**Community Advisory Committee**
October 19, 2026
6:00 pm

**In Person:**
Board Room
Ava Community Energy
1999 Harrison St, Ste 2300
Oakland, CA 94612

**Or from the following remote locations:**
4563 Meyer Park Circle, Fremont, CA 94536
27 S. Grant St, Stockton, CA 95202
1531 El Pinal Dr, Stockton, CA 95205
1021 W. Acacia St, Stockon, CA. 95303
2277 Pyrenees Ave., Stockton, CA 95210

**Via Zoom:**
https://us02web.zoom.us/j/84794506189

**Or join by phone:**
Dial(for higher quality, dial a number based on your current location):
US: +1 669 900 6833 or +1 346 248 7799 or +1 253 215 8782 or +1 929 205 6099 or +1 301 715 8592 or +1 312 626 6799 or 877 853 5257 (Toll Free)
Webinar ID: 847 9450 6189

*Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact the Clerk of the Board at least 2 working days before the meeting at (510) 906-0491 or cob@avaenergy.org.*

*If you have anything that you wish to be distributed to the Committee, please email it to the clerk by 5:00 pm the day prior to the meeting.*

*Public comment letters received for Ava Community Energy meetings are posted at https://app.box.com/v/avapubliccomment.*

**C1. Welcome & Roll Call**

**C2. Public Comment**

*This item is reserved for persons wishing to address the Committee on any Ava Community Energy-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. As with all public comment, members of the public who wish to address the Committee are customarily limited to two minutes per speaker and must complete an electronic speaker slip. The Committee Chair may increase or decrease the time allotted to each speaker.*

**C3. CAC Chair Report**

**C4. Minutes from September 14, 2026**

**C5. 2026 Legislative roundup and 2027 look ahead (BOD Informational Item)**

**C6. 2025 Power Content (CAC Informational Item)**
Update on final 2025 power content

**C7. Vice-Chair Appointment (CAC Action Item)**

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

**C9. Adjourn**

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

Ava Community Energy

1999 Harrison Street, Suite 2300, Oakland, CA 94612

# Board Meeting Access Instructions

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

## Directions

### Directions via BART

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

### Directions via Bike

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

### Directions to Parking Garage via Car

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

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

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

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




## Check-in at Security Desk

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

Draft Minutes

# Community Advisory Committee

September 14, 2026
6:00 pm

**In Person:**
Board Room
Ava Community Energy
1999 Harrison St, Ste 2300
Oakland, CA 94612

**Or from the following remote locations:**
1319 Solano Ave, Albany, CA 94706
4563 Meyer Park Circle, Fremont, CA 94536
1234 W Oak St., Stockton, CA 95204
1531 El Pinal Dr, Stockton, CA 95205
2277 Pyrenees Ave., Stockton, CA 95210
639 Martis Peak Dr, Incline Village, NV 89451

**Via Zoom:**
https://us02web.zoom.us/j/84794506189

**Or join by phone:**
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**C1. (1:47) Welcome & Roll Call**

**Present: Members:** Bierce (North), Riley (North), Krulewitz (North), Edmunds (East), Swaminathan (South), Epperson (Central – Alternate), Harper (San Joaquin County), Halaufia (San Joaquin County), Knodt (San Joaquin County), Raj (At-Large), Roberts (At-Large), and Chair Souza (Central)

**Not Present: Members:** Lakshman (South)

**Alternate Member Epperson** served as a voting member for Central Region in **Member DiFranco's** absence.

**C2. (3:51) Public Comment**

*This item is reserved for persons wishing to address the Committee on any Ava Community Energy-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. As with all public comment, members of the public who wish to address the Committee are customarily limited to two minutes per speaker and must complete an electronic speaker slip. The Committee Chair may increase or decrease the time allotted to each speaker.*

**There were no speakers for public comment.**

**C3. (4:36) CAC Chair Report**

**Chair Souza** provided a brief report and noted **former Vice-Chair Balkissoon's** retirement.

**There were no speakers for public comment.**

**C4. (5:46) Minutes from July 13, 2026 meeting**

**There were no speakers for public comment.**

**Alternate Member Epperson motioned to approve the minutes from the July 13, 2026 meeting. Member Bierce seconded the motion, which was approved 12/0/0/0/1 (yes/no/abstain/recuse/not present):**
**Yes: Members: Bierce, Riley, Krulewitz, Edmunds, Swaminathan, Epperson, Harper, Halaufia, Knodt, Raj, Roberts and Chair Souza**
**No: none**
**Abstain: none**
**Recuse: none**
**Not Present: Members: Lakshman**

**C5. (7:52) Update on Customer Programs Strategy, formerly called Roadmap (BOD Informational Item)**
Updating the board on the status of the Customer Programs Strategy development process.

**Annie Henderson, Chief Customer Officer,** presented an update on the Customer Programs Strategy and stakeholder engagement approach, and answered questions from the Committee.

Committee discussion addressed geographic representation, engagement of community and labor stakeholders, equity metrics, and alignment with existing programs.

**(1:08:48) Public Comment – Jim Lutz,** former CAC member, supported the proposed public engagement approach and urged that the Customer Programs Strategy prioritize financially sustainable local energy resources and community ownership.

**(1:11:58) Public Comment – Dohee Kim,** Local Clean Energy Alliance, supported expanded public engagement and recommended geographically appropriate equity metrics and alignment with decarbonization and workforce policies.

**(1:15:08) Public Comment – Bradley Cleveland,** representing IBEW Local 595 and NorCal NECA, encouraged inclusion of construction contractors, organized labor, apprenticeship programs, and disadvantaged communities in the engagement process.

**C6. (1:24:10) Approve a resolution on a suite of power related products with Sentinel Energy Center, LLC from a hybrid battery project (BOD Action Item)**
Approving a Resolution of the Board of Directors of Ava Community Energy for the CEO to negotiate and execute agreements for BESS, RA and Financially Settled products.

**Scott Harding, Director of Originations,** presented the proposed resource adequacy and financially settled products associated with Sentinel Energy Center and a battery energy storage project, and answered questions from the Committee.

**There were no speakers for public comment**

**Member Edmunds motioned to recommend Board approval of the proposed Sentinel Energy Center resolution. Member Knodt seconded the motion, which was approved 11/0/1/0/1 (yes/no/abstain/recuse/not present):**

**Yes: Members: Riley, Krulewitz, Edmunds, Swaminathan, Epperson (Alternate), Harper, Halaufia, Knodt, Raj, Roberts and Chair Souza**
**No: none**
**Abstain: Member Bierce**
**Recuse: none**
**Not Present: Members: Lakshman**

**C7. (2:12:04) Vice-Chair Appointment (CAC Action Item)**

**Chair Souza** discussed the vacant Vice-Chair position. **Member Bierce** expressed interest in serving, and the appointment was deferred to the October meeting. No vote was taken.

**There were no speakers for public comment**

**C8. (2:19:53) CAC Member and Staff Announcements including requests to place items on future Community Advisory Committee Meeting Agendas**

Staff announced the September 17, 2026 California Public Utilities Commission meeting concerning the Power Charge Indifference Adjustment (PCIA).

**C9. (2:22:53) Adjourn**

**The meeting was adjourned at approximately 8:23 pm.**

The next Community Advisory Committee meeting will be held on Monday, October 19, 2026 at 6:00 pm.

# 9/14/26 – Ava Community Advisory Committee
# AI Generated Courtesy Summary - not official minutes
# This summary has not been reviewed for accuracy

# Community Advisory Committee

**September 14, 2026, 6:00 PM**

## C1. Welcome & Roll Call

Chair Souza called the September 14, 2026 meeting of the Community Advisory Committee to order at 6:02 PM. The meeting was held in person at the Ava Community Energy Board Room, 1999 Harrison Street, Suite 2300, Oakland, California, and at various remote locations listed on the agenda.

Board Clerk Adrian Bankhead conducted roll call. A quorum was established. Members present included Member Bierce, Member Riley, Member Krulewitz, Member Edmunds, Member Swaminathan, Alternate Member Epperson, Member Harper, Member Halaufia, Member Knodt, Member Raj, Member Roberts, and Chair Souza. Members Lakshman and DiFranco were not recorded as present.

## C2. Public Comment

No public comments were received in person, online, or from remote locations.

## C3. CAC Chair Report

Chair Souza reported that following the previous CAC meeting, the Board of Directors held a meeting at which several items were approved. She noted that former Vice Chair Indera has chosen to retire and extended well wishes on behalf of the Committee.

