Board of Directors Meeting
Wednesday, October 21, 2026

6:00 pm

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

Or from the following locations:

Commodore Lounge - 3 Commodore Drive, 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
New City Hall – 501 W Weber Ave, Building 1, Stockton, CA 95203

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.

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

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 September 16, 2026**

5. **Contracts Entered Into (Informational Item)**

6. **2025 Power Content (Informational Item)**
   Update on final 2025 power content

7. **Disadvantaged Communities (DAC) PPA Amendments (Action Item)**
   Contract amendments to DAC projects: ESCA-PLD-SANLEANDRO1, LLC and ESCA-PLD-HAYWARD1, LLC

8. **Ava & Lunar Agreement: Amendment 2 and 3 (Action Item)**
   Contract amendments to Ava & Lunar Agreement

9. **Amendment to Rate Setting Policy (Action Item)**
   Rate Setting Policy Amendment: Update the agency name, streamline committee language, and establish accessibility standards.

10. **Revised NEM Tariff (Action Item)**
    Approve Ava's revised Net Energy Metering Policy Tariff which updates terminology and clarifies the treatment of Net Energy Metering Fuel Cell customers

11. **Customer Programs Strategy Engagement Consultant Agreement (Informational Item)**
    Notice of selection for Customer Programs Strategy Engagement Consultant

12. **Sacramento Municipal Utility District (SMUD) Contract Renewal (Action Item)**
    Approve an amendment extend Ava's agreement with SMUD for Call Center and Data Management Services

13. **Update on Submission of Final Integrated Resource Plan Documents and Materials (Informational Item)**
    Confirmation that Ava's 2026 IRP compliance filing was submitted and links to publicly available IRP materials

14. **Treasurer's Report (Informational Item)**
    Receive a report of Ava's cash balances

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.

15. **CEO Report**

16. **CAC Report**

17. **2026 Legislative Roundup and 2027 Look Ahead (Informational Item)**

18. **Ava Five-Year Priorities (Informational Item)**
    Review of four key objectives

19. **Customer Survey Results (Informational Item)**
    Report out on general customer survey and commercial customer survey results

20. **CEO Employment Agreement Amendment (Action Item)**

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

22. **Adjourn**

    The next Ava Board of Directors meeting will be held on Wednesday, November 18, 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.

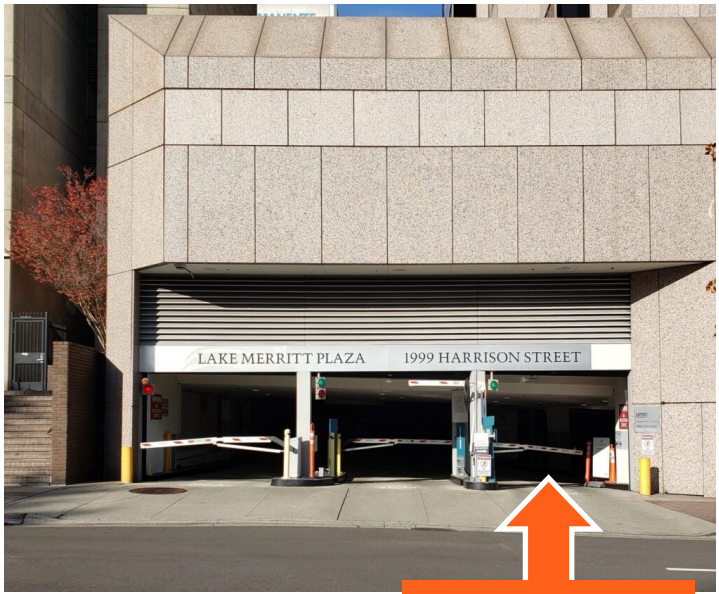
Directions to Parking Garage via Car

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.

Commonly Used Acronyms

BESS	Battery Energy Storage System
CAC	Community Advisory Committee
CAISO	California Independent System Operator
CalCCA	California Community Choice Association
CalEVIP	California Electric Vehicle Incentive Program
CARB	California Air Resources Board
CARE	California Alternate Rates for Energy
CCA	Community Choice Aggregator
CEC	California Energy Commission
CPUC	California Public Utilities Commission
DA	Direct Access (private retail energy provider)
DAC	Disadvantaged Community
DAC-GT	Disadvantaged Communites-Green Tariff
DER	Distributed Energy Resource
DERMS	Distributed Energy Resources Management Systems
DR	Demand Response
EBCE	East Bay Community Energy
EPS	Emissions Performance Standards
ERMP	Energy Risk Management Policy
ESA	Energy Storage Agreement
EVSE	Electric Vehicle Supply Equipment
FAP	Finance, Administrative, and Procurement (subcommittee)
FERA	Family Electric Rate Assistance
GHG	Greenhouse Gas
IOU	Investor-Owned Utility
IRP	Integrated Resource Plan
JPA	Joint Powers Authority, or Joint Powers Agreement
kW	Kilowatt (1,000 Watts, where a Watt is a measure of instantaneous power)
kWh	Kilowatt-hour (a measure of energy used in a one-hour period)
LDBP	Local Development Business Plan
LSE	Load-Serving Entity

MRL	Marketing, Regulatory, and Legislative (subcommittee)
MW	Megawatt (1,000 kilowatts)
MWh	Megawatt-hour (1,000 kilowatt hours)
NEM	Net Energy Metering
PCC	Product Content Category
PCIA	Power Charge Indifference Adjustment
PCL	Power Content Label
PPA	Power Purchase Agreement
PV	Photovoltaic (solar)
RA	Resource Adequacy
REC	Renewable Energy Credit
RPS	Renewable Portfolio Standard
SMUD	Sacramento Municipal Utility District
VPP	Virtual Power Plant

Draft Minutes
Board of Directors Meeting
Wednesday, September 16, 2026

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1. **(0:12) Welcome & Roll Call**
   Present: Members: Marquez (Alameda County), Lopez (Albany), Tregub (Berkeley), Morada (Dublin), Kaur (Emeryville), Keng (Fremont), Roche (Hayward), Barrientos (Livermore), Brown (Oakland), Balch (Pleasanton), Rickman (San Joaquin County), Fugazi (Stockton), Nygard (Tracy), Sakakihara (Union City), CAC Chair Souza (Community Advisory Committee), Vice-Chair Gonzalez (San Leandro) and Chair Andersen (Piedmont)

   Not Present: Members: Diallo (Lathrop) and Del Catancio (Newark)

   Members Keng and Barrientos joined the meeting after the consent agenda vote and before Item 12.

2. **(1:24) Pledge of Allegiance**

3. **(1:48) 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.

   There were no public comments.

CONSENT AGENDA

4. **(2:29) Approval of Minutes from July 15, 2026**

5. **Contracts Entered Into (Informational Item)**

6. **San Leandro Citywide default change request (Action Item)**
   Requesting action from Ava's Board to pass Resolution authorizing City's request to change default from R100 to BC on a schedule to be determined by Ava's CEO in consultation with City

7. **LHi Group FY26-27 (Action Item)**
   Approving a Resolution of the Board of Directors of Ava Community Energy Authority authorizing the CEO to negotiate and execute Amendments to the two Staffing Services Agreements with LHi Group, Inc.

8. **Fifth Amendment to Ascend Analytics Saas (Action Item)**
   Approving a Resolution of the Board of Directors of Ava Community Energy Authority

authorizing the CEO to negotiate and execute a fifth Amendment to the Ascend Analytics battery optimization Saas agreement

9. Treasurer's Report (Informational Item)
Report on Ava's cash balances as of June 30, 2026

There were no public comments.

Member Roche motioned to approve the Consent Agenda. Member Marquez seconded the motion, which was approved 14/0/0/0/4 (yes/no/abstain/recuse/not present):
Yes: Members: Marquez, Lopez, Tregub, Morada, Kaur, Roche, Brown, Balch, Rickman, Fugazi, Nygard, Sakakihara, Vice-Chair Gonzalez and Chair Andersen
No: none
Abstain: none
Recuse: none
Not Present: Members: Keng, Barrientos, Del Catancio and Diallo

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.

10. (10:23) CEO Report

Howard Chang, CEO, presented the CEO Report and answered questions from the Board.

(26:24) Public Comment – Bradley Cleveland expressed appreciation for the Aramis solar and storage project, noting its construction by local workers and apprentices and its continuing agricultural use. He encouraged consideration of similar agrivoltaic projects in San Joaquin County.

11. (28:04) CAC Report

CAC Chair Souza presented the CAC Report and answered questions from the Board.

12. Chair and Vice-Chair Appointment (Action Item)

There were no public comments.

Member Marquez motioned to nominate Vice-Chair Gonzalez as Chair and Member Roche as Vice-Chair, effective December 1, 2026. Member Tregub seconded the motion, which was approved 16/0/0/0/2 (yes/no/abstain/recuse/not present):

Yes: Members: Marquez, Lopez, Tregub, Morada, Kaur, Keng, Roche, Barrientos, Brown, Balch, Rickman, Fugazi, Nygard, Sakakihara, Vice-Chair Gonzalez and Chair Andersen
No: none
Abstain: none
Recuse: none
Not Present: Members: Del Catancio and Diallo

13. **(35:42) Approve a resolution on a suite of power related products with Sentinel Energy Center, LLC from a hybrid battery project (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 Origination, presented the item and answered questions from the Board.

(1:05:11) Public Comment – Jim Lutz asked how the proposed resource adequacy and financial hedging arrangements would operate, including how they protect Ava against price volatility and account for longer-term market risks.

Vice-Chair Gonzalez motioned to adopt the resolution authorizing the CEO to negotiate and execute agreements for Battery Energy Storage System Resource Adequacy and Financially Settled products with Sentinel Energy Center LLC. Member Roche seconded the motion, which was approved 16/0/0/0/2 (yes/no/abstain/recuse/not present):

Yes: Members: Marquez, Lopez, Tregub, Morada, Kaur, Keng, Roche, Barrientos, Brown, Balch, Rickman, Fugazi, Nygard, Sakakihara, Vice-Chair Gonzalez and Chair Andersen
No: none
Abstain: none
Recuse: none
Not Present: Members: Del Catancio and Diallo

14. **(1:11:32) Update on Customer Programs Strategy (Informational Item)**
Updating the board on the status of the Customer Programs Strategy development process

Annie Henderson, Chief Customer Officer, presented the update on the Customer Programs Strategy development process and answered questions from the Board.

(1:38:37) Public Comment – Jim Lutz encouraged the Board to align customer programs with Ava's joint powers agreement objectives for local renewable development and community ownership, and recommended measures of local energy production and economic retention.

(1:40:22) Public Comment – Bradley Cleveland expressed support for stakeholder engagement in the strategy process, particularly inclusion of labor organizations in workforce development and training.

15. **(1:42:44) Board Member and Staff Announcements including requests to place items on future Board of Directors Meeting Agendas**

CEO Chang reminded board members to complete the meeting location survey circulated by **Deputy General Counsel John Perkins**, aimed at scheduling one to two formal board meetings per year in San Joaquin County. **CEO Chang** also noted that he is continuing to present Ava's impact report to member jurisdictions, with Union City scheduled for the following week.

Member Marquez announced the upcoming Science in the Park event, to be held on Saturday, October 3rd from 9:00 AM to 3:00 PM at Cal State East Bay. The free family event will feature STEAM activities, interactive educational programming, and community exhibits. Ava Community Energy will be tabling and sponsoring the event.

16. **(1:45:29) Closed Session Public Comment**

There were no public comments.

17. **(1:46:46) Closed Session**

a. PUBLIC EMPLOYEE PERFORMANCE EVALUATION Pursuant to Government Code Section 54957. Title: Chief Executive Officer

b. CONFERENCE WITH LABOR NEGOTIATORS Pursuant to Government Code Section 54957.6. Agency Representatives: Inder Khalsa, Jonathan Tedesco, Betsy Andersen, and Juan González. Unrepresented employee: Chief Executive Officer.

18. **(2:39:45) Report Out of Closed Session**

There were no items to report out of closed session.

19. **(2:39:52) Adjourn**

The meeting was adjourned at 8:46pm

The next Ava Board of Directors meeting will be held on Wednesday, October 21, 2026 at 6:00 pm.

9/16/26 – Ava Board of Directors
AI Generated Courtesy Summary - not official minutes
This summary has not been reviewed for accuracy

Board of Directors

September 16, 2026, 6:00 PM

1. Welcome & Roll Call

Chair Andersen called the September 16, 2026 meeting of the Ava Community Energy Board of Directors to order at 6:00 PM. Board Clerk Adrian Bankhead called the roll.

Present: Member Marquez (Alameda County), Member Lopez (Albany), Member Tregub (Berkeley), Member Morada (Dublin), Member Kaur (Emeryville), Member Keng (Fremont), Member Roche (Hayward), Member Barrientos (Livermore), Member Brown (Oakland), Member Balch (Pleasanton), Member Rickman (San Joaquin County), Member Fugazi (Stockton), Member Nygard (Tracy), Member Sakakihara (Union City), CAC Chair Souza (Community Advisory Committee), Member Gonzalez (San Leandro / Vice-Chair), Chair Andersen (Piedmont)

Absent: Member Diallo (Lathrop), Member Del Catancio (Newark)

A quorum was established.

2. Pledge of Allegiance

The Pledge of Allegiance was led by Chair Andersen.

3. Public Comment

No members of the public requested to speak during general public comment.

CONSENT AGENDA

Prior to the vote, Member Morada requested clarification on two line items under Item 5. CEO Howard Chang explained that the Dakota Press Inc. contract, with a current-year value of $180,000 and a cumulative not-to-exceed of $1,400,000, covers a range of regulatorily required mailers sent to customers upon jurisdictional expansion as well as annual mailers such as the power content label. Regarding General Counsel AI Inc., CEO Chang confirmed the $7,000 contract is a flat-rate software service, which accounts for the "N/A" not-to-exceed designation.

Member Roche inquired about the process and implications of cities changing their default product, specifically in light of the San Leandro opt-down request — the first instance of a jurisdiction opting down rather than up. CEO Chang acknowledged that existing policy addresses timing and procurement adjustments to accommodate such changes and noted that widespread simultaneous changes across jurisdictions would require revisiting the policy with the full board.

Member Brown offered remarks of appreciation for Ava's sponsorship of an e-bike education course at an East Bay BART station in partnership with Bike East Bay.

Motion to approve the Consent Agenda (Items 4–9) was made by Member Roche and seconded by Member Marquez. The motion carried unanimously.

REGULAR AGENDA

10. CEO Report

CEO Howard Chang presented the CEO Report, highlighting the following:

Subcommittee Updates: The Executive Committee (XCOM) met on September 2nd and September 9th, covering an update on Ava Charge and a closed session item. The next XCOM meeting is October 7th at 3 PM. The Financial, Administrative, and Procurement (FAP) Subcommittee met on September 9th and received updates on the FY25-26 audit, working capital management, and a renewable energy credit exchange transaction. The next FAP meeting is October 28th at 3 PM. A Marketing, Regulatory, and Legislative Subcommittee meeting is scheduled for the following Friday.

Alameda County Green Business Program Mixer: Approximately 40 small and medium-sized businesses attended a sustainability-focused mixer hosted at Ava's offices on July 16th.

Aramis Project: A 100 MW solar and 100 MW storage facility located in Livermore within Ava's service territory achieved its commercial operation date in early August. Ava holds a 10-year contract for 25 MW of resource adequacy from the project, with energy products commencing October 1st. The project, developed and operated by IPX Power, supports Ava's 2027 midterm reliability obligation.

