250,000	\$10,900,000	Upfront and ongoing payments for SHB
Resilience Hub TA/Incentives	\$1,500,000	\$5,600,000	Upfront incentives and Technical Assistance costs
Building Efficiency Accelerator	\$1,000,000	\$1,000,000	Incentives for Commercial Heat Pump Water Heaters
Ava Bike Electric incentives	\$2,200,000	\$2,200,000	Bike Electric will add \$4M from ACTC
Ava SmartHome Charging incentives	\$300,000	\$600,000	Enrollment incentives and VPP dispatch payment for SmartHome Charging program
Total	\$11,990,000	\$29,450,000	

Draft Budget: Deferred Revenues & Reserve Funds

Contribution Year	Contribution	Withdraws	Balance	Operating Expenses*	OpEx Year	PctCoverage
2018-2019	40,513,687	-	40,513,687	410,686,000	FY 2019-2020	9.9%
2019-2020	49,704,640	-	90,218,327	383,045,000	FY 2020-2021	23.6%
2020-2021	-	-	90,218,327	471,897,000	FY 2021-2022	19.1%
2021-2022	65,655,073	-	155,873,400	562,667,000	FY 2022-2023	27.7%
2022-2023	75,000,000	-	230,873,400	732,885,000	FY 2023-2024	31.5%
2023-2024	100,000,000	-	330,873,400	814,123,000	FY 2024-2025	40.6%
2024-2025	-	-	330,873,400	899,393,000	FY 2025-2026	36.8%
2025-2026**	-	-	330,873,400	824,284,000	FY 2026-2027	40.1%

*Operating Expenses are fiscal year ahead for coverage purposes: 2025-26 contribution year aligns with 2026-2027 OpEx
 **Expected contribution with current policy as of 5/6/2026
 Note: If \$0 are contributed from 2025-2026 surplus, the balance of \$330.9MM is 40.1% of FY 2026-27 OpEx

- Current reserve fund balance covers 40.1% of projected operating expenses for FY 2027
- Current FY surplus estimate of \$83MM not included in balances
- Staff will bring recommendations for allocation of the surplus to the Board after completion of the annual audit in November
- Budget includes a release of \$5.2MM, equal to 50% of the deferred revenues related to Clean Energy Investments

Deferred Revenue Usage	Balance	Guidance
		R-2025-23 authorizes recognition of ~\$35MM to balance FY25-26 budget
		R-2025-41 authorizes conversions from previous budget deferrals
Rate Stabilization Fund	162,546,828	R-2025-42 & R-2025-51 authorizes RSF funding allocations
		R-2023-37 authorizes deferral for specified use.
Clean Energy Investments	10,504,837	R-2024-26 authorizes recognition in 2027

Draft Budget: Next Steps & Expected Updates

- Staff to incorporate additional diligence and updates based on the recent May ERRA filing
- Staff is working to update a 5-year forecast view for future board review, which was removed from the prior draft presentation due to the late May ERRA filing
 - Note that the reliability of any 5-year forecast on Generation rates is limited due to limited visibility into key PG&E inputs, such as revenue requirements
- Additional review by FAP (5/27) and Ex Comm (6/3) as needed
- Final delivery to Board (6/17) for approval
- Further review with the board mid-year to account for 2026 actuals and final 2027 rate setting
 - PG&E's October ERRA filing will provide a meaningful update
- To the extent the budget forecast materially changes following the October ERRA filing and AET, staff will consider mid-year budget adjustments as needed

Note: These budget scenarios are indicative and will change based on energy market conditions, developments in CPUC proceedings, and updates to PG&E ERRA and GRC filings