No public comments were received on the Chair Report.

## C4. Minutes from July 13, 2026 meeting

No public comments were received on the minutes. The minutes from the July 13, 2026 meeting were approved unanimously.

> Member Edmunds moved and Member Bierce seconded approval of the minutes from the July 13, 2026 meeting. The motion carried unanimously.

## C5. Update on Customer Programs Strategy, formerly called Roadmap (BOD Informational Item)

Annie Henderson, Chief Customer Officer, presented an update on the Customer Programs Strategy — formerly referred to as the Roadmap. The rebranding reflects a recognition that the strategy must remain adaptive rather than prescriptive. The core deliverable is a strategic framework comprising a program objective, strategic

priorities, success metrics, and portfolio composition targets, which will guide Ava's customer programs over the next five years. A subsequent implementation phase will develop program concepts and portfolio scenarios.

Ms. Henderson outlined a two-track engagement model. Internally, staff will form ad hoc working groups drawing from the Board of Directors, the CAC, and local municipal staff. Externally, Ava has issued a Request for Proposals for a consultant to lead targeted stakeholder outreach and public workshops. Nine conforming bids were received. Staff is recommending Option 2, the higher-engagement option comprising five in-person public workshops and a greater number of virtual sessions and stakeholder meetings, to ensure broad geographic and demographic representation.

Ms. Henderson reported that staff has already completed meetings with 17 of 18 member jurisdictions, reviewed local climate action plans, and analyzed customer survey data collected since 2020. Key themes emerging from municipal meetings include grid interconnection and capacity constraints, local economic development, municipal staff and funding limitations, building and transportation electrification needs, and affordability. Customer survey data consistently shows reliability and affordability as top priorities, with programs and incentives growing in importance.

Committee discussion highlighted the importance of geographic differentiation across the service territory, particularly between Alameda County and San Joaquin County communities. Members noted existing disparate program access, housing stock differences, regulatory environments, and differing local priorities. Member Harper recommended organizing stakeholder engagement by geography first, then by interest or constituency type. Staff confirmed that all received proposals incorporated geographic and demographic tagging methodologies.

Members also inquired about the relationship between this strategic process and Ava's existing programs. Ms. Henderson clarified that current approved programs — including the e-bike program, AVI charge DC fast charging, smart home charging, smart home battery, resilience hub initiative, and critical municipal facilities programs — continue to move forward with committed staff and budgets. The new strategic framework will guide future program development. She also noted that near-term needs, such as the Air District's proposed ban on natural gas water heater sales, are being addressed through incremental pilot proposals to be brought to the Board separately.

Member Krulewitz noted that the proposed consultant engagement would specifically address geographic diversity of input.

Public commenters, including a representative of the Local Clean Energy Alliance and a representative of IBEW Local 595 and NorCal NECA, expressed support for the engagement process and urged attention to equity metrics, state decarbonization alignment, the inclusion of construction and labor stakeholders, and a focus on disadvantaged and energy-priority communities.

This was an informational item. No action was taken.

# C6. Approve a resolution on a suite of power related products with Sentinel Energy Center, LLC from a hybrid battery project (BOD Action Item)

Scott Harding, Director of Originations, presented a proposed package of transactions with Sentinel Energy Center, LLC, a jointly owned facility in Desert Hot Springs. The package includes five products: Resource Adequacy (RA) from a newly constructed 50 MW / 200 MWh battery energy storage system (BESS); RA from the existing 850 MW Sentinel natural gas peaking plant; a two-year year-ahead call option for 2031–2032; a top-4/bottom-4 financial hedge associated with the BESS; and a heat rate financial settlement hedge. All products commence January 1, 2031, with a term of ten years, except the call option. Importantly, Ava takes no physical energy from this facility; the transactions are structured as capacity and financial instruments only.

Mr. Harding emphasized that this structure mirrors two previously Board-approved deals — one for the Malaga facility (approved 2023, now operational) and one for the Tracy facility (approved 2025, commencing 2028). The addition of the BESS to the Sentinel site is projected to reduce NOx emissions by approximately 7% and displace approximately 2,000 metric tons of $CO_2$ equivalent per year by enabling the gas plant to run less and by absorbing excess renewable energy from the grid during midday surplus periods.

Committee discussion addressed the distinction between this BESS and the facility's existing black-start capability, the lithium iron phosphate battery chemistry confirmed to be in use (noted as posing lower fire risk compared to the technology involved in the Moss Landing incident), portfolio diversification benefits, and the role of hedging in protecting rate stability. Chair Souza encouraged the presenter to consider framing the BESS concept in accessible analogies — such as a home battery system — when presenting to the Board.

Member Swaminathan inquired about the overall percentage of load hedged by this transaction and the expected number of hours the heat rate settlement would be "in the money." Mr. Harding indicated those figures involve commercially sensitive information but offered to provide estimates separately. Member Bierce asked about Ava's stated goal to avoid long-term contracts with greenhouse gas-emitting resources; Ms. Henderson and Mr. Harding clarified that because no energy is taken from the gas plant, this transaction does not conflict with Ava's 2030 carbon-free power goal, and RA procurement is treated separately from power procurement under Ava's policy.

Chair Souza and Member Swaminathan suggested that an updated energy markets orientation — similar to the May 2021 Board retreat — be considered for newer CAC and Board members.

The Committee voted to recommend the resolution to the Board of Directors.

> Member Edmunds moved and Member Knodt seconded approval of a recommendation to the Board of Directors to approve the resolution authorizing the CEO to negotiate and execute agreements for BESS, RA, and financially settled products with Sentinel Energy Center, LLC. Member Bierce abstained. The motion carried.

# C7. Vice-Chair Appointment (CAC Action Item)

Chair Souza noted the vacancy in the Vice Chair position following the retirement of the former Vice Chair, and described the role as including assistance with meeting agendas, occasional chairing of meetings, and representation at Board of Directors meetings. She noted that the Vice Chair serves as a stepping stone toward the chair position, and that the term would run through the next scheduled elections in January 2027.

Member Bierce expressed interest in serving as Vice Chair for the remainder of the current term. No other members came forward. The item was noted without a formal vote taken at this meeting; Chair Souza indicated the matter would be placed on the October agenda for formal action.

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

Public Engagement Specialist Cait Cady announced that the CPUC is scheduled to take action on September 17, 2026 regarding the Power Charge Indifference Adjustment (PCIA) fee as a consent item at its voting meeting. She directed members to the CPUC meeting webpage for participation information and noted that a related update would also be presented at an upcoming Board subcommittee meeting. Chair Souza encouraged members who are able to attend to voice opposition to any increase in the PCIA, characterizing it as a financial burden on Ava's budget.

No requests for future agenda items were received.

# C9. Adjourn

Chair Souza adjourned the meeting at approximately 8:23 PM. The next Community Advisory Committee meeting is scheduled for Monday, October 19, 2026 at 6:00 PM.

**CAC Item C5**
**Staff Report Item 17**

| | |
|---|---|
| **To:** | Ava Community Energy Authority |
| **From:** | Sam Sadle, Principal Legislative Manager |
| **Subject** | 2026 California Legislative Read-Out and Look Ahead |
| **Date:** | October 21, 2026 |

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## Summary

*This is informational and no action is required.*

Since 2019, Ava staff has worked to implement the Board-approved Legislative Program. The Legislative Program provides a framework for staff to identify, assess, track, and (with Board approval) take advocacy-related action regarding proposed legislation.

In March and April of this year, the Board took formal positions on 10 bills (descriptions below based on bill contents in March and April).

**Support**

- Senate Bill 222 (Wiener) - Streamlines permitting for installations of residential heat pump water and HVAC systems;
- Senate Bill 1138 (Padilla) - Allows load serving entities to transact resource adequacy compliance products;
- Senate Bill 1168 (McNerney) - Establishes new surcharges on natural gas consumption by large data centers, with revenues collected to be directed toward wildfire costs currently embedded in customer rates;
- Assembly Bill 1761 (Rogers) Power Charge Indifference Adjustment (PCIA) transparency; and

- Assembly Bill 2266 (Schultz) - Requires the use of a consistent method across regulatory proceedings for calculating how much reliability value different energy resources provide, so that short-term, mid-term, and long-term procurement programs all count resources the same way.