Energy Prepayment Financing Results: Two additional energy prepayment transactions approved by the board in June were priced and closed in July, bringing Ava's total to seven such transactions. The Morgan Stanley transaction, at approximately $1.2 billion in bond principal, yields savings of approximately $17/MWh or $9.7 million per year, totaling roughly $88 million over the term. The Goldman Sachs transaction, at just under $1 billion, yields approximately $14/MWh or $7 million per year, totaling approximately $51 million over the term. Across all seven transactions, Ava will save over $30 million per year through 2032, representing approximately $11/MWh in savings. Ava is currently at approximately 49% of expected retail load through these transactions and retains headroom for additional prepayment activity.

New Web Content and Community Events: CEO Chang highlighted recent web content additions, including articles on the Mandela Partners partnership, EV ownership guidance, the Sequoia Grove project, and the Healthy Communities pilot program. Upcoming community outreach events are scheduled across multiple jurisdictions, including Albany, Lathrop, Stockton, Tracy, Newark, Hayward, Piedmont, Emeryville, Oakland, and unincorporated San Joaquin County.

E-Bike Test and Ride Event: A recap video was shared from the second e-bike test and ride event, held June 27th. The next event will take place on October 11th at the Hayward BART parking lot in partnership with Bike East Bay. The event is free and open to the public, with preregistration encouraged.

Legislative Update: CEO Chang announced that AB 1761, Ava's first-ever CalCCA-sponsored legislative bill addressing PCIA transparency, has passed through the legislature and is currently on the Governor's desk for signature. He thanked board members for providing letters of support.

Member Marquez requested that short 20-to-30-second clips from the e-bike video be made available for board members to share on their respective social media platforms. CEO Chang confirmed staff would follow up accordingly.

Member Roche and Member Fugazi both expressed enthusiasm for the upcoming Hayward e-bike event and requested expanded Ava outreach in their respective communities. Member Fugazi expressed particular interest in hosting a similar event in Stockton given the city's investment in new bike lanes.

One public comment was received from Bradley Cleveland, consultant with IBEW Local 595 and NORCAL NECA, who commended the Aramis project as having been built by local construction workers and apprentices and noted its agrivoltaic character, with agricultural land use continuing alongside power generation and storage.

11. CAC Report

CAC Chair Souza reported that a new CAC member, Andrew Krulowicz, has joined and attended his first meeting. She also reported that Vice Chair Inder Khalsa has resigned to pursue retirement. A vote for a new vice chair is anticipated at the following month's CAC meeting. No public comment was received on this item.

12. Chair and Vice-Chair Appointment (Action Item)

Chair Andersen noted that, pursuant to Ava's bylaws, the board is required to elect a chair and vice chair on an annual basis. She advised that she will be termed out of her elected position in December and therefore will not be able to continue serving on the board. Member Rickman inquired whether the agency maintains a practice of alternating the chair and vice chair roles between Alameda County and San Joaquin County jurisdictions, as is done on other regional bodies. Chair Andersen and CEO Chang confirmed that no such requirement exists in Ava's bylaws, though it was acknowledged as a concept worth considering in the future.

> Motion to nominate Member Gonzalez as incoming Chair and Member Roche as incoming Vice Chair, effective at the December 2026 board meeting, was made by Member Marquez and seconded by Member Tregub. The motion carried unanimously.

Member Roche expressed appreciation for the nomination and her eagerness to serve in the role.

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

Scott Harding, Director of Originations, presented the item via remote participation. The board was asked to approve a resolution authorizing the CEO to negotiate and execute a package of five products with Sentinel Energy Center LLC in connection with the construction of a new 50 MW, 200 MWh lithium-ion battery energy storage system (BESS) to be co-located at Sentinel's existing 850 MW natural gas peaking facility in Desert Hot Springs, California.

The proposed transaction structure mirrors two previously approved deals: the Malaga facility (approved 2023, 16 MW/4-hour BESS, now operational) and the Tracy facility (approved April 2025, 13.3 MW/8-hour BESS, commencing 2028). The five products comprise: (1) resource adequacy (RA) from the newly constructed BESS for 10 years; (2) RA from the Sentinel gas plant for 10 years, with no energy taken; (3) a two-year, year-ahead RA call option for 2031–2032; (4) a top-4/bottom-4 financial hedge on the BESS for 10 years; and (5) a heat rate financial settlement hedge for 5 years. All products commence January 1, 2031. Ava will not take physical delivery of energy from the gas plant under any component of this package.

The BESS is projected to reduce NOx pollution by approximately 7% per year at the facility and eliminate approximately 2,000 metric tons of CO2-equivalent annually by displacing gas-fired generation with stored renewable energy. The project will also create 24 prevailing-wage construction jobs. The facility is owned 50/50 by Meridian Clean Energy and Diamond Generating Corporation, a Mitsubishi Corp subsidiary.

In response to board questions, Mr. Harding clarified that the 5-year term for the heat rate financial settlement was selected to bridge a specific coverage gap in Ava's portfolio and complements existing hedges running through the mid-2030s. He confirmed that the BESS will be charged primarily from excess grid renewable energy rather than from the gas plant itself, thereby actively displacing — not extending — fossil fuel generation at the site. CEO Chang noted the rarity of projects meeting the interconnection and land-use requirements for this structure and confirmed that pricing information remains confidential pending final execution, though further detail could be shared with board members through an ad hoc review process.

CAC Chair Souza relayed that the CAC had a robust discussion, raised concerns about natural gas usage, and suggested exploring geothermal alternatives. Staff confirmed that the BESS would function as a continuous power source rather than solely for cold-starting the gas plant, and that performance metrics for Sentinel are already in place.

Public comment was received from Bradley Cleveland, who expressed support for the transaction, and from Jim Lutz (Jim Woods), who posed several questions regarding the mechanics of RA products, hedge activation, and the risk of long-term solar and storage price declines. Mr. Harding addressed these questions, using the September 2022 heat wave — during which spot prices exceeded $1,000–$2,000/MWh — as an illustrative example of the exposure the heat rate financial settlement is designed to hedge against.

Vice Chair Gonzalez emphasized for the record that this transaction does not involve Ava taking any physical power and constitutes a compliance and financial risk management instrument. He also suggested that a brief educational session on resource adequacy would be valuable for board members.

> Motion to adopt the resolution authorizing the CEO to negotiate and execute agreements for battery energy storage system resource adequacy and financially settled products with Sentinel Energy Center LLC was made by Vice Chair Gonzalez and seconded by Member Roche. The motion carried unanimously.

14. Update on Customer Programs Strategy (Informational Item)

Chief Customer Officer Annie Henderson presented an update on the development of Ava's Customer Programs Strategy. Staff has reframed the initiative under the title "Customer Programs Strategy" to better reflect the nature of the work, which centers on establishing a durable strategic framework — including a clear objective, strategic priorities, portfolio composition targets, and success metrics — before moving to program design and execution.

Ms. Henderson reported that staff has now met individually with all 18 member jurisdictions, completing outreach begun in May 2026. Staff also reviewed existing climate action plans, electrification plans, and mobility plans across member jurisdictions to leverage prior community engagement and avoid survey fatigue. Key themes emerging from those discussions include interconnection and grid capacity concerns, staff and funding constraints at the local level, building and transportation electrification, and a strong, pervasive theme of affordability.

An RFP for an external engagement consultant was issued in late July, yielding nine conforming bids. Staff recommended proceeding with Option 2, which provides a greater number of community touch points (approximately 13 versus 6 under Option 1), to generate a richer and more representative dataset. The board was asked to confirm alignment with the proposed process, timeline, and the recommended level of stakeholder engagement.

The forward-looking timeline anticipates completion of the strategic framework by spring 2027 and a full program portfolio by fall 2027. An ad hoc group of board members will be sought for participation in the process. On an ongoing basis, individual programs will continue to come before the board for budget approval and program design review.

Board feedback was supportive of the proposed approach. Member Marquez requested that jurisdiction-specific feedback from the staff outreach meetings be shared with respective board members. Member Tregub encouraged staff to incorporate state-level mandates, such as the electrification plan under AD 39, into the framework and affirmed support for Option 2. Member Roche commended staff for bringing the work in-house rather than outsourcing the full process and emphasized the importance of Ava functioning as a regional complement to individual city programs rather than duplicating them. Vice Chair Gonzalez noted that strategy necessarily involves choosing what not to do and urged the board and public to be prepared for those trade-off discussions, with affordability identified as a central organizing priority.

CAC Chair Souza reported that the CAC approved the Option 2 engagement approach, with positive feedback on the focus on public engagement, ad hoc committees, equity metrics, labor, and integration with local climate action plans. The CAC also reiterated a prior request for a formal JPA policy governing the allocation of customer program funds when Ava is in a surplus position.

Public comment was received from Jim Lutz, who urged the board to adopt a strategic framework that connects customer programs to Ava's procurement power and JPA objectives, including local renewable resource development and community ownership, particularly in low-income communities. Bradley Cleveland,

representing IBEW Local 595 and NORCAL NECA, expressed interest in participating as a stakeholder in the planning process and highlighted the role of labor apprenticeship and workforce development programs.

This item was informational; no action was taken.

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

CEO Chang reminded board members to complete the meeting location survey circulated by Deputy General Counsel John Perkins, aimed at scheduling one to two formal board meetings per year in San Joaquin County. He also noted that he is continuing to present Ava's impact report to member jurisdictions, with Union City scheduled for the following week.

Member Marquez announced the upcoming Science in the Park event, to be held on Saturday, October 3rd from 9:00 AM to 3:00 PM at Cal State East Bay. The free family event will feature STEAM activities, interactive educational programming, and community exhibits. Ava Community Energy will be tabling and sponsoring the event.

16. Closed Session Public Comment

No members of the public requested to speak on the closed session items.

17. Closed Session

The Board adjourned into closed session to consider the following items:

a. PUBLIC EMPLOYEE PERFORMANCE EVALUATION pursuant to Government Code Section 54957. Title: Chief Executive Officer.

b. CONFERENCE WITH LABOR NEGOTIATORS pursuant to Government Code Section 54957.6. Agency Representatives: Inder Khalsa, Jonathan Tedesco, Betsy Andersen, and Juan González. Unrepresented employee: Chief Executive Officer.

18. Report Out of Closed Session

There was nothing to report out of closed session.

19. Adjourn

The meeting was adjourned at 8:46 PM. The next Ava Community Energy Board of Directors meeting will be held on Wednesday, October 21, 2026 at 6:00 PM.

Consent Item 5

To:	Ava Community Energy Authority
From:	Howard Chang, Chief Executive Officer
Subject:	**Contracts Entered Into**
Date:	October 21, 2026

RECOMMENDATION

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

Counterparty Name	Document Title	Record Type	Contract Purpose	Contract Value	Not To Exceed	Expiration Date	City	State	Ironclad Id
Adam Montanaro	October 2026 Purchase Rider	Purchase Rider	Engage a vendor for videography services.	$35,000.00	$35,000.00	2027-06-30	Berkeley	CA	IC-3362
Chargeonomics, LLC	September 2026 Purchase Rider	Purchase Rider	Re-engage with Chargeonomics for ad hoc EV charging market insights, forecasting, and analytical support	$4,999.00	$4,999.00	2026-12-31	Danville	CA	IC-3312
CohnReznick Advisory LLC	MASTER SERVICES AGREEMENT	Vendor Purchase Template	Engage in routine penetration testing for data security purposes.	$0.00	n/a	2026-12-31	New York	NY	IC-3347
EcoMotion Incorporated	September 2026 Purchase Rider	Purchase Rider	Energy Toolbase Developer site energy modeling and report creation.	$4,999.00	$5,000.00	2026-12-31	Glendale	CA	IC-3338
EMC Research, Inc.	September 2026 Amendment to the Consulting Services Agreement	Consulting Services Agreement	Contract Purpose: Design, implement, analyze, and present the findings of two waves of on-line brand awareness surveys; Amendment Purpose: Allow research partner to work with lists of customers / PII (to include rate plan but not interval data)	$46,500.00	$245,000.00	2027-07-31	Oakland	CA	IC-3296

Counterparty Name	Document Title	Record Type	Contract Purpose	Contract Value	Not To Exceed	Expiration Date	City	State	Ironclad Id
Gearset Limited	Order ref: GSL6ZW9ZQ	Purchase Rider	Automate Salesforce metadata deployments and process enforcement.	$25,704.00	$25,704.00	2027-09-30	Cambridge	UK	IC-3323
Giraffe Financial, Inc.	August 2026 Amendment to the Consulting Services Agreement	Consulting Services Agreement	Contract Purpose: Provides Federal Investment tax credit consulting related to the Ava's eight Critical Municipal Facilities projects.; Amendment Purpose: Engage a vendor for Investment Tax Credit filing services for Critical Municipal Facilities	$0.00	$48,000.00	2028-03-31	Sacramento	CA	IC-3250
Ironclad, Inc.	Renewal Order Form	Vendor Purchase Template	Renew Ironclad SaaS services for contract management	$101,016.00	N/A	2027-09-16	San Francisco	CA	IC-3303
Keyes & Fox LLP	September 2026 Amendment to the Joint Representation Agreement	Vendor Purchase Template	Contract Purpose: Provide legal services related to PG&E's Billing Modernization Initiative; Amendment Purpose: Increase the collective not-to-exceed amount.	$19,199.12	$180,199.12	N/A	San Francisco	CA	IC-3346
LHi Group, Inc.	September 2026 Amendment to the Staffing Services Agreement	Vendor Purchase Template	Contract Purpose: recruiting and staffing services; Amendment Purpose: continue engaging such services.	$50,000.00	$580,000.00	2027-06-30	New York	NY	IC-3197

Counterparty Name	Document Title	Record Type	Contract Purpose	Contract Value	Not To Exceed	Expiration Date	City	State	Ironclad Id
LHi Group, Inc.	Statement of Work Extension - Payrolling Assignment	Vendor Purchase Template	Extend contract for Contracts Manager backfill	$31,000.00	N/A	2026-12-08	New York	NY	IC-3376
LHi Group, Inc.	September 2026 Amendment to the Staffing Services Agreement	Vendor Purchase Template	Contract Purpose: Provide Contract/Temporary Assignment Staffing Services; Amendment Purpose: talent sourcing, recruiting, and temporary employment and payroll services.	$150,000.00	$500,000.00	2027-06-30	New York	NY	IC-3196
Lucid Software Inc.	Order Form - Quote Number: Q-2604223	Vendor Purchase Template	Renewal for existing Lucid Suite licensing for 12 months.	$19,582.40	$19,582.40	2027-09-18	South Jordan	UT	IC-3288
McMillan Electric	August 2026 Consulting Services Agreement	Consulting Services Agreement	Update audiovisual equipment and related services at Ava’s offices.	$104,242.00	$104,242.00	2026-11-13	San Francisco	CA	IC-3230
Most Likely To, Inc.	September 2026 Consulting Services Agreement	Consulting Services Agreement	Engage a vendor for marketing strategy support	$150,000.00	$150,000.00	2027-09-29	San Francisco	CA	IC-3297

Counterparty Name	Document Title	Record Type	Contract Purpose	Contract Value	Not To Exceed	Expiration Date	City	State	Ironclad Id
The Regents of the University of CA, on behalf of its Berkeley Campus ("UCB")	AGREEMENT between AVA COMMUNITY ENERGY and THE REGENTS OF THE UNIVERSITY OF CA, ON BEHALF OF ITS BERKELEY CAMPUS	Vendor Purchase Template	This is an Agreement with UC Berkeley to provide funding for the EcoBlock project approved at the July 2016 Board meeting	$149,988.00	$149,988.00	2026-11-30	Berkeley	CA	IC-3120

Consent Item 6

To:	Ava Community Energy Authority
From:	Izzy Carson
Subject:	Informational Report on 2025 Power Content
Date:	October 21, 2026

Summary/Recommendation

Staff will be providing information on Ava's 2025 Power Source Disclosure Report (PSDR) and 2025 Power Content Label (PCL); this is informational and no action is required.