Staff is seeking feedback on any matters in preparation for June board approval

Appendix A: FY 2026-2027 Draft Budget Expanded View

Ava Community Energy	FY 2026	FY 2027	FY 2027	
	BUDGET	BUDGET	FY 2027	FY 2027
	FY 2026	BASE CASE	Delta	%D
Wholesale Load (MWh)	8,984,000	9,544,000	560,000	5.9%
Retail Load (MWh)	8,439,000	8,966,000	527,000	5.9%
Revenue & Other Sources				
Electricity Sales	869,170,000	815,730,000	(53,440,000)	-6.6%
Uncollectables	(8,692,000)	(10,197,000)	(1,505,000)	14.8%
GASB 62	35,327,000	5,250,000	(30,077,000)	-572.9%
Total Operating Revenue	895,805,000	810,783,000	(85,022,000)	-10.5%
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Cost of Energy	836,970,000	756,505,000	(80,465,000)	-10.6%
Energy Services				
Data Management/CRM	10,080,000	9,980,000	1,180,000	11.8%
Billing & Metering	3,208,000	3,446,000	10,000	0.3%
Scheduling	768,000	792,000	42,000	5.3%
Cost of Energy Services	14,056,000	14,218,000	162,000	1.1%
Total Energy Expenses	851,026,000	770,723,000	(80,303,000)	-10.4%
Overhead Expenses				
Personnel	29,639,000	31,470,000	1,050,000	3.3%
Marketing & Communication	3,872,000	3,421,000	119,000	3.5%
Legal, Policy, & Regulatory Affairs	4,243,000	4,308,000	144,000	3.3%
Other Professional Services	3,518,000	4,387,000	149,000	3.4%
General & Administrative	7,095,000	9,975,000	333,000	3.3%
Total Overhead Expenses	48,367,000	53,561,000	5,194,000	9.7%
Total Operating Expenses	899,393,000	824,284,000	(75,109,000)	-9.1%
Non-Operating Revenue				
Interest Income	15,066,000	24,727,000	(8,667,000)	-35.1%
Other Non-Operating Revenue	49,000	48,000	0	0.0%
Total Non-Operating Revenue	15,115,000	24,775,000	9,660,000	39.0%
Non-Operating Expenses				
Local Development Funding	10,190,000	0	0	0.0%
Borrowing Interest	1,087,000	0	0	0.0%
Capital Expenditures	250,000	120,000	0	0.0%
Total Non-Operating Expenses	11,527,000	120,000	(11,407,000)	-8505.8%
NET NON-OPERATING REVENUES	3,588,000	24,655,000	21,067,000	85.4%
TOTAL NET REVENUES	0	11,154,000	11,154,000	100.0%



Staff Report Item 10

To:	Ava Community Energy Authority Board of Directors
From:	Alex DiGiorgio, Sr. Manager, Public Engagement
Subject:	City of San Leandro's request for default service plan change (Informational)
Date:	May 20, 2026

Summary/Recommendation

This staff report proposes to 1) update Ava's Board of Directors regarding a recent San Leandro City Council Resolution requesting a citywide default rate product change from Ava's Renewable 100 (the current default option) to Bright Choice; and 2) provide historical background and potential next steps for this request within the context of Ava's Default Rate Product Change Policy. This item is informational for the Board of Directors.

Financial Impact

Staff is currently conducting analyses to forecast the financial impacts of transitioning San Leandro's citywide default service from Renewable 100 to Bright Choice, as well as evaluate operational procedures and customer communications. These analyses will be presented at a future Board meeting, along with recommended options to mitigate potential negative impacts to the agency, its customers, and communities.

Analysis and Context

On April 6, 2026, the San Leandro City Council passed a Resolution (attached) requesting Ava's Board approve a citywide default transition from Renewable 100 (San Leandro's current default option) to Bright Choice service, per Ava's updated Default Rate Product Change Policy.

On September 22, 2021, Ava's Board approved San Leandro City Council's request to change the City's default service option from Bright Choice to Renewable 100. At that time, the City's primary stated reason for requesting a default service transition to Renewable 100 was to help achieve the City's Climate Action Plan (CAP) goals. In accordance with the City Council's previous request, and the previous terms of Ava's Default Rate Product Change Policy, the City's residential customers transitioned from Bright Choice as the default option to Renewable 100 service in March of 2022, while the City's non-residential customers transitioned in October of that same year.