**Support-if-Amended**

- Senate Bill 868 (Wiener) - Sets rules for “plug in” or “balcony” solar systems;
- Senate Bill 913 (Becker) - Allows aggregated distributed resources to serve as Resource Adequacy capacity;
- Assembly Bill 1577 (Bauer-Kahan) - Requires monthly reporting on data center energy usage;
- Assembly Bill 1975 (Schultz) - Establishes a “grid utilization metric” that calculates load as a percentage of rated distribution capacity; and
- Assembly Bill 2389 (Irwin) - Extends a property tax exemption for customer-sited solar.

Over the course of the 2026 legislative session, Ava staff were able to secure necessary amendments for SB 913 (Becker) and AB 1577 (Bauer-Kahan) and the Agency subsequently moved from a Support-if-Amended posture to a Support position.

Of these 10 bills, the final disposition (and contents of the bills) is as follows:

**Signed into law:**

- Senate Bill 222 (Wiener) - Streamlines permitting for installations of residential heat pump water and HVAC systems;
- Senate Bill 868 (Wiener) - Sets rules for “plug in” or “balcony” solar systems through January 1, 2030;
- Senate Bill 913 (Becker) - Allows aggregated distributed resources to serve as Resource Adequacy capacity under certain circumstances;
- Senate Bill 1168 (McNerney) - Requires the California Public Utilities Commission (CPUC) to assess opportunities for rate structures to ensure data centers pay their fair share and alleviate cost pressures on residential ratepayers;
- Assembly Bill 1577 (Bauer-Kahan) - Directs the California Energy Commission (CEC) to establish a process for data center owners to submit reports on energy usage. Separately, data center owners will submit their expected energy consumption to local agencies for planning and environmental review purposes.
- Assembly Bill 2266 (Schultz) - Requires the CPUC to consider implementing consistent methodologies across regulatory proceedings.

**Vetoed by Governor Newsom:**

- Assembly 1761 (Rogers) PCIA transparency.

**Did not pass the California legislature**

- Senate Bill 1138 (Padilla) - Allows load serving entities to transact resource adequacy compliance products;
- Assembly Bill 1975 (Schultz) - Establishes a “grid utilization metric” that calculates load as a percentage of rated distribution capacity; and
- Assembly Bill 2389 (Irwin) - Extends a property tax exemption for customer-sited solar.

## Financial Impact

Anticipated financial impact for bills signed into law:

- SB 222 (Wiener) – Unlikely to have a direct fiscal impact on Ava.
- SB 1168 (McNerney) – No financial impact on Ava.
- AB 2266 (Schultz) – Possible reduction in regulatory reporting costs.
- SB 868 (Wiener) – Unlikely to have a direct fiscal impact on Ava. Depending on how the legislation is implemented, it may increase available resources for virtual power plant initiatives.
- SB 913 (Becker) – Depending on how the program is implemented it may lessen Resource Adequacy compliance costs.
- AB 1577 (Bauer-Kahan) – Unlikely to have a direct fiscal impact on Ava.

## Analysis and Context

- SB 222 (Wiener) – SB 222 will standardize and streamline local permitting for residential heat pump water heaters and heat pump HVAC systems, in part, by requiring an option for remote inspections and online automated permitting. The bill supports the State’s target of installing six million heat pump systems by 2030, an objective the State is currently set to miss by roughly two million units. The bill was passed by the state legislature signed by the Governor.
- SB 868 (Wiener) – SB 868 legalizes small-scale “plug in” or “balcony” solar installations and under certain conditions and exempts these installations from participating in the interconnection process. During the legislative session, the bill was amended to sunset on January 1, 2030. Ava conditioned its support for the bill on amendments that would require eligible portable solar devices to be paired with storage. These amendments were not accepted by the Author. The bill was passed by the state legislature signed by the Governor.
- SB 913 (Becker) – SB 913 requires the CPUC to "enhance existing market-integrated pathways" for distributed energy resources (DERs) to qualify as Resource Adequacy (RA) capacity and authorize load serving entities (LSEs), such as Ava, to include distributed capacity resources in RA filings and CPUC-ordered procurement. Over the course of the legislative session, Ava staff were able to amend the bill to ensure DERs are eligible to be used for RA compliance obligations with the same status as traditional RA products. The bill was passed by the state legislature signed by the Governor.

- SB 1138 (Padilla) - Sponsored by CalCCA, SB 1138 required the CPUC to permit LSEs to demonstrate compliance with Resource Adequacy (RA) requirements by selling to, or otherwise making transactions with, another LSE to meet not more than 25% of our compliance obligation, on a short-term basis, and to permit those transactions to be denominated in the same unit of time used to denominate RA compliance requirements. The bill did not pass through the state legislature.
- SB 1168 (McNerney) – When introduced, SB 1168 imposed annually set surcharges on electricity and natural gas consumed by data centers, required utilities to collect these charges and deposit the revenues into a fund to help offset wildfire costs currently embedded in customer rates. During the session, the bill was amended, and all language imposing annual surcharges was removed. As adopted, SB 1168 requires the CPUC to assess opportunities for rate structures to ensure data centers pay their fair share and alleviate cost pressures on residential ratepayers. The bill was passed by the state legislature signed by the Governor.
- AB 1577 (Bauer-Kahan) – AB 1577 requires the CEC to establish a process for data centers to submit specified energy and water usage data and to include this information as part of the 2029 edition (and subsequent editions) of the Integrated Energy Policy Report, among other changes. Over the course of the legislative session, Ava staff were able to amend the bill to ensure reporting timelines account for IOU-to-CCA data sharing processes. The bill was passed by the state legislature signed by the Governor.
- AB 1761 (Rogers) - Sponsored by CalCCA, AB 1761 would have required the CPUC to ensure that all data relied on in any decision or ruling, or in any proposal or analysis provided by an investor-owned utility (IOU), CPUC staff, or any other party, for the determination or application of a calculation methodology (e.g., PCIA) be made available to LSEs and ratepayer advocates. The bill was passed by the state legislature but vetoed by the Governor.
- AB 1975 (Schultz) – AB 1975 would have required the PUC to establish a “grid utilization metric” that calculates electrical load as a percentage of rated distribution capacity and creates performance-based incentives and Investor-Owned Utility (“IOU”)- run programs for utilities to meet annual minimum grid utilization metrics. The bill did not pass through the state legislature.
- AB 2266 (Schultz) – When introduced, the bill required the CPUC to consolidate specified reporting requirements into a single procurement plan, and (when feasible) consolidate compliance reporting for reliability requirements. However, the language was narrowed, and the CPUC now retains flexibility to use different methodologies for system planning reserve margin and evaluating short-term, mid-term, and long-term reliability needs. Ava supports this type of standardization as it contributes to reducing compliance costs. The bill was passed by the state legislature signed by the Governor.
- AB 2389 (Irwin) – AB 2389 would have extended the “newly constructed” property tax exemption for customer-sited solar systems of 2MW or less and for new systems that are sited on the property of a public entity from 2026 to 2031. Ava conditioned its support for the bill on amendments that would require newly installed solar installations to be paired with storage. These amendments were not accepted by the Author. The bill did not pass through the state legislature.

## Committee Recommendation

This matter was discussed at the September 18 Marketing, Regulatory, and Legislative Subcommittee meeting. However, this meeting occurred before the Governor announced many of his signature and veto decisions.

## Attachment

A. Presentation - “2026-10-21 Board Item XX 2026 Legislative Wrap-Up – Slide Deck”

Ava Community Energy

# 2026 California Legislative Wrap-Up

Ava Community Energy Board of Directors

October 21, 2026

# 2026 End of Session Legislative Update

## CalCCA Sponsored Bills

**SB 1138**
RA Transactability

**AB 1761**
PCIA
Data Transparency

## Other Ava Supported Bills

**SB 222**
Heat pump permitting

**SB 1168**
Data center tariff study

**SB 913**
RA for DERs

**AB 1577**
Data center reporting

**AB 2266**
Standard RA valuation

## Ava SIA Bills

**SB 868**
Plug-in solar

**AB 1975**
Grid utilization

**AB 2389**
Solar property tax exclusion

Signed into law

Vetoed

Did not pass legislature

Successfully amended

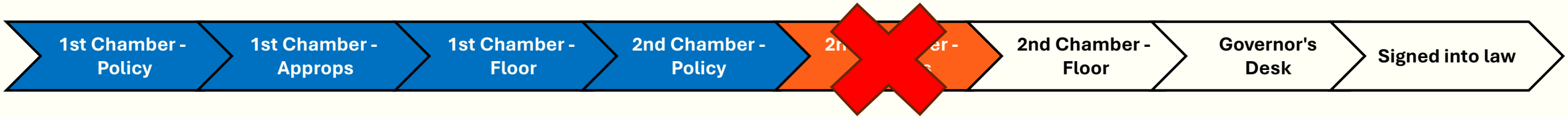
# Resource Adequacy (RA) Transactability

**SB 1138 Padilla –** Requires the California Public Utilities Commission (CPUC) to permit Load Serving Entities (LSE) to demonstrate compliance with RA requirements by transacting RA obligations on an hourly basis up to 25% of an LSEs obligations.