Financial Impact

Not applicable.

Analysis and Context

The California State Legislature passed Senate Bill (SB) 1305 in 1997, establishing the Power Source Disclosure Program (PSDR) to provide retail electricity consumers "accurate, reliable, and simple to understand information on the sources of energy that are used to provide electric services." Assembly Bill (AB) 162, passed in 2009, modified the reporting requirements of SB 1305 by requiring all retail suppliers of electricity in California to disclose the sources of the electricity they sell to customers using reporting formats developed by the California Energy Commission (CEC). In 2016, AB 1110 further modified the PSDR reporting requirements, requiring retail sellers to disclose the greenhouse gas (GHG) emissions factor associated with each electricity portfolio. The CEC updated the regulations implementing SB 1305, AB 162, and AB 1100 effective in May 2020. In 2022, SB 1158 was passed which requires the reporting of hourly data starting in 2028 and became effective in June 2025.

Each year, Ava Community Energy (Ava) must 1) submit an Annual Report (the PSDR) to the CEC, detailing its actual resource mix for the previous calendar year, and 2) provide an annual

Power Content Label (PCL) to customers, showing the percentage breakdown by resource type. The CEC requires that private retail electricity suppliers engage an auditor to verify the accuracy and completeness of data submitted to the CEC in their PSDR, but allows public agencies the option to instead provide a self-attestation . In May 2024, at its Executive Committee meeting, the Ava Board requested that Ava fulfill its PSDR reporting obligation through engagement with an auditor.

For the 2025 PSDR filing, Ava engaged a consultant to perform an audit of the Bright Choice and Renewable 100 product annual reports. The audit procedure involved validation of facility information, retail sales, generation and retirement data, invoicing and contractual verification, and overall accuracy within the report. Ava's 2025 PSDR audit was completed on August 31st, 2026, and provided to the CEC with no exceptions found to the filing.

Power Source Disclosure Report and Power Content Label

Each year, Ava reports electricity purchases and retail sales to the CEC through the PSDR, which contains a breakdown of energy purchases over a calendar year for each retail plan, and uses each resource's GHG emissions factor to calculate the plan's GHG emissions intensity. The CEC uses this data from each electricity retail seller serving load in CA to generate a total CA system power mix by source. Additionally, Ava discloses the power mix and GHG emissions intensity for each retail plan, alongside the CA power mix on the PCL, which allows customers to compare their power content to the total California power mix. Ava provides the PCL to customers through a mailer and on the Ava website. The GHG emissions intensity may only be reported through the PCL and not on any other platform.

Table 1: Ava's 2025 Power Content Label data

Ava Community Energy 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%**

Methodology

In preparing the PSDR, staff populates the template with electricity purchases from generation that occurred during the calendar year. Delivered renewable energy credits (RECs) are tracked using the Western Renewable Energy Generation Information System (WREGIS) and carbon free purchases, including electricity from Large Hydroelectric generation, are tracked using either meter data or E-tags. The E-tags trace the generation from the source to the delivery location. All the purchased generation is compared against invoices for accuracy, and retail sales are counted using the settlement quality meter data from our accounting service, which is Ava's system of record for sales. Staff then internally reviews the complete PSDR to ensure accuracy in reporting prior to submission to the CEC.

Committee Recommendation

Not applicable.

Attachments

Not applicable.

Consent Item 7

To:	Ava Community Energy Authority
From:	Matthew Chiodo – Senior Analyst, Power Resources
Subject:	Adopting two Resolutions (1) Authorizing the Chief Executive Officer to Negotiate and Execute a First Amendment to the Power Purchase Agreement with ESCA-PLD-SANLEANDRO1, LLC and (2) Authorizing the Chief Executive Officer to Negotiate and Execute a First Amendment to the Power Purchase Agreement with ESCA-PLD-HAYWARD1, LLC
Date:	October 21, 2026

Recommendation

(1) Adopt a Resolution authorizing the Chief Executive Officer to negotiate and execute a First Amendment to the Power Purchase Agreement with ESCA-PLD-SANLEANDRO1, LLC.

(2) Adopt a Resolution authorizing the Chief Executive Officer to negotiate and execute a First Amendment to the Power Purchase Agreement with ESCA-PLD-HAYWARD1, LLC.

Analysis and Context

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

The DAC Portfolio totals 7.28 MW of renewable energy from commercial rooftop solar projects in Ava's service territory, including rooftop solar projects in Oakland, San Leandro, Hayward, and two projects in Tracy. This portfolio of long-term contracts is intended to serve approximately 3,920 customers in Ava's service territory, consistent with the CPUC's rules for the DAC-GT program[1]. Of the five projects, Oakland achieved commercial operation of August 31, 2026, and San Leandro and Hayward are under construction.

Within the DAC Portfolio, two projects, ESCA-PLD-SANLEANDRO1, LLC ("San Leandro") and ESCA-PLD-HAYWARD1, LLC ("Hayward Commerce Center"), have experienced interconnection delays during their development, making the commercial operation milestones currently unreachable. These challenges are caused by delays in the interconnection process managed by Pacific Gas and Electric ("PG&E"). PG&E is the party responsible for syncing projects to the distribution system. Due to the delays, contract amendments are necessary to increase the number of days from 180 to 365 before the occurrence of an Event of Default under the PPAs. The current schedule estimates that the San Leandro project will achieve commercial operation on April 9, 2027, and that the Hayward project will achieve commercial operation on May 14, 2027. Both projects were originally expected to achieve commercial operation on April 1, 2026. Similar delays occurred to the Tracy 2 and Tracy 12 DAC Projects which were brought to the Board for amendments to their commercial operation date and approved in February 2026.

When these two projects come online, they will provide valuable benefits to Ava customers, including bill savings for customers eligible for the Disadvantaged Community Green Tariff program. Both projects are expected to become operational in the spring of 2027. Once completed, the projects will become the second and third DAC projects to be built and operational within Ava's service territory. On November 18, 2024, Ava's advice letter seeking additional eligible DAC-GT program volumes was approved by the CPUC, allowing Ava to increase the number of customers enrolled in the program. Currently, 3,920 Ava customers are enrolled in the DAC program. Below is a table with enrolled customers by city within Ava's service territory:

City	# DAC-GT Customers
Berkeley	28
Emeryville	65
French Camp	16
Hayward	120
Lathrop	58
Manteca	14
Newark	46
Oakland	1,691

[1] CPUC D.18-06-027

San Leandro	276
San Lorenzo	1
Stockton	1,335
Tracy	189
Union City	81
Total	3,920

Attachments

A. Resolution of the Board of Directors of Ava Community Energy Authority Authorizing the Chief Executive Officer to Negotiate and Execute a First Amendment to the Power Purchase Agreement with ESCA-PLD-SANLEANDRO1, LLC
B. Resolution of the Board of Directors of Ava Community Energy Authority Authorizing the Chief Executive Officer to Negotiate and Execute a First Amendment to the Power Purchase Agreement with ESCA-PLD-HAYWARD1, LLC

RESOLUTION NO. R-2026-XX

A RESOLUTION OF THE BOARD OF DIRECTORS

OF AVA COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE A FIRST AMENDMENT TO THE POWER PURCHASE AGREEMENT WITH ESCA-PLD-SANLEANDRO1, LLC

WHEREAS Ava Community Energy Authority ("Ava") was formed as a community choice aggregation agency ("CCA") on December 1, 2016, under the Joint Exercise of Powers Act, California Government Code sections 6500 et seq., among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The Cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of Ava and parties to the Joint Powers Agreement ("JPA") in March of 2020. The City of Stockton, located in San Joaquin County, was added as a member of Ava in September of 2022. The City of Lathrop, located in San Joaquin County, was added as a member to Ava in October of 2023. San Joaquin County was added as a member to Ava in July 2024. On October 24, 2023, Ava legally adopted the name Ava Community Energy Authority, where it had previously used the name East Bay Community Energy Authority since its inception; and

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

WHEREAS Ava executed a Power Purchase Agreement ("PPA") with ESCA-PLD-SANLEANDRO1, LLC ("Seller") on February 22, 2024; and

WHEREAS the PPA is for **1** mega-watt of Solar Energy with an Expected Commercial Operation Date of April 1, 2026; and

WHEREAS Ava staff is negotiating a first amendment to the PPA with the Seller to amend the number of allowable delay days before triggering an event of default.

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

Section 1. The Chief Executive Officer, in consultation with staff and legal counsel, is hereby authorized to negotiate and execute a First Amendment to the Power Purchase Agreement with ESCA-PLD-SANLEANDRO1, LLC to increase the allowable days to 365 days before the occurrence of an Event of Default under the PPA.

ADOPTED AND APPROVED this 21st day of October, 2026.

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Betsy Andersen, Chair

ATTEST:

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Adrian Bankhead, Clerk of the Board

RESOLUTION NO. R-2026-XX

A RESOLUTION OF THE BOARD OF DIRECTORS

OF AVA COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE A FIRST AMENDMENT TO THE POWER PURCHASE AGREEMENT WITH ESCA-PLD-HAYWARD1, LLC

WHEREAS Ava Community Energy Authority ("Ava") was formed as a community choice aggregation agency ("CCA") on December 1, 2016, under the Joint Exercise of Powers Act, California Government Code sections 6500 et seq., among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The Cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of Ava and parties to the Joint Powers Agreement ("JPA") in March of 2020. The City of Stockton, located in San Joaquin County, was added as a member of Ava in September of 2022. The City of Lathrop, located in San Joaquin County, was added as a member to Ava in October of 2023. San Joaquin County was added as a member to Ava in July 2024. On October 24, 2023, Ava legally adopted the name Ava Community Energy Authority, where it had previously used the name East Bay Community Energy Authority since its inception; and

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

WHEREAS Ava executed a Power Purchase Agreement ("PPA") with ESCA-PLD-HAYWARD1, LLC ("Seller") on February 22, 2024; and

WHEREAS the PPA is for 0.56 mega-watt of Solar Energy with an Expected Commercial Operation Date of April 1, 2026; and

WHEREAS Ava staff is negotiating a first amendment to the PPA with the Seller to amend the number of allowable delay days before triggering an event of default.

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

Section 1. The Chief Executive Officer, in consultation with staff and legal counsel, is hereby authorized to negotiate and execute a First Amendment to the Power Purchase Agreement with ESCA-PLD-HAYWARD1, LLC to increase the allowable days to 365 days before the occurrence of an Event of Default under the PPA.

ADOPTED AND APPROVED this 21st day of October, 2026.

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Betsy Andersen, Chair

ATTEST:

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Adrian Bankhead, Clerk of the Board

Consent Item 8

To:	Ava Community Energy Authority
From:	Brett Wiley, Program Manager
Subject:	Authorizing CEO to Negotiate and Execute two Main Services Agreement amendments with Lunar Energy Limited to Update SmartHome Charging Program Scope
Date:	October 21, 2026

Summary/Recommendation

Adopt a resolution authorizing the Chief Executive Officer to negotiate and execute two amendments to the Main Services Agreement ("MSA") with Lunar Energy Limited ("Lunar Energy"). The Second Amendment would clarify and revise the scope for the SmartHome Charging program after learnings in Year 1 and extend the managed charging scope end date from March 31, 2027 to December 31, 2027. The Third Amendment would allow Lunar Energy to subcontract with automakers as additional managed charging providers, pending Ava's review and approval.

Ava initially contracted with Lunar Energy on July 3, 2024 to provide Ava with a Distributed Energy Resource Management System ("DERMS") as part of Ava's Virtual Power Plant. Lunar Energy subsequently subcontracted with Optiwatt to launch and manage a managed home charging program on behalf of Ava, called SmartHome Charging.

The First Amendment was executed March 3, 2025 and extended the MSA term to March 31, 2027 and clarified administrative contract provisions.

Financial Impact

These amendments will not increase the currently approved budget of $2,300,000 for the SmartHome Charging Program scope.

Analysis and Context

According to the California Energy Commission, there are more than 168,000 EVs registered in Alameda and San Joaquin Counties as of April 2026. Currently, many customers charge in the afternoon during higher cost, higher carbon hours of the day. Relatedly, over half of these customers are not enrolled in a dedicated EV or electrification Time of Use ("TOU") rates. Ava's SmartHome Charging program (the "Program") aims to address these issues by optimizing when and how Ava customers charge their EVs, reducing peak demand and the associated greenhouse gas ("GHG") emissions while lowering Ava's procurement costs and customers' fuel costs.

Launched in March 2025, Ava's SmartHome Charging program allows customers to enroll their vehicle or home charger into a platform that manages their charging to optimize electricity costs while still meeting each customer's specific charging needs. Customers set their target charge and deadline, and the platform optimizes the charging process to meet those parameters. Most participants save money on their energy costs and reduce GHG emissions, while Ava can shift and shape EV load to reduce procurement costs and portfolio-wide emissions, which benefits all Ava customers. Participants also receive an enrollment incentive and monthly performance-based incentives to encourage enrollment and ongoing participation.

In Year 1, Optiwatt, Lunar Energy's sub-contractor, enrolled over 2,700 devices and met five of the Program's six load-management and customer experience key performance indicators ("KPIs"). The one KPI not met in Year 1 was on-peak charging, which was reduced by 46% instead of the 50% reduction target.

While the Program has had success, enrollment and retention were the Program's main challenges. Some Ava customers have not enrolled because they did not "want another phone app." Other customers had trouble staying enrolled because their automakers required software updates and additional steps to connect to third-party service providers like Optiwatt. Ava believes customers will be more likely to enroll in SmartHome Charging if customers can participate through an app they already use for their EV.

Currently, only 3.3% of EVs in Ava's service area are enrolled in a managed charging program offered by Ava or PG&E. There's a high market potential to have more EVs under management, which Ava believes will improve with a more integrated program

enrollment experience through the automakers' existing EV phone apps. Ava estimates that 68% of its current EV market can participate today, or will soon be able to, in utility programs offered directly by automakers or managed charging providers through the customer's existing vehicle app.

In Year 2 of the program, Ava will implement the lessons learned from Year 1 and refine its programmatic approach with Lunar Energy to extract additional learnings from already enrolled customers. At the same time, Lunar Energy will onboard automakers as additional vendors and extract comparative learnings around automaker channel marketing, customer experience, and load management performance through newly enrolled participants that also leverage Lunar Energy as our DERMS provider.

The Second Amendment will refine the scope of managed charging with Lunar and their management of third-party service providers like Optiwatt, while the Third Amendment will permit Lunar to subcontract directly with automakers, subject to Ava's approval, to bring additional services and enrollments into the program. The MSA already allows Lunar Energy to bring on additional managed charging vendors; this amendment codifies the specific terms governing that expansion for SmartHome Charging.

Attachment

A) Resolution of the Board of Directors of Ava Community Energy Authority Authorizing the CEO to Negotiate and Execute Two Amendments to the Existing Consulting Main Services Agreement with Lunar Energy Limited for the SmartHome Charging Program

RESOLUTION NO. R-2026-XX

A RESOLUTION OF THE BOARD OF DIRECTORS

OF AVA COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CEO TO NEGOTIATE AND EXECUTE A SECOND AMENDMENT TO THE MAIN SERVICES AGREEMENT WITH LUNAR ENERGY LIMITED FOR THE SMARTHOME CHARGING PROGRAM

WHEREAS Ava Community Energy Authority ("Ava") was formed as a community choice aggregation agency ("CCA") on December 1, 2016, under the Joint Exercise of Powers Act, California Government Code sections 6500 *et seq.,* among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of Ava and parties to the Joint Powers Agreement ("JPA") in March of 2020. The city of Stockton was added as a member to Ava in September of 2022. The city of Lathrop was added as a member to Ava in October of 2023. San Joaquin County was added as a member to Ava in July 2024. On October 24, 2023, Ava legally adopted the name Ava Community Energy Authority, where it had previously used the name East Bay Community Energy Authority since its inception.