The City's municipal accounts started service in 2017 on (now sunsetted) Brilliant 100 service and have been on Renewable 100 service since September 2021. This service plan transition did not require Board action, as the City requested this change for their own accounts. Currently, all of San Leandro's residential and non-residential (e.g., commercial and industrial) customers default to Renewable 100 service, unless they fall within a specifically exempted category. These include the following:

- Residential customers on discount programs for income qualified households (e.g., CARE/FERA) and/or medical devices (e.g., Medical Baseline);
- Residential customers that started service while enrolled in an income qualified or medical device program; or
- Customers that have opted out of Ava service for either PG&E or Direct Access service;

The City's proposed transition from Renewable 100 to Bright Choice service would apply to approximately 21,500 residential customers and 3,500 non-residential customers. This corresponds to approximately 275 GWh of annual electric load (excluding the City's municipal accounts, which represent an additional 6 GWh of annual electric load, and were not included in the City's 4/6 Resolution), or 3% of Ava's total load, including unincorporated San Joaquin County. If approved by the Board, customers would be provided an opportunity to remain on Renewable 100 prior to the citywide default transition to Bright Choice.

Per Ava's Default Rate Product Change Policy, requests by Ava's JPA member-jurisdictions to change the default service option must be approved by Ava's Board by May 31 of a given year in order to be implemented by March of the following year. However, the policy allows for a different implementation schedule if one can be mutually agreed upon by Ava's Chief Executive Officer (CEO) and the JPA member, provided the CEO notifies the Board of the agreed upon schedule.

Once staff has completed its analyses, staff will bring an item to the Board with a recommendation and request for Board action. Currently, staff anticipate sbring an item to the Board later this calendar year.

Attachments

- A. Ava's Default Rate Product Change Policy (2024)
- B. City of San Leandro City Council Resolution
- C. City of San Leandro City Council Staff Report and attachments (B, C, D)

D. Presentation

Ava COMMUNITY ENERGY
DEFAULT RATE PRODUCT CHANGE POLICY

Policy Number: 15.1

Approval Date: 3/20/24

Agenda Item: Consent Item 17

Approved by Resolution: R-2024-24

The purpose of this Default Rate Product Change Policy is to specify a process for a Joint Powers Authority (JPA) member agency (“Member”) to change its Default Rate Product¹ and to ensure that Ava Community Energy (Ava) is provided with sufficient notice and time to prepare for the change.

When approving a request from a Member to change the Default Rate Product (“Default Rate Product Change”) after the Member’s initial service enrollment, the Ava Board (“Board”) and Member shall adhere to this Policy, which requires specific cooperation from the Member. This Policy shall not apply to a change in the Default Rate Product which is the result of a rate product closure.

Under this Policy, the Default Rate Product Change request from a Member and subsequent implementation must comply with the following requirements:

1. **Timeline for Board Approval and Implementation:** Any request for a Default Rate Product Change must be approved by the Board. The Board will consider Members’ requests for Default Rate Product changes in the spring based on the following schedule:
 - a. If the Board approves a Member’s request for a Default Rate Product Change by May 31 the Default Rate Change will be implemented in March of the following year.
 - b. Notwithstanding the foregoing, the Ava Chief Executive Officer (“CEO”) and the Member may mutually agree upon a different implementation schedule, provided that the CEO provides the Board with notification of the agreed-upon schedule.

Board Approval By	Implementation Month
May 31 of Year A	March of Year A+1

2. **Exceptions to Implementation of Default Rate Product Change:** Notwithstanding anything contained in this Policy, in no event shall a Member’s Board-approved Default Rate Product Change affect the following:

¹ For purposes of this Policy, the “Default Rate Product” is the AVA rate product option that each Member selected as the default for AVA customers within the Member’s jurisdiction.