- Passed Senate Energy Committee 13-0-4
- Passed Senate 31-0-9
- Passed Assembly Energy Committee 18-0-0
- **Failed Assembly Appropriations suspense**

Ava Community Energy

Support SB 1138 (Padilla)



# Power Charge Indifference Adjustment (PCIA) Transparency

**AB 1761 Rogers –** Requires the CPUC to ensure that all data relied on to determine the PCIA be made available to LSEs and ratepayer advocates.

- Passed Assembly 61-8
- Passed Senate 40-0
- Vetoed by Governor Newsom

Ava Community Energy

Support AB 1761 (Rogers)



# PCIA Rulemaking

## Tracks 1 & 2 - "Complete"

### Track 1 – June 2025
***Changes to RA MPBs***

- Market Price Benchmark (MPB) methodology change to benefit IOU customers
- CalCCA has appealed; The Supreme Court granted CalCCA's writ and the case is now before the Court of Appeal on remand

### Track 2 – Sept 2026

- IOUs keep pre-2019 banked Renewable Energy Certificates (RECs) for bundled RPS for free
- Increases cost for CCA customers (~$1 billion)
- Potential Voluntary Allocation Market Offer (VAMO) RPS exposure
- Rehearings due Oct 22, 2026
- Appeal possible 4 months later

## Track 3 - Ongoing

### Track 3a ~ Q3 2027
***Changes to existing PCIA framework***

- MPBs: Renewable Portfolio Standard (RPS), GHG-free, energy
- GHG-free attribute allocation/pricing
- Re-vintaging of PCIA portfolio assets

### Track 3b ~ Q4 2027
***Broader changes to PCIA framework***

- Structural changes to indifference
- Schedule expected by EOY

## Track 4 - Forthcoming

### Track 4 ~ 2028
***Outstanding issues after 3a and 3b concluded***

- RA MPB for slice-of-day
- Energy Resource Recovery Account (ERRA) process refinements
- Negative PCIA
- Other proposals?

# Large Loads

## Ava Support Bills

**SB 1168**
*Data center tariff study*

**AB 1577**
*Data center energy use reporting*

## Ava Neutral Bills

**SB 886**
*LL interconnection changes*

**SB 887**
*Data center CEQA changes*

**AB 2383**
*New LL tariff*

**AB 2469**
*Data center water use reporting*

**AB 2619**
*Data center water use planning*

Signed into law

Signed into law; not relevant

Successfully amended

# Large Load - Legislation



## Energy Use Reporting

**AB 1577 Bauer-Kahan —** Directs the California Energy Commission (CEC) to establish a process for data center owners to submit reports on energy usage, including specified operational metrics. The CEC will then publish aggregated data and incorporate data center load trends into future energy policy reports. Separately, data center owners will submit their expected energy consumption to local agencies for planning and environmental review purposes (while protecting confidential customer information).



Ava Community Energy

Support
AB 1577
(Bauer-Kahan)

**Ava proposed amendments – adopted:** Align reporting timelines with IOU-to-CCA data flows.

## "Fair Share" Study

**SB 1168 McNerney —** When introduced, the bill imposed annually set surcharges on electricity and natural gas consumed by data centers , required utilities to collect these charges and deposit the revenues into a fund to help offset wildfire costs currently embedded in customer rates.



Ava Community Energy

Support
SB 1168
(McNerney)

Major changes since initial drafting: Removed all language imposing annual surcharges, instead requires the PUC to assess opportunities for rate structures to ensure data centers pay their fair share and alleviate cost pressures on residential ratepayers.

# Large Loads – Legislative Takeaways

## Cost shift protections

- Must protect other rate classes from data center generation costs ("no cost shift") - AB 2383
- Must establish a mechanism to ensure data centers pays ALL incremental generation costs for at least 10 years – AB 2383
- Creates a standardized transmission level interconnection tariff – SB 886

## Environmental and local protections

- No CEQA exemption for data centers without 100% hourly GHG-free energy (>75% new generation) - SB 887
- Required pre-operation energy and water use projections – AB 1577, AB 2619
- Required ongoing energy and water use reporting – AB 1577, AB 2469

## Stranded cost protections

- All data center tariffs must prevent stranded costs – SB 886
- Requires data centers to pay all costs up front for all needed transmission facility upgrades and interconnection costs – SB 886
- Assesses early termination fees if data center leaves within 10 years or fails to meet electricity demand projections – SB 886

# Large Loads - Next steps

## Data sharing

- **Ongoing**: PG&E's Rule 30 data sharing agreement – Potentially moving toward a pause given FERC's Order to Show Cause and recent legislation.
- **Forthcoming:** CEC rules implementing AB 1577 – to be incorporated into 2029 Integrated Energy Policy Report (IEPR).

## Tariff

- **Ongoing:** California Advanced Rate Design (CARD) - In response to SB 57 (2025), broad consideration of all things LL in Track 1 of the proceeding.
- **Forthcoming:** CPUC rules implementing SB 1168 study and AB 2383 tariff – might get rolled into CARD.

## Interconnection

- **Ongoing:** California Independent System Operator (CAISO) LL Straw Proposal – In response to FERC "show cause" order, draft proposal under review with comments in process. Will be finalized by Oct 28, 2026.
- **Forthcoming:** CPUC rules implementing SB 886.

# Large Loads - Timeline

## 2026

- IOUs and CAISO Finalize response to FERC "Show Cause" order
- CPUC may pause PG&E Rule 30 process (large load interconnection proceeding) after addressing CalCCA/PG&E settlement on data sharing

## 2027

- CEC issues regulations implementing AB 1577 data sharing requirements. CPUC does the same for SB 886 interconnection requirements and AB 2383 tariff
- CPUC undertakes SB 1168 large load study (or integrates it into existing proceeding – potentially CARD)
- CARD proceeding continues
- Ava develops tariff that meets AB 2383 requirements

## 2028

- Ava must offer AB 2383-compliant tariff
- IOUs must offer CPUC approved AB 2383-compliant tariff
- All LL interconnection tariffs must be SB 886 compliant
- 2029 IEPR must include assessment of electrical load trends for data centers

# Distributed Energy Resources (DERs)

## Heat Pump Water Heater and HVAC Streamlining

**SB 222 Wiener —** Standardizes and streamlines local permitting for residential heat pump water heaters and heat pump HVAC systems, including by requiring an option for asynchronous inspections (by July 2027) and online automated permitting (by July 2028).

**Major changes since initial drafting:** Localities can offer "remote" inspections in lieu of "asynchronous"



Ava Community Energy — Support SB 222 (Wiener)

## Resource Adequacy for Aggregated Distributed Energy Resources

**SB 913 Becker —** Requires the CPUC to enhance pathways for aggregated DERs to qualify as RA capacity and to allow LSEs to include those resources in RA compliance and procurement.

***Ava proposed amendments – adopted:*** Allows (but does not require) CCAs to use DERs to meet RA obligations.

**Major changes since initial drafting:** Strengthens language "putting the burden" on DER providers to ensure they can deliver promised DR or supply when called upon.



Ava Community Energy — Support SB 913 (Becker)

# Solar

## Portable (or "Plug In") Solar Interconnection Exemption

**SB 868 Wiener —** Exempts portable solar generation devices from interconnection requirements and prohibits IOUs and POUs from imposing fees or other related requirements. Authorizes utilities to require basic notification of device installation through a simple registration process, as specified. Sunsets on January 1, 2030.

***Ava proposed amendments – not adopted:*** Require storage pairing and modern inverter standards for plug-in solar while maintaining basic oversight to protect grid reliability and mitigate cost impacts.



Ava Community Energy Support-if-Amended SB 868 (Wiener)

## Solar Property Tax Exclusion

**AB 2389 Irwin —** Extends the property tax exclusion for certain customer-sited solar energy systems, including systems up to 10 kilowatts and those located on public property, through January 2032.

***Ava proposed amendments – not adopted:*** Require new solar systems to include battery storage to qualify for the exemption, while preserving eligibility for existing and resilience-focused projects.