WHEREAS Ava and Lunar Energy Limited ("Lunar Energy") entered into that certain Main Services Agreement dated July 3, 2024 ("Agreement"), under which Lunar Energy agreed to, among other things, implement the SmartHome Charging Program (the "Program") that leverages their Distributed Energy Resource Management System and management of third-party service providers, like Optiwatt, to enroll and retain Ava customers, for a not-to-exceed ("NTE") amount of $2,300,000; and

WHEREAS the Program launched on March 27, 2025, and, in its first year, enrolled over 2,700 devices and effectively met the load management key performance indicators; and

WHEREAS Ava and Lunar Energy entered into a First Amendment to the Agreement to extend the term to March 31, 2027, add an Operational Service Level Agreement for the managed charging program, and clarify administrative contract provisions; and

WHEREAS as of April 2026, there are more than 168,000 electric vehicles ("EVs") domiciled in Alameda and San Joaquin Counties, yet only 3.3% of EVs in Ava's two-county service area are enrolled in a managed charging program by Ava or PG&E, while 68% of Ava's current EV market currently has or will soon have the potential to participate in utility managed charging programs through direct partnerships with automakers; and

WHEREAS Ava seeks to effectively manage the home charging load of its customer's EVs to reduce Ava's procurement costs and portfolio emissions while helping its customers lower their electricity bills; and

WHEREAS Ava desires to amend the Agreement to refine the scope of managed charging; extend the Agreement's managed charging scope through December 31, 2027; and expand Lunar's management of third-party service providers, like Optiwatt, while also permitting Lunar Energy to subcontract directly with automakers, subject to Ava's approval; and

WHEREAS the proposed Second and Third Amendments to the Agreement does not increase the NTE amount of $2,300,000.

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

Section 1. The CEO, in consultation with staff and legal counsel, is hereby authorized to negotiate and execute two Amendments to the Main Services Agreement with Lunar Energy Limited to, among other things: (1) revise the scope of the SmartHome Charging Program; (2) extend the scope end date to December 31, 2027; and (3) allow Lunar Energy Limited to subcontract with automakers as additional managed charging providers, subject to Ava's approval.

ADOPTED AND APPROVED this 21st day of October, 2026.

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Betsy Andersen, Chair

ATTEST:

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Adrian Bankhead, Clerk of the Board

Consent Item 9

To:	Ava Community Energy Authority
From:	Cody Vaughn, Customer Operations Analyst
Subject:	Amendment to Rate Setting Policy
Date:	October 21, 2026

Summary/Recommendation

Staff recommends adopting an amendment to the Rate Setting Policy to update the agency name, streamline the rate setting process, and establish accessibility standards.

Financial Impact

There is no direct fiscal impact associated with these administrative policy updates.

Analysis and Context

Ava's Rate Setting Policy was originally approved by Ava's Board of Directors on September 26, 2018, and subsequently amended on December 18, 2019, and May 18, 2022, to address changes in the billing engine configuration and to streamline the community workshops process.

Staff recommends updating the Rate Setting Policy to remove references to the agency's former name, East Bay Community Energy, eliminate certain prescriptive committee requirements, and establish formal accessibility standards.

Staff recommends updating the agency name from East Bay Community Energy to Ava Community Energy in the Rate Setting Policy. This administrative modification replaces all outdated references across the policy to ensure consistency and clarity across active policies.

Staff recommends removing the requirement to first present the value proposition analysis and preliminary recommendations specifically to the Executive Committee. The proposed policy allows staff to present its analysis of PG&E rates and preliminary recommendations for the value proposition at any of Ava's standard public meetings, including meetings of a subcommittee, the Executive Committee, or the Board of Directors. Staff has edited Section 5 "Board meeting." The Community Advisory Committee (CAC) presents their own discussion and findings to the Board, therefore staff does not have this responsibility and have removed it from the Policy. The proposed policy also removes the requirement that the process return to the Executive Committee if the Board requests further analysis. Instead, staff would bring a revised recommendation to a subsequent Board meeting, or first to the Executive Committee or a subcommittee if directed by the Board. These changes provide staff greater administrative flexibility to adapt to changing operational demands.

Finally, Staff recommends adding a new section to establish formal accessibility standards within the Rate Setting Policy. This section ensures that individuals who require special assistance, or disability-related modifications and accommodations, can fully participate in the rate-setting process. It also formalizes the procedure for requesting alternative formats for all distributed rate-setting materials and establishes a clear timeline for submitting accommodation requests.

Attachments

A. Resolution to amend and restate the Rate Setting Policy to update the agency name, streamline the rate setting process, and establish accessibility standards
B. Third Amended and Restated Rate Setting Policy

RESOLUTION NO.

A RESOLUTION OF THE BOARD OF DIRECTORS OF AVA COMMUNITY ENERGY AUTHORITY AMENDING AND RESTATING THE RATE SETTING POLICY TO UPDATE THE AGENCY NAME, STREAMLINE THE RATE SETTING PROCESS, AND ESTABLISH ACCESSIBILITY STANDARDS

WHEREAS, Ava Community Energy Authority ("Ava") was formed as a community choice aggregation agency ("CCA") on December 1, 2016, under the Joint Exercise of Powers Act, California Government Code sections 6500 et seq., among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of Ava and parties to the Joint Powers Agreement ("JPA") in March of 2020. The city of Stockton was added as a member to Ava in September of 2022. The city of Lathrop was added as a member to Ava in October of 2023. San Joaquin County was added as a member to Ava in July 2024. On October 24, 2023, Ava legally adopted the name Ava Community Energy Authority, where it had previously used the name East Bay Community Energy Authority since its inception; and

WHEREAS, on September 26, 2018, the Board approved by motion a Rate Setting Policy; and

WHEREAS, on December 18, 2019, the Board approved an amendment to the Rate Setting Policy to allow for rate setting by vintage; and

WHEREAS, on May 18, 2022, the Board approved an amendment to the Rate Setting Policy to streamline the community workshops process; and

WHEREAS, Ava legally adopted the name Ava Community Energy Authority, where it had previously used the name East Bay Community Energy Authority since its inception, necessitating an update of agency policies to maintain clarity and accuracy; and

WHEREAS, the Rate Setting Policy currently requires staff to first present its analysis and preliminary recommendations for Ava's value proposition to the Executive Committee; and

WHEREAS, Ava desires to allow staff to first present the value proposition at any public meeting of the Board, Executive Committee or Subcommittee to allow for greater administrative flexibility during the rate setting process; and

WHEREAS, Ava is fully committed to ensuring accessibility to all members of the public, including individuals with disabilities; and

WHEREAS, Ava desires to formalize and incorporate accessibility accommodation standards within its Rate Setting Policy;

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

SECTION 1. The Board of Directors hereby adopts the Third Amended and Restated Rate Setting Policy, which, among other things, replaces references to “East Bay Community Energy” with “Ava Community Energy”, expands the public meetings at which staff may first present its analysis and preliminary recommendations on Ava’s value proposition, and adds accessibility accommodation standards.

ADOPTED AND APPROVED this 21st day of October 2026.

_____

Betsy Andersen, Chair

ATTEST:

_____

Adrian Bankhead, Clerk of the Board

THIRD AMENDED AND RESTATED RATE SETTING POLICY

Policy Number:
Approval Date:
Agenda Item: {To be added by Clerk}
Approved by Resolution: {To be added by Clerk}

I. Purpose

This policy serves to provide direction to Ava staff on actions related to electric rates.

II. Rate Actions

a. Rate Setting

Ava Staff must receive Board approval to revise the service level value propositions (e.g. offering a greater or lesser discount on Bright Choice).

b. Rate Setting Process

Ava's Implementation Plan and Statement of Intent (August 2017) states that "Ava will review its rates at a minimum once a year".

The rate review and setting process is as follows:

1. **Board, Executive Committee, or Subcommittee meeting.** Staff will provide a staff report containing analysis of PG&E rates and preliminary recommendations for changes to Ava's value proposition, if any, at a public meeting of the Board, Executive Committee, or Subcommittee.
2. **Community workshops.** In a year when there is a proposed change to the value proposition, staff will conduct community workshops. Based on feedback received at a Board, Executive Committee, or Subcommittee meeting, staff will revise analysis if needed, and solicit comments from the community. This will be achieved through a minimum of two (2) community meetings in geographically diverse locations, or online in a webinar-style format. Staff will consolidate feedback fromthese meetings into a supporting document that will be presented to the Board.
3. **Written comments.** When there is a proposed change to the value proposition, written comments will be accepted in lieu of, or in addition to, verbal comments made during these community workshops. A period of time will be designated for written

comments. A specific email address will be provided to the public to submit comments, along with a clear deadline for submission.

4. **Community Advisory Committee meeting.** The CAC will receive a presentation from staff and discuss the staff recommendation.
5. **Board meeting.** Staff will present analysis, findings, and recommendations , including feedback from the public. The Board will have the opportunity to vote on staff recommendations. If the Board requests further analysis, staff will present a revised recommendation at a subsequent Board meeting, or at the Board's discretion, first to the Executive Committee or Subcommittee.
6. **Accessibility.** Ava will accommodate individuals who need special assistance or a disability-related modification or accommodation to participate in the rate setting process, or wish to request an alternative format for the rate setting process materials. Accommodation requests should be made to staff at least 2 working days before the accommodation is needed.

c. Rate Modification

Ava Staff is authorized to adjust Ava's rates to maintain the approved value proposition for each service level. If there are changes to PG&E generation rates or fees that result in a more beneficial value proposition for customers, Ava Staff is authorized to not adjust the rates.

Consent Item 10

To:	Ava Community Energy Authority
From:	Eleanor Smith, Account Rates and Equity Sr. Manager
Subject:	Approve Ava's revised Net Energy Metering Policy Tariff which updates terminology and clarifies the treatment of Net Energy Metering Fuel Cell customers
Date:	10/21/2026

Summary/Recommendation

Staff proposes revisions to the Net Energy Metering (NEM) tariff to update terminology and clarify the billing treatment of NEM Fuel Cell customers. These revisions do not change existing policy or practice.

Financial Impact

N/A

Analysis and Context

Ava has revised the terminology in its NEM tariff to clarify its existing NEM policies and reduce customer confusion. The terms "monthly billing plan" and "annual billing plan" replace "monthly true-up" and "annual true-up," respectively. All customers, regardless of their billing plan, undergo an annual true-up, and the term "NEM cash-out" is no longer used in the tariff. These changes align the NEM tariff with updates to customer-facing materials.

Ava's NEM tariff is also updated to clarify the treatment of NEM Fuel Cell customers, specifying that they are ineligible to receive net surplus electricity compensation, consistent with California Public Utilities Code Section 2827.10(f)(3).

These revisions are intended solely to update terminology and clarify existing practices.

Attachments

A. Resolution to Adopt a Revised Net Energy Metering Policy Tariff
B. Seventh Amended and Restated Net Energy Metering Service Policy Tariff (Redlined)

RESOLUTION NO. R-202x-XX

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE AVA COMMUNITY ENERGY AUTHORITY ADOPTING A REVISED NET ENERGY METERING POLICY TARIFF

WHEREAS Ava Community Energy Authority ("Ava") was formed as a community choice aggregation agency ("CCA") on December 1, 2016, under the Joint Exercise of Powers Act, California Government Code sections 6500 *et seq.,* among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of Ava and parties to the Joint Powers Agreement ("JPA") in March of 2020. The city of Stockton was added as a member to Ava in September of 2022. The city of Lathrop was added as a member to Ava in October of 2023. San Joaquin County was added as a member to Ava in July 2024. On October 24, 2023, Ava legally adopted the name Ava Community Energy Authority, where it had previously used the name East Bay Community Energy Authority since its inception.

WHEREAS The Board of Directors approved an initial Net Energy Metering ("NEM") Policy on February 21, 2018, and amended Policies on December 5, 2018, February 20, 2019, December 16, 2020, May 17, 2021, October 19, 2022, and March 19, 2025;

WHEREAS Ava is updating customer-facing NEM materials to improve clarity around Ava's existing NEM policy; and

WHEREAS The Net Energy Metering Policy tariff is revised to update terminology and to clarify the billing treatment of NEM Fuel Cell customers

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

Section 1. The Board of Directors hereby adopts the Seventh Revised Net Energy Metering Policy tariff, which updates terminology and clarifies the billing treatment of NEM Fuel Cell customers.

ADOPTED AND APPROVED this 21st day of October 2026.

Betsy Andersen, Chair

ATTEST:

_____

Adrian Bankhead, Clerk of the Board

Ava Community Energy Net Energy Metering Policy ~~6.5~~7.0

ELECTRIC SCHEDULE NEM - NET ENERGY METERING SERVICE

~~Sixth~~Seventh Amended and Restated Net Energy Metering Service Policy

APPLICABILITY:

This net energy metering (NEM) schedule is applicable to a customer who uses an eligible Renewable Electrical Generation Facility, as defined in PG&E's Electric Schedule NEM (http://www.pge.com/tariffs), within the capacity limits described in PG&E's Electric Schedule NEM that is located on the customer's owned, leased, or rented premises, is interconnected and operates in parallel with PG&E's transmission and distribution systems, and is intended primarily to offset part or all of the customer's own electrical requirements (hereinafter "eligible customer generator" or customer").

This rate schedule is available on a first-come, first-served basis to customers that provide PG&E with a completed PG&E NEM Application and comply with all PG&E NEM requirements as described in PG&E Electric Schedule NEM. This includes customers served by NEMV (Virtual Net Energy Metering), NEMVMASH (Virtual Net Energy Metering for Multifamily Affordable Housing), NEMA (NEM Aggregation) and Multiple Tariff facilities as described by PG&E Electric Schedule NEM.

DEFINITIONS:

Original Jurisdictions: Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Oakland, Piedmont, San Leandro, Union City and the unincorporated area of Alameda County

Customer type definitions:

Standard Ava NEM: ~~All~~ NEM customers who do not fall into the below groups.

Legacy Municipal NEM: ~~All m~~Municipal NEM customers from Ava's original jurisdictions that had an interconnection date between 6/1/2018 and 4/1/2021.

CARE/FERA Ava NEM: ~~All~~ CARE/FERA NEM customers ~~with an interconnection date after beginning electric service under Ava.~~ whose systems were interconnected after Ava began providing electric service in the jurisdiction where they are located.

Rates: All rates charged under this schedule will be in accordance with the eligible customer generator's otherwise-applicable Ava rate schedule (OAS), which includes their rate schedule and Ava service level (i.e. Bright Choice or Renewable 100). An eligible customer-generator served under this schedule is responsible for all charges from its OAS including monthly minimum charges, customer charges, meter charges, facilities charges, demand charges and surcharges, and all other charges owed to Ava or PG&E. Charges for energy (kWh) supplied by Ava, will be

based on the net metered usage in accordance with this tariff.

Billing: Customers with NEM service will be billed as follows:

a) Standard Ava NEM customers may choose between a monthly or annual ~~true-up option.~~billing plan.~~-~~

Standard Ava NEM customers will be defaulted to a monthly ~~true-up,~~ billing plan where they pay monthly for any net charges not covered by their NEM credits. Those who prefer to pay once a year can opt into the annual billing plan where any net charges are due as part of the April true-up. ~~and~~Customers may select their preferred ~~true-up cycle~~billing plan once per year before March 1, effective following the next April ~~cash-out/~~ true-up period.