- a. Prior customer enrollment actions. Any customer account that has affirmatively taken action to change its rate product will remain on the selected product.
 - b. Prior customer opt-out actions. Any customer account that has affirmatively taken action to opt out of Ava service will remain opted out.
3. **Frequency of Default Rate Product Change by a Member:** A Member may not change its Default Rate Product more than one (1) time every two (2) years.
4. **Ava Agency Requirements:** Upon the Board's approval of a Member's request for a Default Rate Product Change, Ava staff may engage in any of the following activities:
 - a. Purchase or prepare to purchase the appropriate amount of resources to meet the expected change in demand associated with the Default Rate Product Change;
 - b. Complete or prepare to complete additional regulatory compliance and reporting requirements, if any;
 - c. Coordinate with Ava's data and call center services manager to make necessary operational adjustments;
 - d. Evaluate fiscal impacts of the Default Rate Product Change;
 - e. Examine Ava rates and any rate impacts;
 - f. Coordinate and work with PG&E on billing considerations, if any;
 - g. Prepare for and deploy customer communication efforts;
 - h. Identify and address any other operational impacts or issues and take steps to mitigate those impacts/issues; or,
 - i. Take any other action necessary to effectuate the Member's approved Default Rate Product Change.
5. **Member Requirements:** The Member requesting a Default Rate Product Change must commit to the following conditions for the change to be implemented:
 - a. Collaboration. The Member shall work with Ava staff to develop and implement a customer communication plan;
 - b. Co-Branding. The Member must agree to co-brand customer notifications with the Member's seal; and,
 - c. Cost Coverage. Ava will cover the cost of any operational adjustments and the required customer notices, as detailed in Section 6.a, for the Member's first approved Default Rate Product Change. Costs associated with any subsequent Default Rate Product Changes will be charged to the Member.
6. **Customer Communication:** Ava will notify customers subject to a Member's approved Default Rate Product Change. Ava will lead, with support from the Member, the development and dissemination of customer notices.
 - a. Required Notifications. Any customer accounts subject to a Member's approved Default Rate Product Change shall be sent a minimum of two

(2) notifications. A minimum of one (1) notice shall be sent prior to the change going into effect.

- b. Optional Additional Notifications. In addition to the two (2) required notices referenced in Section 6.a., above, Ava staff will coordinate with a Member who wishes to develop and distribute additional customer notices and/or conduct additional communications such as social media campaigns, jurisdictional newsletters, Member press release, etc. The Member shall be responsible for the costs of such additional communications.
7. A customer may take an enrollment action to change their Ava rate product, to opt in to Ava service, or to opt out of Ava service at any time by notifying Ava through the standard channels of phone, interactive voice recording, or online form.

RESOLUTION THE CITY COUNCIL OF THE CITY OF SAN LEANDRO

RESOLUTION NO. 2026-033

RESOLUTION SELECTING BRIGHT CHOICE AS THE DEFAULT PRODUCT FOR SAN LEANDRO CUSTOMERS SERVED BY AVA COMMUNITY ENERGY

WHEREAS, the San Leandro City Council demonstrates its commitment to an environmentally sustainable future through its policy goals and actions, including energy reduction, clean energy programs, and the expansion of local renewable power supply; and

WHEREAS, in November 2016, the City of San Leandro City Council adopted Resolution No. 2016-160 authorizing San Leandro's participation in Alameda County's Community Choice Energy program known as East Bay Community Energy (EBCE); and

WHEREAS, in October 2023 EBCE announced and began operating under its new name, Ava Community Energy (Ava); and

WHEREAS, Ava offers two product choices with different emission-related profiles to customers: Bright Choice and Renewable 100, with the latter priced at a premium to Pacific Gas and Electric Company (PG&E) pricing and the former priced at a discount to PG&E prices; and

WHEREAS, in 2021 the San Leandro City Council selected Renewable 100 as the default choice for residents and businesses, with an exception for San Leandro customers that are income-qualified and enrolled in the California Alternate Rates for Energy (CARE), Family Electric Rate Assistance (FERA), and Medical Baseline programs remained at the Bright Choice rate; and

WHEREAS, the less expensive Bright Choice product was only 55% and 60% carbon-free in 2020 and 2021, respectively; and