Ava Community Energy Support-if-Amended AB 2389 (Irwin)

# Other

## Grid Utilization Metric

**AB 1975 Schultz —** Requires the CPUC to establish a grid utilization metric to measure electrical load as a percentage of system capacity; requires IOUs to publicly report on that metric; sets increasing minimum utilization targets; and establishes performance-based incentives or disincentives, while requiring utilities to propose programs to meet those targets.

***Ava proposed amendments – not adopted:*** Ensure CCAs can participate in and benefit from grid utilization programs while preventing IOU-only implementation.



Ava Community Energy

Support-if-Amended AB 1975 (Schultz)

## Consistent reliability methodology

**AB 2266 Schultz —** When introduced, the bill required the CPUC to consolidate specified reporting requirements into a single procurement plan, and (when feasible) consolidate compliance reporting for reliability requirements.

**Major changes since initial drafting:** Narrowed its mandate from aligning broader planning frameworks to ensuring consistent standards for LSE compliance. Under the new language CPUC now retains flexibility to use different methodologies for system planning reserve margin and evaluating short-term, mid-term, and long-term reliability needs.



Ava Community Energy

Support AB 2266 (Schultz)

# State Budget Update

## June Budget Agreement

**New incentives for first-time ZEV buyers**
($135.5 million)

**Transfer ~$22 million from DEBA to DSGS**
(funds DSGS thru 2026)

**CalFIRE**
($1.25 billion from GGRF)

## August Budget Trailers

**Prop 4 Climate Bond funding plan**
($2.3 billion)
- $55 million for community resilience centers
- $20 million for microgrids via DEBA

**No change to existing GGRF spending plan**
- $1 billion for high speed rail
- $1 billion for legislature's discretion
- ~$2 billion for variety of 'Tier 3' programs

**Zero-emission truck and bus incentives**
($135.5 million)

**Transmission Accelerator Revolving Fund**
($322.5 million)

**DSGS** - No additional funding beyond 2026

# Looking Forward

**November 3:**
Election day

**December 7:**
27/28 legislature sworn in

**January 1:**
New state statutes take effect

**January 4:**
New Governor takes office
27/28 legislative session begins in earnest

**New Chair for Senate Energy Committee**
Senator Ben Allen termed out this year

**Major Turnover in Makeup of Senate Energy**
Sens. Wahab, Allen, Caballero, and Grove not returning in January

**Expect New Senate Pro Tem**
Senator Monique Limon is termed out in 28'

**Legislative Impact of Administrative Turnover**
New Governor takes office and two CPUC and one CEC commissioners' terms are coming to an end in 27'

# Full Universe of Ava Monitored Bills



**Bold** Signed into law *Italic* Vetoed by Governor ~~Strikethrough~~ Did not advance

| | | |
|---|---|---|
| ~~AB 13~~ | ~~Ransom (D)~~ | ~~PUC membership and reporting~~ |
| **AB 34** | **Patterson (R)** | **Extends the authority of POUs to count large hydro towards RPS** |
| ~~AB 61~~ | ~~Pacheco (D)~~ | ~~Require PAO to analyze ratepayer impacts of mandated programs~~ |
| ~~AB 705~~ | ~~Boerner (D)~~ | ~~Creates independent PUC audit office~~ |
| **AB 706** | **Aguiar-Curry (D)** | **Fire fuel reduction procurement program** |
| ~~AB 710~~ | ~~Irwin (D)~~ | ~~POU dynamic pricing and advanced metering mandate~~ |
| ~~AB 942~~ | ~~Calderon (D)~~ | ~~Changes climate credit~~ |
| ~~AB 1020~~ | ~~Schiavo (D)~~ | ~~Requires IOUs to report taxpayer funding~~ |
| **AB 1156** | **Wicks (D)** | **Reforms Williamson Act contract cancellation fees** |
| **AB 1577** | **Bauer-Kahan (D)** | **Data center monthly reporting** |
| **AB 1738** | **Carillo (D)** | **Requires local governments to offer remote inspections** |
| *AB 1761* | *Rogers (D)* | *PCIA data transparency* |
| ~~AB 1787~~ | ~~Schultz (D)~~ | ~~Require IOUs to offer a dynamic tariff if smart meter infrastructure is in place~~ |
| *AB 1813* | *Ward (D)* | *Require CEC evaluation of community solar re classification* |
| ~~AB 1975~~ | ~~Schultz (D)~~ | ~~Grid utilization metric~~ |

# Full Universe of Bills

| | | |
|---|---|---|
| **AB 2111** | **Papan (D)** | **Transmission plan alignment with affordability and FERC Order 1920** |
| **AB 2175** | **Garcia (D)** | **Allows aggregation of multiple meters for NBT** |
| ~~AB 2182~~ | ~~Irwin (D)~~ | ~~Creates IOU run industrial decarbonization program~~ |
| **AB 2234** | **Papan (D)** | **CEQA exemptions for some geothermal exploratory projects** |
| **AB 2266** | **Schultz (D)** | **CPUC to consider RA valuation standardization** |
| **AB 2313** | **Berman (D)** | **Require gas corporations to offer electrification incentives** |
| *AB 2369* | *Rogers (D)* | *Enables partial RA, allowing energy-only resources earn RA value* |
| **AB 2383** | **Zbur (D)** | **Require creation of a large load customer class and rate schedule** |
| **AB 2463** | **Petrie-Norris (D)** | **Require PUC to adopt standard formula for IOU return on equity** |
| ~~AB 2464~~ | ~~Wicks (D)~~ | ~~Require PUC to study clean firm's role in 2045 goal~~ |
| **AB 2493** | **Petrie-Norris (D)** | **Require IOUs to have an interconnection auditor** |
| ~~AB 2516~~ | ~~Petrie-Norris (D)~~ | ~~California Grid Manufacturing Initiative~~ |
| **AB 2518** | **Sharp-Collins (D)** | **Requires SDG&E to fast-track affordable housing energization** |
| **AB 2589** | **Irwin (D)** | **Requires PUC to analyze OBBBA and adjust rates to reflect impacts** |
| ~~AB 2612~~ | ~~Schultz (D)~~ | ~~Building standards for plug-in solar systems~~ |
| **AB 2647** | **Calderon (D)** | **Requires CEC to evaluate future of nuclear power in California** |

# Full Universe of Bills

| | | |
|---|---|---|
| ~~AB 2748~~ | ~~Quirk-Silva (D)~~ | ~~Revert EV regulations to 2022 state building code for BMR housing~~ |
| **SB 222** | **Weiner (D)** | **Heat pump water heater and HVAC system permitting streamlining** |
| **SB 327** | **McNerney (D)** | **Prohibits IOUs from using ratepayer funds for advocacy activities related to municipalization** |
| ~~SB 332~~ | ~~Wahab (D)~~ | ~~Study breaking up IOUs~~ |
| ~~SB 453~~ | ~~Stern (D)~~ | ~~Microgrid incentive program~~ |
| **SB 742** | **Perez (D)** | **IOUs to remove unused transmission facilities** |
| ~~SB 842~~ | ~~Stern (D)~~ | ~~Report on firm zero-carbon resources~~ |
| **SB 868** | **Wiener (D)** | **Plug-in solar interconnection exemption** |
| **SB 886** | **Padilla (D)** | **Large load interconnection requirements** |
| **SB 887** | **Padilla (D)** | **Large load CEQA application** |
| **SB 905** | **Becker (D)** | **IOU ROE reduction, alternative financing, and distribution grid data sharing** |
| **SB 913** | **Becker (D)** | **Resource Adequacy for aggregated distributed capacity resources** |
| ~~SB 924~~ | ~~Hurtado (D)~~ | ~~PUC to consider affordability when looking at home weatherization~~ |
| **SB 925** | **McNerney (D)** | **Requires state strategy and permitting framework to advance fusion** |

# Full Universe of Bills

| | | |
|---|---|---|
| ~~SB 943~~ | ~~Becker (D)~~ | ~~Industrial billing and NBC/TAC reform~~ |
| ~~SB 1138~~ | ~~Padilla (D)~~ | ~~RA transactability~~ |
| **SB 1158** | **Stern (D)** | **Adds status of utility transmission upgrades and electrical grid infrastructure to Reliability Planning Assessment** |
| **SB 1167** | **Blakespear (D)** | **Clarifies ebike definition and bans advertising of non-eligible bikes** |
| **SB 1168** | **McNerney (D)** | **Data center tariff study** |
| ~~SB 1233~~ | ~~Allen (D)~~ | ~~Requires enhanced justification of CPUC findings tied to utility returns~~ |
| ~~SB 1295~~ | ~~Stern (D)~~ | ~~Requires IOUs to evaluate distributed storage and nonwire alternatives and authorizes them to own distributed storage assets~~ |
| **Budget Trailer** | **Dept of Finance** | **Reallocates outstanding funding from the Distributed Energy Backup Assets (DEBA) program to the Demand Side Grid Support (DSGS) program** |
| ~~Budget Trailer~~ | ~~Dept of Finance~~ | ~~Transitions 2026 DSGS participants to the Emergency Load Reduction Program (ELRP) or an equivalent CPUC load reduction program.~~ |

# Renewable Energy Procurement and Power Content Reporting

010/19/2026

# Introduction & Overview of Topics

The purpose of this review is to provide an update on Ava's final 2025 power content and background information regarding renewable procurement and upcoming changes to power content reporting.