CARE/ FERA Ava NEM and Legacy Municipal NEM customers must be enrolled in ~~a~~the monthly ~~true-up cycle~~ billing plan.

b) For a customer with Non-Time of Use (TOU) Rates:

Any net consumption or production shall be valued monthly as follows:

If the eligible customer-generator is a "Net Consumer," having overall positive usage over a billing cycle, the eligible customer-generator will be billed or debited in accordance with the eligible customer-generator's OAS.

If the eligible customer-generator is a "Net Generator," having overall negative usage over a billing cycle, any net energy production shall be valued at the OAS plus any additional incentive payment as applicable (e.g. for new installations for CARE/ FERA Ava NEM accounts). The calculated value of any net energy production shall be credited to Ava customers as described in Section (~~c~~d).

c) For a customer with TOU Rates:

Any net consumption or production shall be valued monthly as follows:

If the eligible customer-generator is a Net Consumer (as defined above) during any discrete TOU period, the net kWh consumed during such period shall be billed or debited in accordance with applicable TOU period-specific rates/charges, as described in the eligible customer-generator's OAS.

If the eligible customer-generator is a Net Generator (as defined above) during any discrete TOU period, the net kWh produced during such period shall be valued in consideration of the applicable TOU period-specific rates/charges, as described in the eligible customer-generator's OAS, plus any additional incentive payment as applicable (e.g. for new installations for CARE/ FERA Ava NEM accounts). The calculated value of any net energy production during a specific TOU period shall be credited to Ava customers as described in Section (~~c~~d).

d) Settlement of Ava Charges/Credits:

NEM customers will receive a statement in their monthly PG&E bills indicating any accrued

charges for their usage during the current billing cycle. Customers who have accrued credits during previous billing cycles will see these credits applied against current charges.

~~1. Monthly True-Up~~

~~For customers on a monthly true-up cycle, any remaining balance is due and must be paid during each monthly billing cycle.~~

~~Annual True-Up~~

~~For customers on an annual true-up cycle, any remaining balance will appear as a debit on the bill and roll over, until the annual true-up in April.~~

For customers on a monthly billing plan, any remaining balance is due and must be paid each monthly billing cycle. For customers on an annual billing plan, any remaining balance will appear as a debit on the bill and roll over until the annual true-up in April.

When a customer's net energy production results in a net bill credit over a billing cycle, the value of any net energy production, during the billing cycle, shall be noted on the customer's bill and carried over as a bill credit for use in subsequent billing period(s).

Monthly credits are ~~valued~~calculated ~~-~~as follows based on customer ~~definition~~type:

Customer Type	Bill Credit per kWh
Standard Ava NEM Customer	Retail*
Legacy Municipal NEM Customer	Retail* + $0.01
CARE/FERA Ava NEM Customer	Retail* + $0.01

**Equivalent to the generation rate you are charged for power received from Ava*

e) Ava Annual True-Up ~~and Cash-Out~~:

~~Customers on an annual true-up cycle are eligible for the annual true-up and/or cash-out. Customers on a monthly true-up are eligible for the cash-out~~.

~~1. Annual True-Up~~

~~Standard Ava NEM customers on an annual true-up cycle may owe Ava money during the April true-up period. Any amount owed will be tracked monthly on the customer's bill, as a debit, and will be due at the true-up period. Customers on an annual true-up that have surplus kWh are eligible for the cash-out as described in section (e)2.~~

~~2. Cash-Out~~

~~During the April billing cycle of each year, all current NEM customers with a cash-out credit balance of more than $100 will be offered a direct payment by check for this balance. Any cash-out credit balance will be determined as of the final date of the customer's March – April billing Cycle (i.e. the first bill period ending on or after April 1). Customers who participate in the Ava Cash-Out or transfer process will have an equivalent credit removed from their NEM account balance at the time of check issuance or transfer. In the event that a customer's credit balance is less than $100, such credits will continue to be tracked by Ava and will remain on the customer's account for future use (i.e., reduction of future Ava charges).~~

During the April billing cycle of each year, all Ava NEM customers will undergo an annual true-up to reconcile their Ava generation charges and credits.

Customers whose energy consumption exceeds their available NEM credits will owe Ava for any outstanding charges. Customers on the annual billing plan will pay all outstanding charges accrued during the year at the April true-up, while customers on the monthly billing plan will owe only the charges incurred during the current billing cycle.

Customers who generated more electricity than they consumed during the preceding 12 months are eligible for an annual true-up credit for their surplus kWh.

~~Customers who close their electric account through PG&E or move outside of the Ava service area prior to the April billing cycle of each year are also eligible for the annual Ava true-up and cash-out process.~~

~~Ava will, at least once each year, conduct an audit of the CARE/FERA NEM customers to ensure that eligible CARE/FERA NEM customers are included in the CARE/FERA NEM program.~~

~~Cash-Out~~Annual true-up credits are ~~valued~~calculated ~~as~~ as follows based on customer type:

Customer Type	Annual Payout Credit per kWh
Standard Ava NEM Customers	PG&E Net Surplus Compensation (NSC)
Legacy Municipal NEM Customers	Retail* + $0.01
CARE/FERA Ava NEM Customers	Retail* + $0.01

*Equivalent to the generation rate you are charged for power received from Ava

The credit balance will be determined as of the final date of the customer's March-April billing cycle (i.e. the first bill cycle ending on or after April 1). Customers with a credit balance of less than $100 will receive a rollover credit that will remain on their accounts for future use toward Ava generation charges. Customers with a credit balance of $100 or more will receive a direct payment for the balance. Once the customer's annual surplus kWh are reconciled and converted to an annual credit, either as a rollover credit or direct payment, the customer's accumulated NEM balance from monthly credits is reset to zero.

Customers who close their electric account through PG&E or move outside of the Ava service area prior to the April billing cycle of each year are also eligible for the annual Ava true-up process.

Ava will, at least once each year, conduct an audit of the CARE/FERA NEM customers to ensure that eligible CARE/FERA NEM customers are included in the CARE/FERA Ava NEM program.

f) Return to PG&E Bundled Service:

Ava customers with NEM service may opt out and return to PG&E bundled service at any time. Customers should be advised that PG&E will perform a true-up of their account at the time of return to PG&E bundled service and that PG&E's standard terms for transitional rates apply to customer returns with less than a six-month advance notice, if they have been an Ava customer for 60 days or more.

If any Ava NEM customer opts out of the Ava program and returns to PG&E bundled service, Ava will ~~cash-out~~ directly pay the customer for any remaining surplus kWh ~~generation credits~~ on

the account (using the approach detailed in section ~~d~~e above). ~~and mail a check to the billing address~~.

g) PG&E NEM Services:

All Ava NEM customers are subject to the conditions and billing procedures of PG&E for their non-generation services, as described in PG&E's Electric Schedule NEM and related PG&E tariff options addressing NEM service. Customers should be advised that while Ava settles ~~out~~ balances for generation on a monthly or annual basis, PG&E will continue to assess charges for delivery, transmission and other services. Most NEM customers will receive a~~n~~ separate annual true-up from PG&E ~~(on their NEM interconnection anniversary with PG&E)~~ for these non-generation services.

Customers are encouraged to review PG&E's most up-to-date NEM tariffs, which are available from PG&E.

h) Aggregated NEM

Per the California Public Utilities Code Section 2827(h)(4)(B), aggregated NEM customers are "permanently ineligible to receive net surplus electricity compensation." Therefore, any excess accrued credits over the course of a year under an aggregated NEM account are ineligible for payment via Ava's annual ~~Cash-Out~~true-up process as described in section (~~d~~e). All other NEM rules apply to aggregated NEM accounts.

i) NEM Fuel Cell (NEM FC)

Per the California Public Utilities Code Section a 2827.10(f)(3), NEM fuel cell customers are ineligible to receive net surplus electricity compensation. Therefore, any excess credits accrued over the course of a year under a NEM FC account are ineligible for payment via Ava's annual true-up process as described in section (e).

Consent Item 11

To:	Ava Community Energy Authority
From:	Annie Henderson, Chief Customer Officer
Subject:	Notice of Selection for Customer Programs Strategy Engagement Consultant
Date:	October 21, 2026

Summary/Notice

Staff provides notice that it will enter into a consulting services agreement with the Institute for Local Government (ILG), with CivicWell as its subconsultant, to facilitate external stakeholder engagement for Ava's Customer Programs Strategy. The contracted value falls within the Chief Executive Officer's $250,000 signature authority. Given the level of board and public interest in this work and for comprehensive disclosure and transparency, staff is providing the Board with an update on the status of this contract.

The scope for external stakeholder engagement includes six targeted stakeholder discussions, five in-person public workshops, two virtual public workshops, and a synthesis of feedback to inform Ava's strategy.

The Executive Committee received an update on this agreement at their October 7, 2026 meeting. Board member comments and public comments were supportive of the selected bidder and the selection process.

Financial Impact

This contract has a not-to-exceed (NTE) amount of $242,365 for the term of November 2026 through December 2027.

Analysis and Context

Ava is developing a Customer Programs Strategy to guide customer program decisions over the next five years. Staff will lead the strategy and internal engagement with Board and Community Advisory Committee ad hoc groups, municipal staff, and Ava subject matter experts. Ava will also engage through its regular public meetings and customer surveys. The engagement consultant will lead the separately scoped targeted discussions and public workshops, then document and synthesize input for staff to consider in developing the strategy.

Request for Proposals and Evaluation

Ava issued the engagement consultant Request for Proposal (RFP) in July 2026 and received nine conforming proposals by the August 27 deadline. The RFP sought an approach to targeted stakeholder meetings and public workshops, accessible participation, project coordination, and concise synthesis of feedback. Bidders were asked to price two scopes. Option 1 included three targeted meetings, two in-person workshops, and one virtual workshop; Option 2 included six targeted meetings, five in-person workshops, and two virtual workshops. Staff recommended Option 2 at the September Community Advisory Committee and Board meetings, and both bodies supported the broader engagement scope.

Staff evaluated the proposals against the RFP criteria, including stakeholder engagement approach, project management and delivery, team qualifications and relevant experience, cost, and applicable procurement preferences. Four bidders advanced to interviews during the week of September 14. Staff considered the written proposals, interviews, and subsequent scope and pricing discussions in selecting ILG and CivicWell.

Selection of Institute for Local Government and CivicWell

The Institute for Local Government (ILG) is a nonprofit organization based in Sacramento and located in a disadvantaged community. ILG would serve as the contract lead, with CivicWell, another nonprofit organization, as a subconsultant. Together, the team brings extensive experience designing and facilitating inclusive stakeholder engagement processes for public agencies, with a focus on incorporating community input into decision-making, building long-term relationships, and engaging communities most impacted by climate and policy decisions.

The ILG and CivicWell team demonstrated strong experience facilitating discussions across climate, energy, transportation, and other public-sector topics with diverse stakeholder groups. ILG has applied its engagement approach through work with local governments, regional agencies, and state partners, including the San Joaquin Council of Governments, California Strategic Growth Council, and California Air Resources Board. CivicWell complements this experience with decades of climate and energy expertise and established relationships with local governments, Community Choice Aggregators, Regional Energy Networks, utilities, state agencies, and community-serving organizations. Through the California Climate and Energy Collaborative and other regional convenings, CivicWell has experience bringing together diverse stakeholders to identify priorities, needs, challenges, and opportunities for action.

Staff also valued ILG's existing relationships in San Joaquin County, where Ava is continuing to build connections with community organizations and stakeholders. While several proposers demonstrated strong relationships in Alameda County, ILG brought particularly relevant experience and connections in San Joaquin County and identified opportunities to help Ava expand its relationships in the region.

The ILG and CivicWell team also presented a clear and well-organized approach in both its proposal and interview and demonstrated the communication and facilitation skills needed for this assignment. The combined ILG and CivicWell team has sufficient capacity to support multiple engagement activities concurrently, allowing planning, outreach, facilitation preparation, technical coordination, and documentation to advance in parallel.

ILG's proposed cost of approximately $242,000 was below the average proposal received for the same scope and was considered reasonable relative to the team's proposed approach, qualifications, and level of effort. Overall, the team's engagement and facilitation expertise, relevant climate and energy experience, local relationships, project capacity, and proposed cost support staff's recommendation to select ILG and CivicWell for this work.

Next Steps

Contract negotiations are underway. Staff anticipates a kickoff in November 2026 and consultant-supported engagement to take place in January through June 2027. Under the Administrative Procurement Policy, the Chief Executive Officer has authority to sign agreements under $250,000.

Attachments

A. October 7, 2026 Executive Committee Slide Deck

B. Form of Consulting Services Agreement with example scope of work

Attachment Consent Item 11A

Ava Community Energy

Receive Staff Report on Customer Programs Strategy Engagement Consultant Selection

Executive Committee
10/7/26

Agenda, Background, & Timeline

Agenda

- Project Background & Timeline
- Overview of Broad Engagement Plan
- Overview of Responses to External Engagement Request For Proposals (RFP)
- Recommended Bid Selection
  - Qualifications
  - Additional Rationale
  - Summary of Cost & Hours
  - Team: Key Personal & Program Managers
- Conclusion & Next Steps

Background

Focus for today's agenda item:

Receive a report on staff's recommended Customer Programs Strategy engagement consultant selection and intended path to contract execution

Staff is working on a Customer Programs Strategy that will guide programmatic decisions for the next 5 years.

As a critical part of this effort, staff seeks to contract with an engagement consultant who can facilitate stakeholder discussion groups and public workshops, and summarize stakeholder and public responses to inform the Customer Programs Strategy.

Following our Administrative Procurement Policy, staff issued a Request for Proposals in July 2026, received 9 conforming bids in August 2026, and selected a respondent to perform the desired work. This presentation provides information on the selected party with whom we plan to execute a Consulting Services Agreement.

Timeline

Issuance of RFP	July 24, 2026
Deadline to submit proposals	August 27, 2026
Finalist interviews	Week of September 14, 2026
Presentation of RFP responses to the Board	September 16, 2026
Bidder Selection	Week of September 21, 2026
Final negotiations	Underway
Presentation of selected bidder to Executive Committee	October 7, 2026
Contract Approval by Board of Directors	October 21, 2026
TENTATIVE TIMELINE FOR ENGAGEMENT ACTIVITIES	
Kickoff meeting Ava and Consultant	November 2026
Consultant-Supported Engagement begins	January 2027
Consultant-Supported Engagement ends	June 2027

Engagement Plan and RFP Response Overview

Overview of Engagement

- Ava staff will facilitate all internal engagement with ad hoc groups and subject matter experts and external engagement through presentations at regular public meetings and customer surveys.
- The consultant will facilitate external engagement through focused group discussions and public workshops.

Internal
Ad Hoc Group of Board
Ad Hoc Group of CAC
Ad Hoc Group of Local Municipal Staff
Ava Staff Subject Matter Experts

External
Targeted Stakeholder Meetings *(still TBD, below are likely groups)* ● Local Community Based Organizations ● Labor ● Industry ● Agriculture Customers ● Large Commercial Customers ● Small & Medium Commercial Customers
General Public ● Survey Data ● Public Workshops
Regular Public Meetings of Board and CAC

Summary of Scope and Responses

Engagement Activity	Option 1	Option 2
Targeted Stakeholder Meetings	3	6
In-Person Public Workshops	2	5
Virtual Public Workshops	1	2
Total Engagements	*6*	*13*

Across 9 bids	Option 1	Option 2
Minimum Bid Response	$74,000	$124,000
Maximum Bid Response	$364,000	$507,000
Average	$172,000	$267,000

At the September CAC and Board meetings, staff recommended proceeding with Option 2 for the scope of external engagement activities.