WHEREAS, a September 18, 2024 resolution adopted by the Ava Board of Directors will result in Bright Choice being over 90 percent carbon-free in 2025 due to the addition of nuclear power into the Bright Choice power mix; and

WHEREAS, the significant improvement of Bright Choice's carbon-free profile, combined with the material deficit of San Leandro median household income when compared to the Alameda County median household income, make it in the public interest to replace Renewable 100 with Bright Choice attribute the default service plan provided by Ava to its customers based in San Leandro; and

WHEREAS, if approved, this would save the average residential customer approximately 45 dollars per year, or in aggregate approximately one million dollars per year for residents; and

WHEREAS, San Leandro Ava customers will continue to have the choice to change their enrollment to the higher-priced Renewable 100 product and also have the ability to opt out of purchasing electricity from Ava altogether.


NOW, THEREFORE, the City Council of the City of San Leandro does **RESOLVE** to select Bright Choice as its preference for the default product for San Leandro residential, commercial/industrial, and CARE/FERA/Medical Baseline accounts served by Ava.

Introduced by Mayor González and passed and adopted this 6th day of April 2026 by the following vote:

AYES: Councilmembers J. Aguilar, V. Aguilar, Boldt, Simon, Viveros-Walton, and Mayor González (6)

NOES: None (0)

ABSENT: Councilmember Bowen (1)

ATTEST: 

Sarah K. Bunting
City Clerk

Staff Report (April 6, 2026)

Title

Adopt a Resolution Selecting Bright Choice as the Default Product for San Leandro Customers Served by Ava Community Energy

Staffreport

SUMMARY

Per a request from the Mayor, City staff presents for the City Council's consideration the attached draft Resolution that, if adopted by majority vote of the Council, would revert the default energy plan provided to San Leandro Ava Community Energy customers to be "Bright Choice" (BC), instead of "Renewable 100" (R-100). The Ava Bright Choice plan is the least expensive option. San Leandro residents or business owners who wish to purchase an energy package that is wholly derived from renewable sources would still retain the ability to opt-in to the Renewable 100 plan.

BACKGROUND

Ava Community Energy (formerly East Bay Community Energy) is a local, not-for-profit electricity provider, functioning as a Community Choice Aggregator throughout Alameda County that supplies cleaner power than PG&E by sourcing generation from renewable sources and reinvests some of its net operating revenue back into the community. PG&E delivers the power and manages the grid.

Below is a comparison of available energy plans as currently posted on the Ava Community Energy public website:

- Ava Renewable 100 (R-100) - 100% renewable sources (e.g. wind & solar), priced at 1 ¾ cent per kWh above PG&E rates.
- Ava Bright Choice (BC) - 62% renewable sources, priced at 0.5% below PG&E rates.
- PG&E - 23% renewable sources, priced at 0.5% above Ava Bright Choice rates.

MAYOR'S ANALYSIS

The primary intent of the proposed City Council resolution is to balance sustainability goals with economic equity for all San Leandro residents and businesses. According to the state of California, the City is officially designated as a disadvantaged community, with a median household income that lags Alameda County's median by more than \$20,000 per year. When the City Council voted in 2021 to opt-up the entire community's default power mix to R-100, it shifted the financial burden of that action to local residents and business owners.

Moreover, the above action exceeded the intent of the relevant strategies referenced later in this staff report that are included in the City's adopted Climate Action Plan (CAP). More specifically, rather than merely *encouraging* local energy customers to opt-up to R-100, the Council's action served as a de facto requirement for them to opt-up in the absence of taking proactive action to opt-down to a less expensive energy mix.

Additionally, it is important to note that in the greater than five years that has passed since that 2021 action occurred, the renewable power portions of Ava Community Energy's Bright Choice plan have markedly improved. As a result, if San Leandro residents and businesses were defaulted to the Bright Choice plan, their resulting default power mix would be substantively improved as compared to what it otherwise would have been in 2021. Similarly, the Bright Choice renewable percentage is materially higher than that offered by PG&E. More specifically, it is approximately 2.7 times PG&E's renewable power mix percentage according to the above-referenced data that is publicly listed on Ava's website. Most importantly, according to the 2024 power content label, Bright Choice was at least 96% GHG-free in 2024. That is the last year for which a power content label has been published. 2025 is expected to be greater than 90% GHG-free according to Ava Energy's draft FY 2025-26 budget.