Topics:

- Compliance Landscape
- What is a Renewable Energy Certificate?
- Types of Renewable Energy Procurement
- Power Content Label Reporting
- Changes to Power Content Label
    - Line losses

# Regulatory Landscape

| Filing | | Reporting Body | Est. | Data Reported |
|---|---|---|---|---|
| **PSD, PCL** | Power Source Disclosure, **Power Content Label** | Energy Commission | 1997 | Load, RE, Hydro, Nuke, Unsp. |
| **RPS** | Renewable Portfolio Standard | Public Utilities Commission | 2020 | Load, RE |
| **RCPPP** | Reliable and Clean Power Procurement Program | Public Utilities Commission | Under review | Load, RE, Hydro, Nuke, Unsp., RA |

- **Electricity Load** by plan (Bright Choice and Renewable 100).
- **Renewable** generation attributes from solar, wind, small hydroelectric, biomass, etc.
- **Large Hydroelectric** carbon-free generation attributes.
- **Nuclear** carbon-free generation attributes.
- **Unspecified** generation attributes reflecting mix of resources from grid electricity.

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- **Resource Adequacy** for back-up power; compliance requirement for the grid's worst days.

# What is a Renewable Energy Certificate?

An accounting tool for renewable attributes to fulfill the CPUC's RPS Program as defined under CPUC D.08-08-028 and implemented through multiple Senate Bills.

The program defines three Portfolio Content Categories (PCCs), or "buckets."

| PCC | Physical Renewable Energy | Renewable Energy Certificate |
|---|---|---|
| 1 | Generated in or delivered into a California Balancing Authority. | Certificate from same resource as energy. |
| 2 | Delivered to a non-California Balancing Authority; substituted with grid energy. | Certificate is not from same resource as energy. |
| 3 | Not paired or substituted with energy; AKA "Unbundled." | Certificate is not from same resource as energy. |



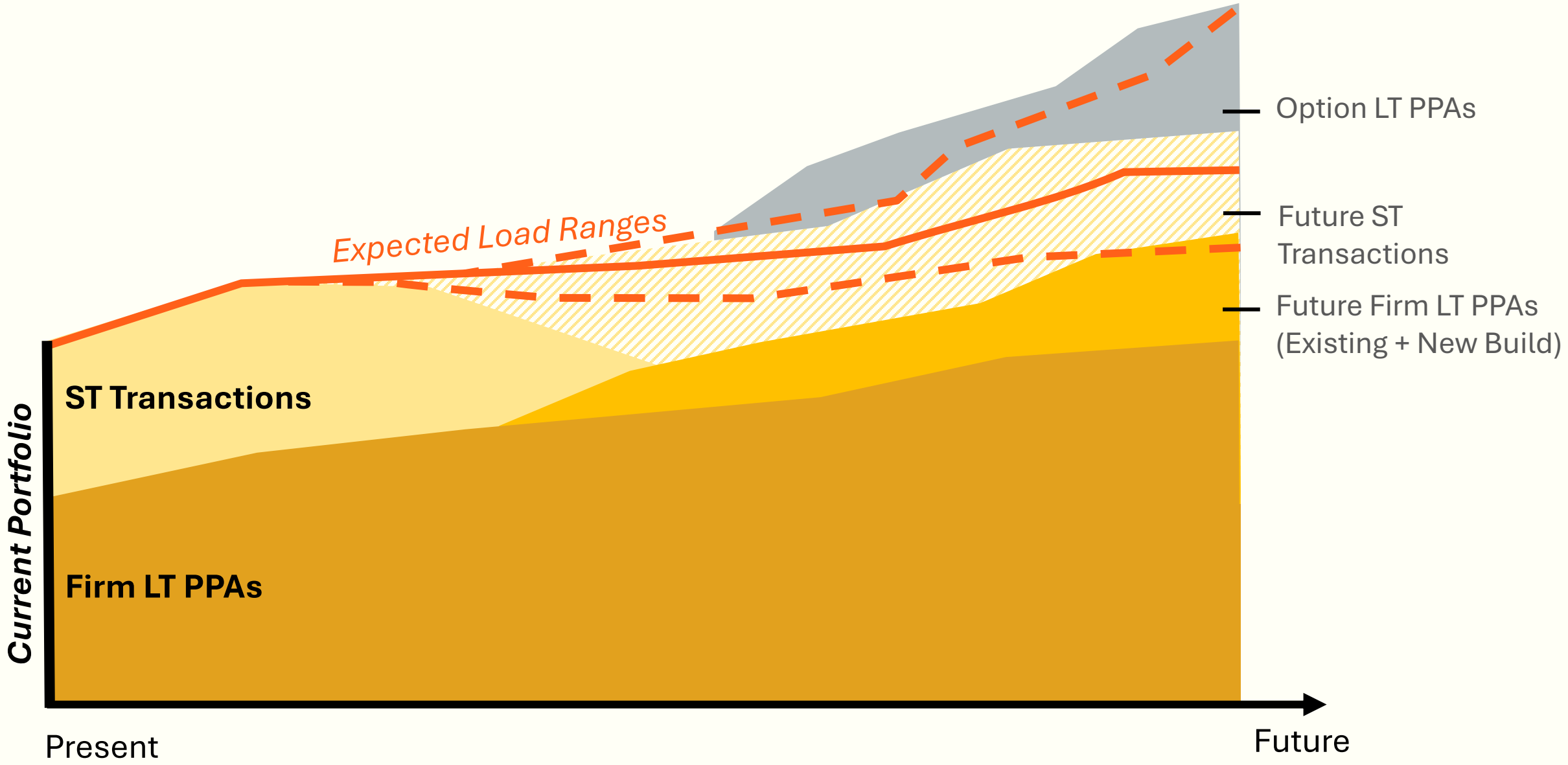



*RPS-compliant portfolio: ≥75% PCC1s, ≤ 25% PCC2s, and ≤5% PCC3s. Ava no longer procures PCC3s and will phase out PCC2s by 2030.*

# Types of Renewable Energy Procurement

| | Contract | Facility | Products | Benefits | Costs |
|---|---|---|---|---|---|
| Short-Term | Indexed | Existing | RECs | + Portfolio Flexibility<br>- Counterparty Credit Risk | + Price Volatility Exposure<br>- Portfolio Certainty |
| | Bundled | Existing | RECs, RA, Energy | | |
| Long-Term | **Fixed** Power Purchase Agreement (PPA) | Existing | RECs, RA, Energy, BESS | - Price Volatility Exposure<br>+ Portfolio Certainty<br>- Development Risks | - Portfolio Flexibility<br>+ Counterparty Credit Risk<br>+ Operational Risks |
| | | New-Build | RECs, RA, Energy, BESS | - Price Volatility Exposure<br>+ Portfolio Certainty<br>+ Renewable Additionality | - Portfolio Flexibility<br>+ Counterparty Credit Risk<br>+ Development Risks<br>+ Operational Risks |
| | **Option** Power Purchase Agreement (PPA) | New-Build | RECs, RA, Energy, BESS | - Price Volatility Exposure<br>+ Portfolio Flexibility<br>+ Renewable Additionality<br>- Development Risks | + Cost Premium<br>+ Portfolio Complexity<br>+ Operational Risks |