This recommendation was supported by both CAC and the Board.

Staff Bid Selection

Selected Bidder

After conducting interviews with four bidders, staff has selected the **Institute for Local Government,** and their sub-consultant CivicWell.

Qualifications

Stakeholder Engagement Expertise - ILG has more than a decade of experience designing and implementing inclusive, equity-centered engagement processes. ILG's engagement work focuses on the following elements:

- Meaningful engagement that incorporates community input into decisions and outcomes
- Consistent application of authentic engagement practices across programs and initiatives
- Focus on building trust and long-term relationships with communities and stakeholders
- Prioritization of communities most impacted by environmental and policy decisions

Facilitation Expertise - CivicWell has extensive experience facilitating regional convenings with diverse stakeholder groups. Two examples include Regional Energy and Climate Hubs (REACH) and Catalyst Convenings.

- As the administrator of the California Climate and Energy Collaborative (CCEC), CivicWell convenes and coordinates community-serving organizations and government agencies in regions across the state through REACH.These convenings provide an avenue for ongoing engagement with state agencies, share knowledge and best practices, and help stakeholders identify and document the region's priorities, needs, and challenges.
- CivicWell also collaborates with the California Governor's Office of Land Use and Climate Innovation (LCI) and the California Strategic Growth Council (SGC) to convene a series of regional Catalyst Convenings across the state to help each region advance community-driven climate and land use priorities.

Relevant Subject Matter Expertise - ILG has applied their approach across a range of climate, sustainability, and other planning efforts, including work with cities of San Diego, Maywood, and La Puente; the Strategic Growth Council; San Joaquin Council of Governments; California Air Resources Board; and voter engagement work with Orange County. CivicWell complements that experience with more than four decades of climate and energy work and established engagement with California local governments, Community Choice Aggregators, Regional Energy Networks, utilities, state agencies, and other energy-sector partners.

Project Management and Synthesis - The team has sufficient capacity to accommodate multiple engagement activities concurrently and adjust quickly as Ava needs or timing evolves. The integrated ILG-CivicWell team structure also provides flexibility to advance meeting planning, technical content development, outreach, facilitation preparation, and documentation concurrently during periods of concentrated engagement.

Selected Bidder - Institute for Local Government

Additional Rationale for Selection

Staff expertise and capacity: The combined ILG and CivicWell team brings extensive experience in facilitation and engagement with our target audience in the topic areas that we wish to discuss. They have committed the necessary time to deliver a high quality work product for our customers that will strengthen the strategy that comes out of the engagement efforts.

Local Relationships: While many bidders had examples of strong relationships in Alameda County, fewer had strong alliances in San Joaquin County. Ava Community Energy has, over the course of the last 8+ years of service, developed relationships with local groups and community-based organizations in Alameda County, and we are actively building those relationships in San Joaquin County. ILG had numerous examples of San Joaquin-based relationships and repeatedly noted their desire to help us expand our connections in this region, which is a clear value-add to this effort.

Clarity of proposal and interview: ILG submitted a strong proposal, with clear examples of relevant work and descriptions of the approach to the scope presented in the RFP. Their interview presentation exhibited their strong communication skills, an essential to the work of engaging with our stakeholders.

Pricing: ILG's hourly rates, distribution of staff hours, total hours, and direct costs are reasonable and meet our expectations. Their total bid of approximately $242,000 fell in the middle of the range of responses received and below the average bid.

Additional considerations: ILG is a non-profit located in a disadvantaged community in Sacramento. CivicWell is also a non-profit.

Highlights of Their Work

Project: Stockton Mobility Collective: Sustainable Transportation and Equity Project Implementation Grant

- Client: San Joaquin Council of Governments
- Years: 2021-2024

The Stockton Mobility Collective is a multi-partner initiative designed to expand equitable access to clean transportation through electric bikeshare and carshare, EV charging infrastructure, mobile ticketing, financial incentives, and workforce development. ILG designed and implemented community engagement informing program siting, design, and implementation. **The engagement created a direct feedback loop between residents, community partners, and program implementers, allowing the project team to identify barriers, test assumptions, and refine decisions related to program design, siting, incentives, and implementation.**

As part of a larger scope, ILG coordinated a peer learning network connecting public agencies, community-based organizations, and teams responsible for related climate and community investments across the region. ILG also facilitated the bi-monthly STEP Steering Committee, bringing together resident advisors, CBOs, public agencies, and project partners to gather community input, identify implementation barriers, problem-solve emerging issues, and refine program offerings.

Project: State/Local Energy and Climate Coordination

- Client: California Climate and Energy Collaborative (a consortium of the Regional Energy Networks)
- Years: 2023-2026

The State/Local Energy and Climate Coordination (SLECC) initiative **brings state and local leaders together to identify barriers, priorities, and practical opportunities for accelerating California's energy and climate goals**. As administrator of the California Climate and Energy Collaborative (CCEC), CivicWell convenes SLECC in partnership with state-agency Steering Partners, including the California Strategic Growth Council.

CivicWell designs and coordinates recurring virtual and in-person convenings and maintains a Priorities and Solutions Dashboard documenting issues including building decarbonization, energy efficiency, transportation electrification, community resilience, climate action planning, meaningful engagement and access to funding.

Through these activities, CivicWell helps surface local implementation challenges and connect state and local perspectives on how energy and climate programs, resources and assistance can be delivered more effectively.

Summary of Cost & Hours

Bid Response for Option 2		***Option 1 (for reference)***
Labor (970 total hours)	$169,865	*$109,465*
Direct Expenses - Travel - Meeting facilities, refreshments, & supplies - Translation & interpretation costs - Stakeholder Stipends / CBO mini-grants	$72,500	*$32,500*
TOTAL	**$242,365**	*$141,965*

Staffing (Quantity of Dedicated Staff)	Percentage of Hours
CEO / Strategic Advisor (2)	12%
ILG Director/Project Lead (1)	18%
ILG Program Manager (2)	46%
ILG Administrative Manager (1)	1%
CW Senior Program Manager (1)	9%
CW Program Associate (1)	14%

Hours Across Tasks	Percentage of Hours
Task 1: Project Management & Coordination	19%
Task 2: Stakeholder Engagement	63%
Task 3: Stakeholder Feedback Synthesis	18%

Key Personnel

Melissa Kuehne
Director of Enterprise Programs & Special Projects
INSTITUTE FOR LOCAL GOVERNMENT

Project Lead

Melissa Kuehne brings more than 15 years of experience leading public-sector projects involving community engagement, facilitation, technical assistance, training and multi-partner coordination. As ILG's Director of Enterprise Programs and Special Projects, she manages complex statewide and regional initiatives and works with public agencies, community-based organizations, residents and other partners to design engagement processes, facilitate stakeholder dialogue, manage project delivery, and translate stakeholder input into practical findings and next steps. Her experience includes clean transportation and mobility, climate and sustainability initiatives, statewide technical assistance, and public engagement training for California local agencies.

Erica L. Manuel
CEO & Executive Director
INSTITUTE FOR LOCAL GOVERNMENT

Strategic Advisor

Erica L. Manuel is CEO and Executive Director of ILG and brings more than 20 years of experience in public engagement, customer education, strategic communications, and stakeholder strategy. Her background includes nearly a decade in senior leadership at the Sacramento Municipal Utility District (SMUD), where she led customer and community outreach on rates, clean energy programs, emerging technologies, and other customer-facing initiatives. Across her utility and public-sector work, Erica specializes in translating complex information for diverse audiences, understanding customer and community priorities, and connecting stakeholder input to program and policy decisions.

Bernadette Austin
CEO
CIVICWELL

Strategic Advisor

Bernadette Austin has served as Chief Executive Officer of CivicWell since 2023, supporting local leaders transforming vision into action in their communities. She leads a nonprofit organization with a 40-year track record of inspiring, equipping, connecting, and cultivating leaders working toward a more sustainable and resilient future. Previously, she served as Executive Director of a research center where she co-led research projects with the world's top research universities including a study on pandemic-era regional migration and transportation decarbonizing for the California Environmental Protection Agency. Bernadette also spent a decade working in public finance and community development.

Program Managers (46% of hours)

Hanna Stelmakhovych

INSTITUTE FOR LOCAL GOVERNMENT

Hanna Stelmakhovych brings 11 years of experience advancing inclusive community engagement with underserved communities, local agencies, and multi-sector partners, designing participatory processes grounded in community priorities. At ILG, she leads projects that convene stakeholder groups, design bilingual outreach and workshops, and deliver trainings that have equipped over 600 local government staff statewide with the skills and tools to implement authentic community engagement. A collaborative, trilingual practitioner, Hanna provides coaching, facilitation, partnership development, grant writing, and technical assistance to local governments and partners on climate, air quality, land use, transportation, and environmental justice topics.

Nikita Sinha

INSTITUTE FOR LOCAL GOVERNMENT

Nikita Sinha brings more than seven years of experience supporting California local agencies and communities on climate, clean mobility, sustainability, and resilience initiatives. As a Program Manager with ILG, she provides technical assistance, leads community engagement, and builds partnerships to help local agencies move climate and sustainability priorities toward implementation. Her experience includes clean mobility and transportation electrification initiatives, climate action and resilience planning, statewide sustainability programs, and capacity building for underserved jurisdictions.

Conclusion & Next Steps

Staff recommends negotiating and executing a consulting services agreement with the **Institute for Local Government** for approximately $242,000 for a scope of work that materially aligns with what was outlined in the RFP and necessary to execute and report on 6 stakeholder discussions, 5 in-person public workshops, and 2 virtual workshops.

Under the Administrative Procurement Policy, the Chief Executive Officer has authority to sign agreements under $250,000. Given the level of board and public interest in this work and for comprehensive disclosure and transparency, staff will report out on the status of this contract as part of the **October Board of Directors meeting consent agenda**.

Ava
Community Energy

Ava Community Energy Authority ("Ava")	Signature:	
	By:	
	Date:	
	Approval as to Form:	
	Address:	1999 Harrison Street, Suite 2300 Oakland, CA 94612
	Ava Notice Emails:	legal@avaenergy.org with a cc to: aschmidt@avaenergy.org
	Relationship Manager:	Allison Schmidt
Institute for Local Government a 501(c)(3) non-profit ("Consultant")	Signature:	
	By:	
	Date:	
	Notice Attn:	Melissa Kuehne
	Phone:	
	Notice Address:	1400 K Street, Suite 205, Sacramento, California 95814, United States
	Notice Email(s):	mkuehne@ca-ilg.org
Effective Date	This agreement is effective as of November 1, 2026.	
Expiration Date	December 31, 2027	
Not To Exceed ("NTE")	$242,000.00	
Summary	Engage a vendor for stakeholder engagement services for the Customer Programs Strategy effort.	

April 2026 template.

This Consulting Services Agreement (the "Agreement") is made by and between Ava Community Energy Authority, a joint powers authority formed under the laws of the State of California ("Ava"), and the counterparty set forth above ("Consultant") as of the Effective Date. Ava and Consultant are herein referred to as "Parties" or individually as a "Party."

1. Recitals

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1.1. Ava Recitals. Ava is an independent joint powers authority duly organized under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.) with the power to conduct its business and enter into agreements.

1.2. Consultant Recitals. Consultant possesses the skill, experience, ability, background, certification and knowledge to complete the Work described in Section 3 of this Agreement pursuant to the terms and conditions described herein.

NOW THEREFORE, for good and valuable consideration, the amount and sufficiency of which is hereby acknowledged, the Parties to this Agreement, agree as follows:

2. Term. The term of this Agreement begins as of the Effective Date of this Agreement ends as of the Expiration Date, unless terminated earlier pursuant to Section 8 (Termination).

3. Scope of Work/Compliance with Laws and Regulations.

3.1. Work. Consultant agrees to perform the scope of work (the "Work") in Exhibit A in accordance with the schedule in Exhibit B.

3.2. Requirements. Consultant represents and warrants that it has the skill and expertise to perform the Work. Consultant agrees to obtain any and all necessary licenses, approvals or permits necessary to perform the Work. Consultant further represents and warrants that, to the best of the Consultant's knowledge upon reasonable diligence, the Consultant has not contracted to provide Data Brokerage or Extreme Vetting services to the United States Immigration and Customs Authority since January 2025. Consultant agrees not to provide such services during the Term of the Agreement. For the purposes of this provision, (i) "Data Brokerage" means (A) the collection of information, including information about consumers, from multiple sources for the purpose of reselling that information to private-sector businesses and government agencies; and (B) the aggregation of data that was collected for another purpose from that for which it is ultimately used; and (ii) "Extreme Vetting" means data-mining, threat modeling, predictive risk analysis, or other similar service.

3.3. Legal Compliance. Consultant and its contractors, consultants, sub-suppliers, affiliates, agents and any other person or entity with whom the Consultant contracts in furtherance of this Agreement (collectively "Subconsultants") must comply with all federal, state and local laws and regulations in performing the Work under this Agreement. Without limiting the foregoing, if work required to be performed by the Consultant is a "public work" as defined in California Labor Code Section 1720, then pursuant to the provisions of Labor Code Sections 1725.5 and 1771, the Consultant shall be registered with the Department of Industrial Relations ("DIR"), and will pay and require subcontractors to pay the general prevailing rate of per diem wages and the general rate for holiday and overtime work in this locality for each craft, classification, or type of worker needed to perform this Agreement, as established by the DIR. As of the execution of this Agreement, these rates may be obtained at: http://www.dir.ca.gov/OPRL/DPreWageDetermination.htm. Consultant shall provide a copy of prevailing wage rates to any staff, contractor and/or Subconsultant hired by Consultant for this Agreement and shall pay the adopted prevailing wage rates as a minimum. Consultant shall comply with the provisions of Sections 1773.8, 1775, 1776, 1777.5, 1777.6, and 1813 of the Labor Code. Pursuant to the provisions of 1775 of the Labor Code, Consultant shall forfeit to Ava, as a penalty, the sum of $200.00 for each calendar day, or portion thereof, for each laborer, worker, or mechanic employed, is paid less than the applicable prevailing wage rates for any work done under this Agreement, by them or by any subcontractor under them, in violation of the provisions of the Agreement.

4. Consultant Staffing. Exhibit C contains a list of Consultant's principal and all team members. Consultant will not change or substitute the principal or any team members or add additional team members without consultation with Ava.

5. Subconsultants.

5.1. Approved Subconsultants. Consultant agrees to use only those Subconsultants listed on Exhibit D. Consultant shall notify Ava within a reasonable period of time of any changes, additions, or removals of a Subconsultant.

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5.2. Subconsultant Compliance. Consultant agrees to require all Subconsultants to comply with the terms of this Agreement, including without limitation, the public works requirements in Section 3.3, the insurance obligations under Section 9, the confidentiality requirements under Section 11, and the requirement to indemnify Ava as provided in Section 12.

6. Invoicing and Payment.

6.1. Time and Materials. If the Work under this Agreement is to be performed on a time and materials basis, Consultant must submit invoices to Ava on a monthly basis, complete with the name of the individual that conducted the Work, the time spent, and a brief description of the tasks performed during that time. If requested by Ava, Consultant must include the contract number provided by Ava and the total compensation remaining on the Agreement on each monthly invoice. Notification to Ava should be provided once the contract budget has been used up by 80% (including invoiced work and work that may not have been invoiced yet) the amount of which is set forth in Exhibit E. Invoices must be submitted to Ava by the 20th of the month following the month in which Consultant performed the Work.