Lastly, because the City separately opted into the R-100 power mix plan, adoption of the proposed Resolution would have no impact on the power being used at City-owned municipal facilities and buildings. As a result, the City would continue to be able to lead by example through the usage of 100 percent renewable power at all City facilities.

STAFF ANALYSIS

On July 19, 2021, the City Council unanimously adopted the 2021 Climate Action Plan (CAP). The CAP is San Leandro's comprehensive strategy to reduce greenhouse gas (GHG) emissions and adapt to changing climate conditions. San Leandro's adopted General Plan also directs the preparation, ongoing implementation, and update of the CAP, providing the framework for San Leandro to reduce its community-wide GHG emissions in a manner consistent with State reduction targets through 2030 and longer-term goals for 2050. This document outlines both the City's successes to date in promoting environmental responsibility and provides a blueprint for continued sustainability.

Additionally, the CAP includes Renewable Energy Strategy (RE-1), which states: *"Encourage San Leandro households and businesses to switch from PG&E electricity supplies to East Bay Community Energy (now Ava), and commit to defaulting to Renewable 100 tier for 100-percent renewable energy"*.

On September 7, 2021, the City Council subsequently voted to upgrade the citywide default plan for all residences and businesses to the Renewable 100 (R-100) tier, using 100-percent renewable energy. Prior to the implementation date of the above action, the City of San Leandro Department of Public Works was also collaborating with EBCE to update the default power mix for all City-owned municipal facilities to R-100, consistent

with City Council direction. That latter change to the power mix for city facilities came into effect on October 1, 2021.

Nuclear Power Added to Bright Choice Energy Mix

In September 2024, the Ava Board of Directors voted to accept PG&E's Diablo Canyon Nuclear Power Plant energy allocation of greenhouse gas-free (GHG-free) power attributes into the Bright Choice product. This nuclear allocation lowered the overall carbon/GHG content in the Bright Choice power mix in 2025.

Unlike wind and solar power, nuclear power is considered by the State of California to be a non-renewable energy source despite not generating GHGs because of the following reasons:

- According to the California Energy Commission's Renewables Portfolio Standards Certification, a renewable resource is a natural resource that can be replenished naturally in a short period of time, or otherwise can be reused at a rate that keeps up with its consumption; and
- It relies on finite resources such as uranium.

Community Cost Savings

If the attached City Council Resolution is approved, it is anticipated that the change to the default power mix for San Leandro residents and businesses would become effective in March 2027, thereby allowing residential customers to realize an average savings of approximately \$46 per year by March 2028. Customers that had already separately opted-in to the R-100 tier would stay in that tier after the proposed default change. As a result, City-owned municipal facilities would also remain in the R-100 fully renewable power mix.

Alameda County Green Business Program

Per the requirements of the Alameda County Green Business program, any business in the County seeking to become certified as a "Green Business" must opt into Ava Community Energy's R-100 plan. As a result, if the City Council were to adopt the proposed action, any businesses seeking such a certification or a renewal of such a certification would need to ensure that they are opted-up to R-100, rather than defaulting to other power mixes. Additionally, it is worth noting that the City of San Leandro Department of Public Works is currently in the process of certifying municipal facilities as Green Businesses to ensure city operations conserve energy, water, and materials resources wherever possible. This certification effort would not be directly impacted by adoption of the proposed Council Resolution, as noted above.

Fiscal Impacts

None. Given that municipal operations would retain the opted-in R-100 plan after the change, the proposed action would have no impact to the City's General Fund budget.