# Timeline of Renewable Energy Procurement

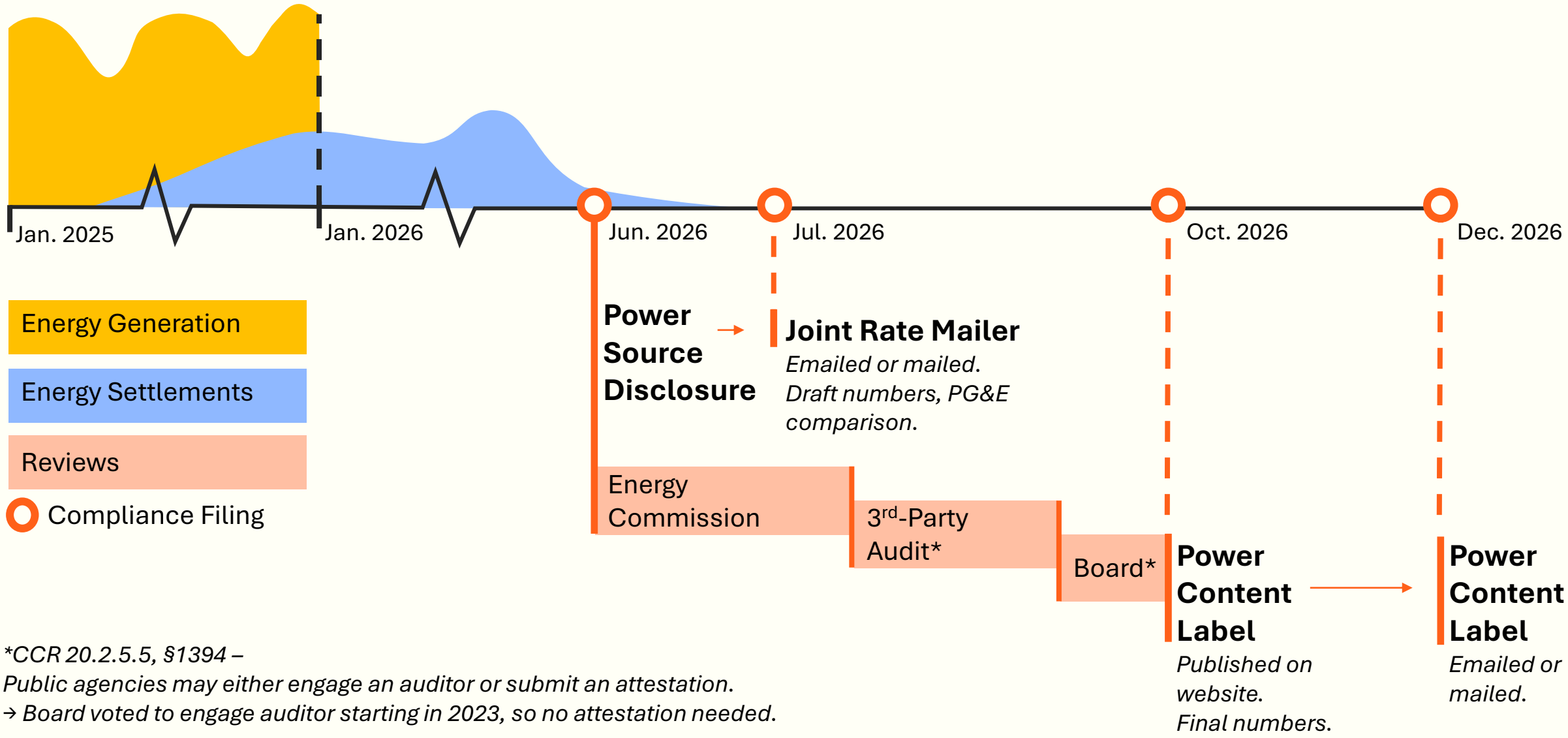


# What is the Power Content Label?

- Published annually, based on the Power Source Disclosure Report for the prior calendar year's electricity generation from owned or contracted-for resources.
- Detailed breakdown of the sources of energy used to provide electricity.
- Submission is reviewed and approved by the California Energy Commission.

| 2024 POWER CONTENT LABEL<br>Ava Community Energy | Bright Choice | Renewable 100 | CA Utility Average |
|---|---|---|---|
| **Greenhouse Gas Emissions Intensity**<br>(lbs of $CO_2e$ emitted per megawatt hour) | **221** | **0** | **359** |
| **Electricity Sources**<br>■ Renewables and Zero-Carbon Resources<br>■ Fossil Fuels and Unspecified Power |  |  |  |
| **RPS Eligible Renewables** | **62%** | **100%** | **45%** |
| Biomass & Biogas | 10% | 0% | 2% |
| Geothermal | 1% | 0% | 5% |
| Eligible Hydroelectric | 2% | 0% | 2% |
| Solar | 18% | 77% | 23% |
| Wind | 31% | 23% | 14% |
| **Large Hydroelectric** | **34%** | **0%** | **10%** |
| **Nuclear** | **0%** | **0%** | **11%** |
| **Emerging Technologies** | **0%** | **0%** | **0%** |
| **Other** | **0%** | **0%** | **0%** |
| **Natural Gas** | **0%** | **0%** | **10%** |
| **Coal & Petroleum** | **0%** | **0%** | **2%** |
| **Unspecified Power (primarily fossil fuels)** | **4%** | **0%** | **22%** |
| **Total** | **100%** | **100%** | **100%** |

# What is the Power Content Label?



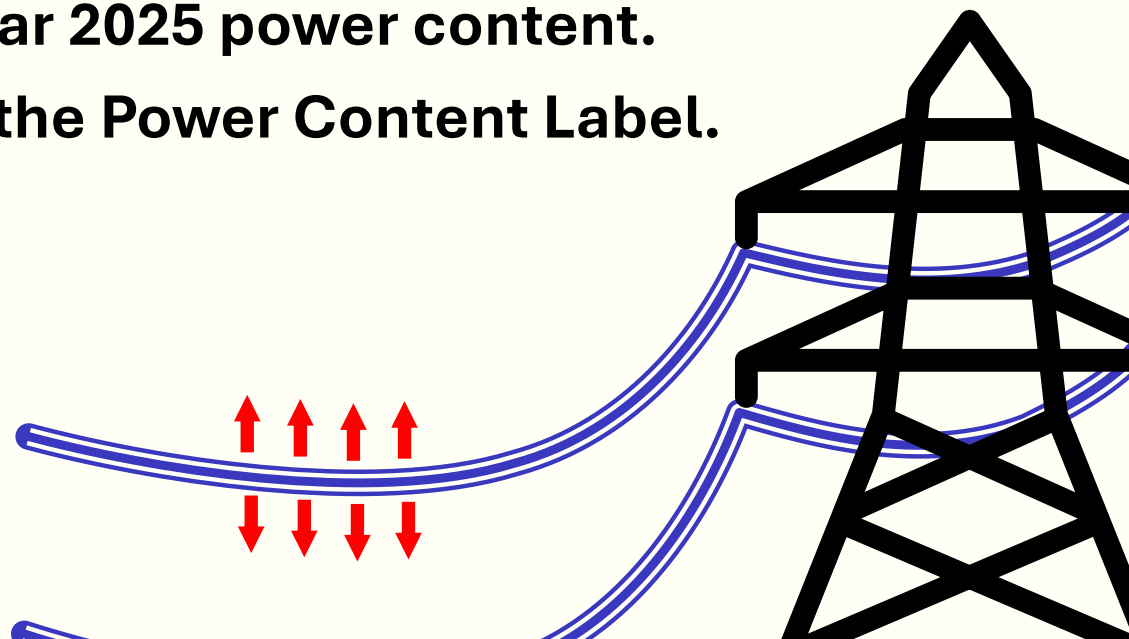

**CCR 20.2.5.5, §1394 –*
*Public agencies may either engage an auditor or submit an attestation.*
*→ Board voted to engage auditor starting in 2023, so no attestation needed.*

# What are Line Losses?

- Line losses account for energy dissipating over transmission and distribution lines.
- Compliance reporting change will capture the emissions associated with the fraction of electrons that escapes as heat into the environment as they travel across power lines, from a power plant to the customer.