6.2. Milestone. If the Work under this Agreement is to be performed on a task or project basis, the Consultant will submit an invoice within thirty (30) days of completing the project to the satisfaction of Ava for full payment, unless other arrangements have been made.

6.3. Markups. Ava will not agree to pay any markups on Subconsultant services or supplies unless such markups are included in Exhibit E, Compensation/Budget and such markups were included in Consultant's bid, if applicable.

6.4. Payment Processing. The following are conditions on Ava's obligation to process any payments under this Agreement:

6.4.1. If the Consultant is a U.S. based person or entity, the Consultant must provide to Ava a properly completed Internal Revenue Service Form W-9 before Ava will process payment. If the Consultant is a U.S based person or entity but has neither a permanent place of business in California nor is registered with the California Secretary of State to do business in California, the Consultant must provide Ava with a properly completed California Franchise Tax Board form related to nonresident withholding of California source income before Ava will process payment.

6.4.2. If the Consultant is not a U.S. based person or entity, the Consultant must provide Ava with the applicable Internal Revenue Service form related to its foreign status and a California Franchise Tax Board form related to nonresident withholding before Ava will process payment.

6.5. Payment. Ava agrees to pay undisputed invoices within forty-five (45) days of receipt. Invoices may be sent to Ava by U.S. mail or electronic mail to AP@avaenergy.org. Invoices will be deemed received on the next business day following the date of receipt via electronic mail or three days after receipt via U.S. mail. Notwithstanding anything to the contrary in this Agreement or any related document, Ava shall have no obligation to remit payment for fees in excess of the NTE.

6.6. Members. Ava, as a joint powers authority, is a separate public entity from its constituent members and will be solely responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Consultant acknowledges that it will have no rights and agrees not to make any claims, take any actions or assert any remedies against any of Ava's constituent members in connection with this Agreement.

7. Records Retention and Ownership of Work Product.

7.1. Records. The Consultant must retain all ledgers, books of accounts, invoices, vouchers, cancelled checks, background materials, or other records relating to its performance under this Agreement for a period of three (3) years following termination of this Agreement.

7.2. Ownership. Ava owns all rights, including without limitation, all licenses, copyrights, service marks and patents, in and to all Work Product(s), whether written or electronic, without restriction or limitation upon their use and immediately when and as created by the Consultant, any Subconsultants, or any other person engaged directly or indirectly by the Consultant to perform under this Agreement. "Work Product(s)" means all writings, reports, drawings, plans, data, video, media, photographs, renderings,

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plans, software, models, and other similar documents and materials developed or created by Consultant or its Subconsultants on behalf of or for use by Ava under this Agreement. All Work Product(s) will be considered "works made for hire," and together with any and all intellectual property rights arising from their creation will be and remain the property of Ava without restriction or limitation upon their use, duplication or dissemination by Ava. Consultant agrees not to obtain or attempt to obtain copyright protection in its own name for any Work Product.

8. Termination.

8.1. Upon Notice. Ava may terminate this Agreement for any reason by giving Consultant written notice. The termination notice may set the date of termination, but if no such date is given, termination is effective seven (7) days following the date of the written notice.

8.2. For Breach. Ava may terminate this Agreement immediately upon written notice for any material breach of this Agreement by Consultant or any of its Subconsultants. If Ava terminates this Agreement for cause and obtains the same services from another consultant at a greater cost, the Consultant is responsible for such excess costs in addition to any other remedies available to Ava.

8.3. Completion Option. Upon termination for any reason, Ava has the option of requiring the Consultant to complete work up to the date of termination or to cease work immediately. Ava has the further option to require Consultant to provide Ava any finished or unfinished Work or Work Product prepared by the Consultant up to the date of termination.

8.4. Payment. Ava will pay Consultant the reasonable value of services satisfactorily rendered by the Consultant to Ava up to the date of written notice of termination. If Ava authorizes Consultant to continue performing the Work through the date of termination, Ava will pay Consultant the reasonable value of services satisfactorily rendered up through the date of termination, providing such services are in compliance with the Compensation/Budget in Exhibit E.

8.5. Return of Work Product. Upon termination of this Agreement, and at no cost to Ava, Consultant, its Subconsultants and anyone working for Ava under control of Consultant must return all Work Product to Ava and cooperate with any subsequent consultant during any transition. Consultant may only retain copies of the Work Product by express written permission of Ava.

9. Insurance

9.1. Proof of Insurance. Consultant must procure, maintain and comply with the insurance requirements in Exhibit F throughout the full term of this Agreement. Consultant must provide proof of insurance either in the form of a certificate of insurance or, if requested by Ava, a copy of the insurance policy, prior to performing any work under this Agreement.

9.2. Ongoing Coverage. Consultant agrees to stay in compliance with the insurance coverage requirements during the term of this Agreement. Consultant must give Ava ten (10) days written notice and obtain Ava's written approval prior to making any modifications that would reduce its insurance coverage.

9.3. Subconsultant Coverage. Consultant must either include Subconsultants under its insurance policies or require each Subconsultant to comply with the insurance obligations in Exhibit F.

10. No Discrimination or Conflict of Interest

10.1. Non-Discrimination. Consultant represents and warrants, on behalf of itself and its Subconsultants, that it has not and will not discriminate against anyone based on his/her age, color religion, sex, sexual orientation, disability, race, national origin, or any other protected category under state or federal law.

10.2. Conflict of Interest. Consultant represents and warrants, on behalf of itself and its Subconsultants, that it is familiar with local, state and federal conflict of interest laws, that in entering into this Agreement it is not violating any of the conflict of interest laws, that it will avoid any conflicts of interest during the term of this Agreement, and that it will notify Ava immediately if it identifies any conflicts of interest Consultant understands that violations of this Section 10 could result in immediate termination of this Agreement and disgorgement of compensation.

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11. Confidentiality

11.1. Non-Disclosure. Except as authorized by Ava or as otherwise required by law, Consultant shall not disclose to any third party any draft or final Work Product, discussions or written correspondence between Consultant and its Subconsultants or discussions or written correspondence between Consultant and Ava staff. In the event Consultant receives a request from any third party requesting disclosure of any Work Product, discussions, communications or any other information Consultant is prohibited from disclosing, Consultant will immediately notify Ava and wait for direction from Ava before disclosing the information.

11.2. Third Parties. For the purposes of this Section 11, "third party" refers to any person or group other than Ava staff and Board members. For example, "third parties" include community groups, Board advisory groups, other governmental agencies, other consultants or members of the community.

11.3. Confidentiality Survival. This Section 11 will survive the expiration or termination of this Agreement.

11.4. Public Records Act. **The Parties understand and agree that (1) this Consulting Services Agreement is subject to public disclosure under the California Public Records Act ("CPRA"); (2) a request pursuant to the CPRA may obligate Ava to disclose this Agreement, in whole or in part, to the requestor; and (3) Consultant is solely responsible for the inclusion of any information herein that Consultant may consider sensitive and should not include sensitive information within this Agreement.**

12. Indemnity

12.1. General Indemnity. Except with regard to any matter involving professional negligence, Consultant agrees, at its sole cost and expense, to indemnify, defend with counsel reasonably approved by Ava, and protect and hold harmless Ava, its officers, directors, employees, agents, attorneys, designated volunteers, successors and assigns, and those Ava agents serving as independent contractors in the role of Ava staff (collectively "Ava Indemnitees") from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, penalties, judgements, liens and losses of whatever nature ("Claims") that arise, directly or indirectly, in whole or in part, out of or are in any way related to Consultant's or Subconsultant's performance or failure to perform the Work under this Agreement, regardless of whether the Consultant or its Subconsultants acted or failed to act intentionally, willfully, recklessly or negligently. Consultant agrees that its indemnity and defense obligations include all costs and expenses, including all attorney fees, expert fees, mediation, arbitration, or court costs in connection with the defense. Consultant further agrees to indemnify, defend, protect and hold harmless Indemnitees from and against any breach of this Agreement and any infringement of patent rights, trade secret, trade name, copyright, trademark, service mark or any other proprietary right of any person(s) caused by Ava's use of any services, Work Product or other items provided by Consultant or its Subconsultants under this Agreement.

12.2. Professional Negligence. With regard to any matter involving professional negligence, Consultant agrees, at its sole cost and expense, to indemnify, defend with counsel reasonably approved by Ava, and protect and hold harmless the Ava Indemnitees from and against any and all Claims to the extent arising out of or resulting from Consultant's or Subconsultant's negligence, recklessness, or willful misconduct. In no event shall the cost to defend charged to Consultant exceed the Consultant's proportionate percentage of fault.

12.3. Exceptions. Consultant's obligations in Subsections 12.1 and 12.2 do not apply to the extent any Claim results from the negligence or willful misconduct of the Ava Indemnitees.

12.4. Indemnitees. Except as limited by Subsection 12.2, Consultant's obligation to defend Ava applies to the maximum extent allowed by law and includes defending Indemnitees as set forth in California Civil Code sections 2778 and 2782.8.

12.5. Insurance. The Consultant's obligations under Section 12 apply regardless of the existence or amount of insurance the Consultant carries or has made available to Ava.

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12.6. Indemnification Survival. The Parties agree that this Section 12 survives the expiration or earlier termination of the Agreement.

13. Consultant is an Independent Contractor

13.1. Relationship of the Parties. Consultant and its Subconsultant(s) are and at all times will be independent contractors. Consultant has complete control over its operations and employees and is not an agent or employee of Ava and must not represent or act as Ava's agent or employee. Consultant agrees, on behalf of itself and its employees and Subconsultants, that it does not have any rights to retirement benefits or other benefits accruing to Ava employees, and expressly waives any claim it may have to any such rights.

13.2. Relationship of Subconsultants. As an independent contractor, Consultant has complete control over its Subconsultants. Subject to the requirements of Section 5 of this Agreement, Consultant is solely responsible for selecting, managing and compensating its Subconsultants, and for ensuring they comply with this Agreement.

14. Miscellaneous Terms and Conditions

14.1. Ava Authority. The Chief Executive Officer or his/her designee is authorized to take all actions under this Agreement, including without limitation, amendments that fall within the Chief Executive Officer's signing authority, termination or modification of terms.

14.2. Waiver. Waiver by either party of any one or more conditions, Sections, provisions or performance of this Agreement will not be a waiver of any other provision; nor will failure to enforce a provision or Section in one instance waive the right to enforce such provision or Section in the future. In no event will payment by Ava to Consultant constitute or be construed as a waiver by Ava of any breach or default of this Agreement, nor will such payment prejudice any of Ava's other rights or remedies.

14.3. Governing Law. Consultant and Ava agree that this Agreement will be interpreted under the laws of the State of California.

14.4. Venue. Any litigation resulting from this Agreement will be filed and resolved by a state court in Alameda County, California, or if appropriate, the federal courts in the Northern District of California located in San Francisco.

14.5. Audit Rights. All records or documents required to be kept pursuant to this Agreement must be made available for audit at no cost to Ava, at any time during regular business hours, upon written request by Ava. Copies of such records or documents shall be provided to Ava at Ava's offices unless an alternative location is mutually agreed upon.

14.6. Recitals and Exhibits. The Recitals in Section 1 above are intentionally made a part of this Agreement. All Exhibits and any other documents incorporated by reference are a part of this Agreement.

14.7. Notices. Notices to Ava shall be effective upon delivery to all email addresses in Ava Notice Emails, above. .Any notices required to be given to Contractor under this Agreement must be made in writing and may be delivered a) personally, in which case they are effective upon receipt; b) by U.S. Mail, in which case they are effective three (3) days following deposit in the U.S. Mail, unless accompanied by a return receipt in which case, they are effective upon the date on the receipt; or c) by electronic mail, in which case they are effective upon confirmation of receipt, and if no confirmation of receipt, they are effective one day after transmission. All notices to Contractor must be sent to the Notice Address or Notice Email(s).

14.8. Assignment. Except to the extent this Agreement authorizes Consultant to use Subconsultants, Consultant will not assign any part of this Agreement without Ava's prior written consent. Ava, at its sole discretion, may void this Agreement if a violation of this provision occurs.

14.9. Integrated Agreement. The Recitals, this Agreement and the Exhibits attached to this Agreement contain the complete understanding between Ava and Consultant and supersedes any

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prior or contemporaneous negotiations, representations, agreements, understandings and statements, written or oral respecting the Work up through the Effective Date of this Agreement.

14.10. Amendments. Any and all amendments or modifications to this Agreement must be made in writing and signed by each Party before such amendment will be effective.

14.11. Government Claims Act. Nothing in this Agreement waives the requirements to comply with the California Government Claims Act (Government Code Section 810 et seq.), where applicable.

14.12. Severability. If a court of competent jurisdiction holds any Section or part of this Agreement to be invalid or unenforceable for any reason and the Work can still be performed, the Parties agree to sever the invalid or unenforceable Section from this Agreement and that all remaining Sections or parts of this Agreement will continue to be enforceable.

14.13. Counterparts. This Agreement may be executed in one or more counterparts, all of which taken together will constitute one and the same instrument and each of which will be deemed an original.

14.14. No Party Deemed Drafter. This Agreement will be considered for all purposes as prepared through the joint efforts of the Parties and will not be construed against one Party or the other as a result of the preparation, substitution, submission, or other event of negotiation, drafting or execution hereof.

14.15. Supplier Diversity. Ava is required to report to the California Public Utilities Commission ("CPUC") on their diverse suppliers, as defined by CPUC General Order 156. Consistent with the California Public Utilities Code and California Public Utilities Commission policy objectives, Consultant agrees to document and provide information to Ava regarding Consultant's status and any engagement of women, minority, disabled veteran, persons with disabilities, and LGBT owned business enterprises in its completion of the Work under this Agreement. Specifically, Consultant agrees to complete Ava's Supplier Diversity questionnaire, which may be updated or revised during the term of the Agreement, and otherwise reasonably cooperate with Ava to provide the information described above. Consultant shall provide such information in the timeframe requested by Ava and in no event later than January 31 of the year following the Effective Date of this Agreement.

LIST OF EXHIBITS

EXHIBIT A: SCOPE OF WORK

EXHIBIT B: SCHEDULE

EXHIBIT C: CONSULTANT STAFFING

EXHIBIT D: SUBCONSULTANTS

EXHIBIT E: COMPENSATION/BUDGET

EXHIBIT F: INSURANCE REQUIREMENTS

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Exhibit A

SCOPE OF WORK

The Consultant will support stakeholder engagement activities throughout the development of Ava's Customer Programs Roadmap. Ava will lead the overall roadmap development process, including stakeholder identification, roadmap analysis, program concept development, and portfolio evaluation. The Consultant will support the engagement activities identified by Ava by facilitating discussions and workshops, preparing engagement materials, coordinating meetings, and synthesizing stakeholder and community feedback into actionable findings that inform roadmap development.

Task 1. Project Management and Coordination

The Consultant shall provide project management services throughout the engagement period.

At a minimum, the Consultant shall:

- Participate in a project kickoff meeting.
- Develop and maintain a project schedule for engagement activities.
- Participate in regular coordination meetings with Ava staff.
- Coordinate upcoming engagement activities with Ava staff.
- Track action items and project status.
- Coordinate with Ava staff to ensure engagement activities align with roadmap milestones.

Deliverables

- Project schedule
- Meeting notes and action items

Task 2: Outreach Support

Consultant will support outreach efforts for stakeholder meetings and public workshops. This includes drafting outreach language, leveraging existing relationships, and providing communication to stakeholder meeting and workshop attendees.

This outreach would be intended to supplement existing Ava contacts and identified stakeholder groups.