ATTACHMENTS

A: Draft Resolution

- B: FY 2024 Analysis
- C: FY 2025 Analysis
- D: Ava Community Energy rate comparisons

Prepared by:

Kimberly Anderson, Management Analyst II, Public Works Department
Eric Engelbart, Deputy City Manager, City Manager's office

San Leandro Renewable 100 and Bright Choice Analysis

- To capture a full year with the current value proposition by Ava, the time period for analysis is from July 1, 2023 to June 30, 2024
- Analysis excludes Opted Out customers
- Bright Choice Savings and R100 Premium are compared to PG&E unless stated otherwise
- Customer groups are based on the most current customer enrollment information. Some customers in the BC or R100 groups may not have been on that product for the whole year

Table 1 - Annual Overview by Customer Class

Customer Class	Bright Choice			Renewable 100		
	Enrolled Customers as of Sept 2024	Annual Billed Usage (kWh)	Annual Bright Choice Savings	Enrolled Customers as of Sept 2024	Annual Billed Usage (kWh)	Annual R100 Premium
Commercial and Industrial	120	20,330,835	\$ 119,259	3,517	189,905,066	\$ 474,765
Municipal	24	2,126,530	\$ 16,053	250	6,279,263	\$ 15,700
Residential	8,366	42,223,650	\$ 338,299	20,797	97,665,449	\$ 244,184
Total	8,510	64,681,015	\$ 473,611	24,564	293,849,777	\$ 734,650

Table 2 - Annual Overview for CARE/FERA and Medical Baseline Customers

Product	Enrolled Customers as of Sept 2024	Annual Billed Usage (kWh)	Annual Bright Choice Savings	Annual R100 Premium
Bright Choice	5,955	21,730,552	\$ 177,578	-
Renewable 100	2,756	8,535,167	-	\$ 21,345

Note: CARE/FERA and Medical Baseline customers are defaulted to Bright Choice, but if a customer enrolls in these programs post-start of service, they may be on Renewable 100

Table 3 - Estimated Bright Choice Savings for R100 Customers

Customer Class	Enrolled Customers as of Sept 2024 [C]	Estimated BC Savings Compared to PG&E [A]	Billed R100 Premium Compared to PG&E [B]	Estimated Bill Difference Between R100 and BC [A + B]	Estimated Annual Bill Difference R100 and BC per Customer [A + B] / [C]
Commercial and Industrial	3,517	\$ 1,463,711	\$ 474,765	\$ 1,938,477	\$ 551
Municipal	250	\$ 46,806	\$ 15,700	\$ 62,506	\$ 250
Residential	20,797	\$ 784,924	\$ 244,184	\$ 1,029,108	\$ 49

San Leandro Renewable 100 and Bright Choice Analysis 2025

- To capture a full year with the current value proposition by Ava, the time period for analysis is from July 1, 2024 to June 30, 2025
- Analysis excludes Opted Out customers
- Bright Choice Savings and R100 Premium are compared to PG&E unless stated otherwise
- Customer groups are based on the most current customer enrollment information. Some customers within groups may not have been on CARE/FERA, Bright Choice or Renewable 100 for the whole year

Table 1 - Annual Overview by Customer Class

Customer Class	Bright Choice			Renewable 100		
	Currently Enrolled Customers	Annual Billed Usage (kWh)	Annual Bright Choice Savings	Currently Enrolled Customers	Annual Billed Usage (kWh)	Annual R100 Premium
Commercial and Industrial	129	26,789,458	\$ 167,013	3,558	186,007,923	\$ 465,022
Municipal	26	2,583,572	\$ 18,519	252	6,226,527	\$ 15,568
Residential	7,897	40,643,595	\$ 305,390	21,486	97,791,217	\$ 245,403
Total	8,052	70,016,625	\$ 490,921	25,296	290,025,667	\$ 725,993

Table 2 - Annual Overview for CARE/FERA and Medical Baseline Customers

Product	Currently Enrolled Customers	Annual Billed Usage (kWh)	Annual Bright Choice Savings	Annual R100 Premium
Bright Choice	5,449	28,144,109	\$ 212,712.23	-
Renewable 100	3,459	19,239,069	-	\$ 48,190.62