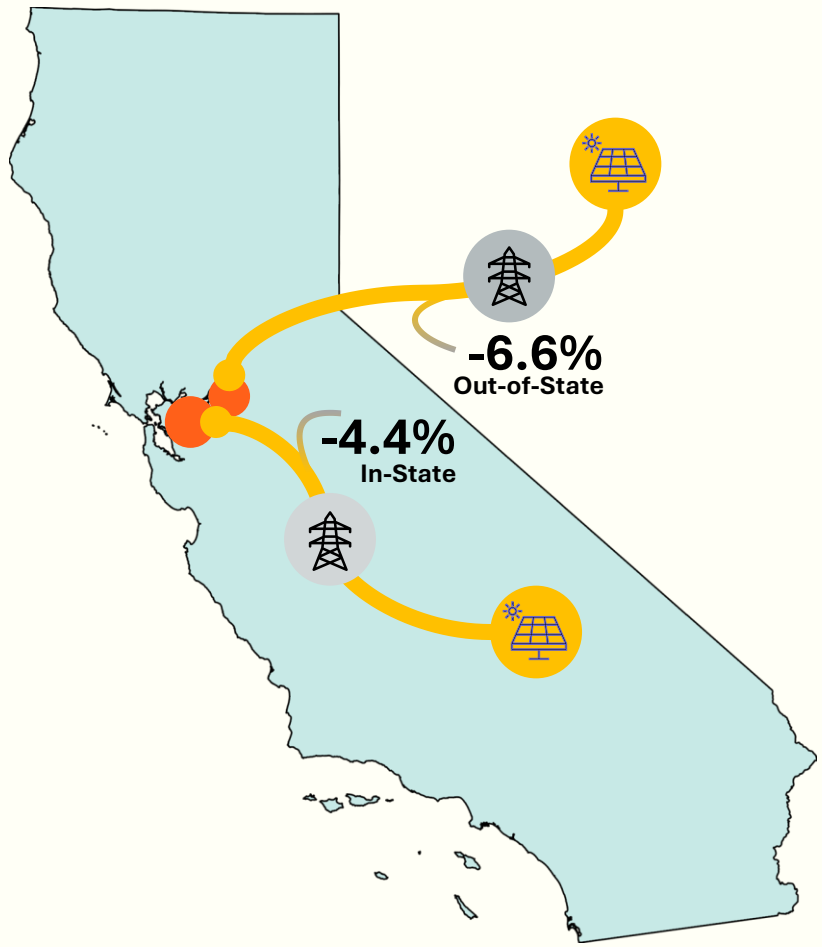
- **Effective for 2026 submission for Calendar Year 2025 power content.**
- **Line losses reporting is a new requirement in the Power Content Label.**

*California Code of Regulations, 20.2.5.5 (July 2025)*
*§1392 (a.8.A) – "A retail supplier's transmission and distribution losses shall be determined by applying a loss factor to each specified resource and to unspecified power."*
*§1393 (b.2.B) – "retail suppliers shall report transmission and distribution losses associated with each procurement."*



# How much are Line Losses?

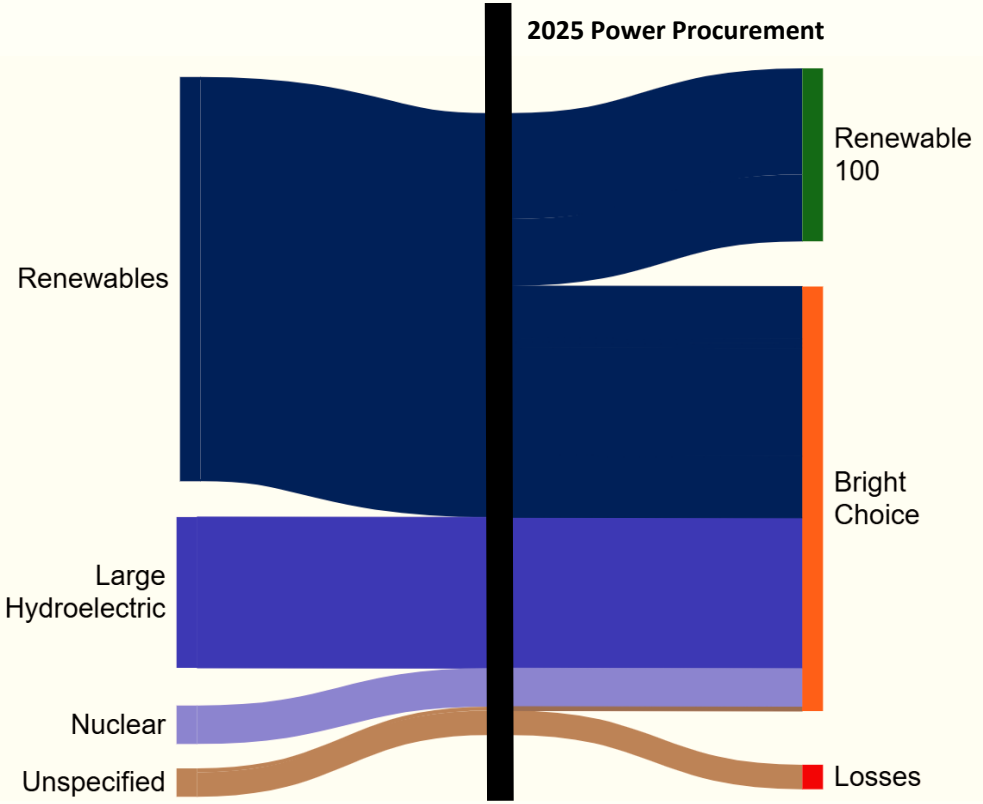
- Losses are assigned to each specified resource by location (in-state or out-of-state.)
- Additional specified procurement can cover some losses…
  - …but said procurement is also subject to line losses.



# Line Losses

→ Increased ‘Unspecified Power’ and reduced RE/CF in total loss-adjusted load.

| 2025 Summary Power Content Label | Bright Choice | Renewable 100 | Total Retail Sales | Total (Retail Sales & Line Losses) |
|---|---|---|---|---|
| GHG Emissions Intensity | **194** | **0** | **134** | **169** |
| *Biomass & Biogas* | 12% | 0% | 9% | 8% |
| *Geothermal* | 1% | 0% | 1% | 1% |
| *Eligible Hydroelectric* | 1% | 0% | 1% | 1% |
| *Solar* | 26% | 61% | 36% | 34% |
| *Wind* | 15% | 39% | 21% | 20% |
| **Total Renewables** | **55%** | **100%** | **68%** | **64%** |
| **Large Hydroelectric** | 36% | 0% | 25% | 24% |
| **Nuclear** | 9% | 0% | 6% | 7% |
| **Unspecified Power** | **1%** | **0%** | **1%** | **4%** |



# Ava 2025 Power Content Label

| Ava Community Energy<br>2025 Power Content Label | | | | |
|---|---|---|---|---|
| **Emissions, Power Sources, Unbundled RECs** | **Bright Choice** (Retail Sales) | **Renewable 100** (Retail Sales) | **Ava Community Energy Total** (Retail Sales, Other End Uses, & Losses) | **CA Utility Average** (Retail Sales, Other End Uses, & Losses) |
| **Greenhouse Gas Emissions Intensity** (lbs of $CO_2e$ emitted per megawatt hour) | **194** | **0** | **169** | **384** |
| **Renewables and Zero-Carbon Resources** | **99%** | **100%** | **96%** | **67%** |
| **Fossil Fuels** | **1%** | **0%** | **4%** | **33%** |
| Biomass & Biogas | 12% | 0% | 8% | 2% |
| Geothermal | 1% | 0% | 1% | 5% |
| Eligible Hydroelectric | 1% | 0% | 1% | 1% |
| Solar | 26% | 61% | 34% | 25% |
| Wind | 15% | 39% | 20% | 14% |
| **RPS Eligible Renewables - Subtotal** | **55%** | **100%** | **64%** | **46%** |
| **Large Hydroelectric** | **36%** | **0%** | **24%** | **10%** |
| **Nuclear** | **9%** | **0%** | **7%** | **10%** |
| **Emerging Technologies** | **0%** | **0%** | **0%** | **0%** |
| **Other** | **0%** | **0%** | **0%** | **0%** |
| **Natural Gas** | **0%** | **0%** | **0%** | **11%** |
| **Coal & Petroleum** | **0%** | **0%** | **0%** | **2%** |
| **Unspecified Power (92% fossil fuels)** | **1%** | **0%** | **4%** | **21%** |
| **Total** | **100%** | **100%** | **100%** | **100%** |
| Retail sales covered by retired unbundled RECs | 0% | 0% | N/A | N/A |

# Conclusion

- This presentation was an informational review and no feedback is required at this time.
- The required regulatory changes in relation to the Power Content Label will be implemented for upcoming and future filings.
- Staff will continue to evaluate the potential impacts to portfolio management and consider bringing forth future items to the board related to Ava's power procurement targets.