Note: CARE/FERA and Medical Baseline customers are defaulted to Bright Choice, but if a customer enrolls in these programs post-start of service, they may be on Renewable 100

Table 3 - Estimated Bright Choice Savings for R100 Customers

Customer Class	Currently Enrolled Customers [C]	Estimated BC Savings Compared to PG&E [A]	Billed R100 Premium Compared to PG&E [B]	Estimated Bill Difference Between R100 and BC [A + B]	Estimated Annual Bill Difference R100 and BC per Customer [A + B] / [C]
Commercial and Industrial	3,558	\$ 1,360,911	\$ 465,022	\$ 1,825,932	\$ 513
Municipal	252	\$ 43,589	\$ 15,568	\$ 59,157	\$ 235
Residential	21,486	\$ 736,301	\$ 245,403	\$ 981,703	\$ 46

AVERAGE MONTHLY COST COMPARISON BY PLAN

(RESIDENTIAL ELECTRIC 2025)

Per Ava Community Energy Website

RENEWABLE 100

100% renewable energy

Electric generation:
\$51.48

Electric delivery:
\$94.29

Additional non-Ava fees:
\$3.26

TOTAL: \$148.91

BRIGHT CHOICE

62% renewable energy

Electric generation:
\$47.89

Electric delivery:
\$94.29

Additional non-Ava fees:
\$3.26

TOTAL: \$145.32

PG&E

45% renewable energy

Electric generation:
\$50.58

Electric delivery:
\$94.29

Additional non-Ava fees:
\$3.26

TOTAL: \$148.01

This comparison is for an average residential E-TOU-C (Time of Use) customer using 360 kWh/month. Due to rounding, the rate components may not sum exactly to the total. Figures reflect Ava's actual power mix from 2024 (most recently published). Power mixes are published annually each summer for the preceding year.)

City of San Leandro's Request for Default Service Plan Change (Informational)

May 20, 2026 | Alex DiGiorgio



Background: San Leandro Citywide Default Service

- On **April 6, 2026**, the San Leandro City Council passed a Resolution requesting Ava's Board to approve a citywide default service transition from Renewable 100 (the City's current default option) to Bright Choice, per Ava's [Default Rate Product Change Policy](#).
- Previously, on **September 22, 2021**, Ava's Board approved the San Leandro City Council's request to change the City's default service option from Bright Choice to Renewable 100.
- In **March of 2022**, San Leandro's residential customers transitioned from Bright Choice as the default option to Renewable 100, while the City's commercial & industrial customers transitioned in **October of 2022**, per the timeline determined by the Council's 2021 Resolution and Ava's Policy at that time.
 - Exempted customers included: Income qualified (CARE/FERA); Medical Baseline; opt-outs
 - Customers also had an opportunity to remain on Bright Choice during the Renewable 100 default enrollment

Background: San Leandro by the Numbers

- San Leandro has about 21,500 residential and 3,500 non-residential customers
- Annual load 275 GWh, or 3% of Ava's load
 - Municipal facilities, 6 GWh, would remain on Renewable 100
- Note: Prior to the transition to Bright Choice, customers will be provided an opportunity to remain on Renewable 100.

Ava Default Rate Product Change Policy

- Per Ava's updated 2024 [Default Rate Product Change Policy](#), requests by JPA member-jurisdictions to change their default service option must be approved by Ava's Board by May 31 to be implemented by March of the following year.
- The policy allows for a different implementation schedule if agreed upon by Ava's CEO and the JPA member.
- Procedurally, following a request to change a citywide default service option, Ava staff conduct analyses to evaluate the impact of the requested change to Ava's service area-wide customer base and internal operations.
- Customers who wish to remain on Renewable 100 will have the opportunity to do so.

Next Steps

- Staff is currently conducting analyses to forecast the financial impacts of transitioning San Leandro's citywide default service from Renewable 100 to Bright Choice as well as operational procedures.
- Results and options will be presented at a future Board meeting
 - Including recommended options to mitigate potential negative impacts to the agency, its customers, and communities.