Deliverables:

- Align Ava and consultant outreach lists and identify gaps.
- Draft outreach language to be used for email, website, and social media communication.
- Share workshop invitations with consultant contacts in Ava service territory (including local and regional governments, RENs, and community-based organizations).
- Deliver workshop and draft meeting materials and follow up communication to registrants and other stakeholders (as applicable).

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Task 3: Stakeholder Engagement

The Consultant shall plan, coordinate, facilitate, and document stakeholder engagement activities that support the development of Ava's Customer Programs Roadmap. Ava will identify the stakeholder groups to be engaged, establish the objectives for each engagement activity, and provide strategic direction regarding discussion topics and desired outcomes.

The Consultant shall be responsible for developing materials, coordinating logistics, facilitating discussions, and documenting input for synthesis into the summary memoranda described in Task 43.

Stakeholder engagement will occur at key milestones during roadmap development and is anticipated to consist of two primary components: targeted stakeholder meetings and public workshops.

Total Number of Engagements

- Targeted Stakeholder Meetings: 6
- In-person Public Workshops: 5
- Virtual Public Workshops: 2

Task 3.1: Targeted Stakeholder Meetings

The Consultant shall facilitate targeted meetings with stakeholder groups identified by Ava staff, which may include community-based organizations, labor organizations, industry representatives, and other stakeholders.

These meetings are intended to gather stakeholder perspectives on customer and community needs, implementation barriers, market opportunities, and other considerations that will inform Ava's development of future customer program concepts.

Task 3.2: Public Workshops

The Consultant shall facilitate public workshops at key milestones during roadmap development. Workshops will include a combination of virtual and in-person events throughout Ava’s service territory. Consultant shall provide input on the Ava-led general public survey to ensure alignment with public workshop content.

Public workshops are anticipated to facilitate discussion to gather customer perspectives on energy needs and priorities to inform the Customer Programs Strategy’s objectives and priorities.

Stakeholder engagement meetings are anticipated to seek input from specific community and industry perspectives on program concept development

For each engagement activity, the Consultant shall:

- Develop agendas, facilitation plans, presentations, discussion guides, and supporting materials
- Coordinate participant scheduling and meeting logistics for stakeholder meetings
- Coordinate scheduling and meeting logistics for public workshops, including translation and interpretation services
- Coordinate incentives for community participation in the interviews and meetings such as stipends, gift cards, and/or refreshments
- Facilitate discussions using methods appropriate for the intended audience
- Document stakeholder input and comments received from stakeholder meetings

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- Document public input and comments received from public workshops
- Prepare a summary memorandum following each stakeholder meeting and public workshop

Deliverables

- Engagement schedule
- Meeting agendas, facilitation plans, discussion guides, presentations, and supporting materials
- Facilitation of the stakeholder and public engagement activities included in the selected scope
- Documentation of stakeholder and public input collected during engagement activities

Task 4. Stakeholder Feedback Synthesis

The Consultant shall synthesize stakeholder feedback collected throughout the engagement process into a concise summary memorandum that identify key themes, opportunities, concerns, and considerations relevant to development of Ava's Customer Programs Roadmap.

The memorandum should identify recurring themes, opportunities, concerns, and other findings across stakeholder groups that may inform Ava's development of future customer program concepts and recommended customer program portfolio.

Deliverables

- Engagement Summary Memorandum including:
  - Targeted Stakeholder Engagement Summary summarizing key findings from the targeted stakeholder meetings and identifying considerations for Ava's development of potential customer program concepts.
  - Public Workshop Summary summarizing feedback received during the public workshops and identifying considerations for Ava's recommended customer program portfolio and final roadmap

Additional Services:

Consultant will not provide additional services outside of the services identified in Exhibit A, unless it obtains advance written authorization from the project manager or lead Ava representative prior to commencement of any additional services.

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Exhibit B

SCHEDULE

As directed by Ava.

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Exhibit C

CONSULTANT STAFFING

Team Member	**Organization**	**Role**	**FTE**
Melissa Kuehne	ILG	Project Lead	10-17%
Hanna Stelmakhovych	ILG	Public Engagement Lead	14-22%
Kelsey Wolf-Cloud	CivicWell	Energy & Climate Co-Lead	8%
Nikita Sinha	ILG	Energy & Climate Co-Lead	14-22%
Erica Manuel	ILG	Strategic Advisor	3%
Bernadette Austin	CivicWell	Strategic Advisor	6-8%

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Exhibit D

SUBCONSULTANTS

- CivicWell

Any additional Subconsultants must be authorized in advance, in writing by Ava.

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Exhibit E

COMPENSATION/BUDGET

The total not-to-exceed (NTE) budget is $242,365 and will be billed on time and materials (T&M), using the labor rates listed below.

For the purposes of Section 6.1 (Time and Materials), 80% of the total compensation under this agreement (see NTE on page 1) is $193,892.

The Consultant shall:

- Invoice Ava monthly for actual hours worked and allowable expenses incurred, itemized by SOW task.
- Track expenditures against each task's approved NTE budget.
- Notify Ava in writing when expenditures for any task are anticipated to exceed the approved task budget.
- Obtain Ava's prior written approval before exceeding any individual task budget or reallocating funds between tasks.

Hourly Rate Schedule for Personnel		
Proposed Personnel	**Title / Project Role**	**Hourly Rate**
Erica L. Manuel	ILG CEO & Executive Director / Strategic Advisor	$250
Bernadette Austin	CivicWell CEO / Strategic Advisor	$250
Melissa Kuehne	ILG Director of Enterprise Programs & Special Projects / Project Lead	$225
Hanna Stelmakhovych	ILG Program Manager / Public Engagement Lead	$170
Nikita Sinha	ILG Program Manager / Energy & Climate Co-Lead	$170
Kelsey Wolf-Cloud	CivicWell Senior Program Manager / Energy & Climate Co-Lead	$125
Kristy Bivens	ILG Administrative Manager / Administrative Support	$150
Rosheil Ramirez	CivicWell Climate & Energy Project Associate / Project Support	$100

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Cost by Task	
Scope of Work	**Cost**
Task 1: Project Management & Coordination	$33,190
Task 2: Stakeholder Engagement	$107,525
Task 3: Stakeholder Feedback Synthesis	$29,150
Direct Project Expenses	$72,500
Total	**$242,365**

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Exhibit F

INSURANCE REQUIREMENTS

A. Minimum Scope and Limits of Insurance. Consultant must procure, and at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

1) Commercial General Liability Insurance with a minimum limit of One Million Dollars ($1,000,000.00) per occurrence for bodily injury, personal injury and property damage and a general aggregate limit of Two Million Dollars ($2,000,000.00) per project or location. If Consultant is a limited liability company, the commercial general liability coverage must be amended so that Consultant and its managers, affiliates, employees, agents and other persons necessary or incidental to its operation are insureds.

2) Automobile Liability Insurance for any owned, non-owned or hired vehicle used in connection with the performance of this Agreement with a combined single limit of One Million Dollars ($1,000,000.00) per accident for bodily injury and property damage.

3) Workers' Compensation Insurance as required by the State of California and Employer's Liability Insurance with a minimum limit of One Million Dollars ($1,000,000.00) per accident for bodily injury or disease. If Consultant has no employees while performing the Work under this Agreement, workers' compensation policy is not required, but Consultant must execute a declaration that it has no employees.

4) Professional Liability/Errors & Omissions Insurance with minimum limits of Two Million Dollars ($2,000,000.00) per claim and in aggregate.

B. Acceptability of Insurers. The insurance policies required under this Exhibit F must be issued by an insurer admitted to write insurance in the State of California with a rating of A:VII or better in the latest edition of the A.M. Best Insurance Rating Guide.

C. Additional Insured/Additional Named Insured. The automobile liability policies must contain an endorsement naming Ava, its officers, employees, agents and volunteers as additional insureds. The commercial general liability policy must contain an endorsement naming Ava, its officers, employees, agents and volunteers as additional named insureds.

D. Primary and Non-Contributing. The insurance policies required under this Agreement must apply on a primary non-contributing basis in relation to any other insurance or self-insurance available to Ava. Any insurance or self-insurance maintained by Ava, its officers, employees, agents or volunteers, will be in excess of Consultant's insurance and will not contribute with it.

E. Consultant's Waiver of Subrogation. The insurance policies required under this Agreement will not prohibit Consultant and Consultant's employees, agents or Subconsultants from waiving the right of subrogation prior to a loss. Consultant hereby waives all rights of subrogation against Ava.

F. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by Ava. At Ava's option, Consultant must either reduce or eliminate the deductibles or self-insured retentions with respect to Ava, or Consultant must procure a bond guaranteeing payment of losses and expenses.

G. Cancellations or Modifications to Coverage. Consultant agrees not to cancel any insurance coverage during the term of this Agreement. Consultant further agrees not to reduce or otherwise modify the insurance policies required by this Agreement during the term of this Agreement, without the prior written approval of Ava. The commercial general and automobile liability policies required under this Agreement must be endorsed to state that should the issuing insurer cancel the policy before the expiration date, the issuing insurer will endeavor to mail thirty (30) days' prior written notice to Ava. If any insurance policy required under Agreement is canceled or reduced in coverage or limits, Consultant must, within two (2) business days of notice from the insurer, phone and notify Ava via electronic mail and certified mail, return receipt requested, of the cancellation of or reductions to any policy.

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H. Ava Remedy for Noncompliance. If Consultant does not maintain the policies of insurance required under this Agreement in full force and effect during the term of this Agreement, or in the event any of Consultant's policies do not comply with the requirements of this Exhibit F, Ava may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, Ava may, but has no duty to, take out the necessary insurance and pay, at Consultant's expense, the premium thereon. Consultant must promptly reimburse Ava for any premium paid by Ava or Ava, in its sole discretion, may withhold amounts sufficient to pay the premiums from payments due to Consultant.

I. Evidence of Insurance. Prior to the performance of the Work under this Agreement, Consultant must furnish Ava with a certificate or certificates of insurance and all original endorsements evidencing and effecting the coverages required under this Agreement. The endorsements are subject to Ava's approval. Ava may request, and Consultant must provide complete, certified copies of all required insurance policies to Ava Consultant must maintain current endorsements on file with Ava. Consultant must provide proof to Ava that insurance policies expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Consultant must furnish such proof at least two (2) weeks prior to the expiration of the coverages.

J. Indemnity Requirements not Limiting. Procurement of insurance by Consultant will not be construed as a limitation of Consultant's liability or as full performance of Consultant's duty to indemnify Ava under Section 12 of this Agreement.

K. Subconsultant Insurance Requirements. Consultant's insurance coverage must include its Subconsultants or Consultant must require each of its Subconsultants that perform Work under this Agreement to maintain insurance coverage that meets all the requirements of this Exhibit F.

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Consent Item 12

To:	Ava Community Energy Authority Board of Directors
From:	Kelly Brezovec, Sr. Director, Account Services
Subject:	Approval of Resolution of the Board of Directors of Ava Community Energy Authority Authorizing the CEO to Negotiate and Execute Task Order No. 5 with Sacramento Municipal Utility District for Call Center and Data Management Services
Date:	October 21, 2026

Summary/Recommendation

Sacramento Municipal Utility District (SMUD) provides critical Customer Care and Data Management Services (CCDMS) to Ava via a contract priced at a per-meter monthly service fee. Ava had entered into a Master Services Agreement ("MSA") with SMUD for a term of approximately two years effective as of January 30, 2018, permitting Ava to execute Task Orders to purchase services, which has since been amended to be in effect through December 31, 2029. Ava and SMUD in conjunction with the MSA have entered into Task Orders to purchase services. The current Task Order expires December 31, 2026. The proposed new Task Order No. 5 is for three years and was discussed at the January 2026 Executive Committee meeting in relation to the procurement policy prior to the need for another solicitation.

The proposed new Task Order No. 5 includes a price increase from $1.10 to $1.13 per meter with an annual escalation tied to inflation. Staff has negotiated elements of Task Order No. 5, such as lower fixed fees for customer credits, including twice-annual updates of customer-facing web, phone, and email templates, and tighter schedule controls for billing system enhancements.

Staff seeks approval from the Board of Directors for Task Order No. 5 with SMUD for Call Center and Data Management Services for a three-year term, from January 1, 2027, through December 31, 2029.

Financial Impact

Ava has worked with SMUD since 2018, when Ava first started serving customers. The services have been priced at a monthly, per meter rate with additional fees for new programs or enhancements.

	Per Meter Price	% Annual Increase	Estimated Annual
2018-2021	$1.05		$7 MM - $8.8 MM
2022-2024	$1.00	-4.7%	$8.5 MM (including Share My Data fee)
2025-2026	$1.10	10%	$10.9 MM
2027	$1.13	2.7%	$11.1 MM
2028	$1.15 - $1.17	2-3.5%	$11.5 MM
2029	$1.19 - $1.20	2-3.5% (based on $1.16 in 2028)	$12.1 MM

Table 1: Historical and proposed future pricing of Ava's contract with SMUD for CCDMS services

The annual cost, based on meters served, is expected at $11.1 million in 2027, increasing in 2028 and 2029 due to both an increase in per meter fee and growth, to $11.5 to $12.1 million per year. The growth figure was aligned with California's Housing Element Law.

Term

In January 2026, staff brought an item to the Executive Committee to identify that this set of services would be exempt from a Request for Proposal (RFP), due to changes to the Procurement Policy. The Executive Committee agreed that no RFP was needed, agreeing that SMUD provides mission-critical products and services, which is exempt from the RFP requirement, even though the last RFP was more than five years prior. The Policy referenced in that memo was amended by a new adopted policy in April 2026; this new policy does not change the RFP requirements for "mission-critical products and services."

Analysis and Context

Service and history

CCAs contract with third parties for data management services, and often, call center services (Call Center and Data Management Services, or CCDMS). SMUD, as Ava's CCDMS provider, is responsible for critical operational services, including:

- Billing operations
- Data management
- Call center/customer service representatives

Sample activities:

Service	Activities
Billing operations	Ingest billing determinants from PG&E Send bill-ready billing information to PG&E Apply payments to customer accounts
Data management	Data feed conduit between PG&E and Ava Develop and share customer characteristic reports Ingest and share interval data feeds
Call center	Respond to customer inquiries via chat, email, and phone Manage customer enrollment via web forms and IVR service Continue to update knowledge base with information about Ava programs

Table 2: Sample Activities of a CCDMS provider

Select updates to the new agreement

While the bulk of the services SMUD provides are standard, such as providing the billing information to PG&E, there are some opportunities for negotiation and inclusion of updated pricing and services. Table 3 highlights some of these differences.

Item	2025-2026	2027-2029
Per meter fee	$1.10	$1.13
Common enhancements and updates	Scheduled pricing, set at current rates	Scheduled pricing, increased due to inflation. Lower prices for customer on-bill credits.
Updates to customer-facing phone, webform, email	$50k spent in 2026	Twice annual updates included
Returning client credit	n/a	$1 million credit available as part of a 3-year term
Project management standards	n/a	Both parties to agree to deadlines for planned enhancement projects

Table 3: Task Order updates

Special consideration: alternative providers

Staff regularly monitors the energy services market and engages with potential providers and peer agencies to assess available alternatives. Based on this ongoing market review, staff has not identified another provider that currently offers the combination of customer call center capabilities, service customization, and utility operations expertise Ava receives from SMUD. CCAs in California work with either SMUD or Calpine Energy Solutions for data management requirements. Staff's evaluation indicates that Calpine, acquired by energy provider Constellation in 2025, does not fully meet Ava's customized operational and customer service needs. Staff will continue to monitor the market and evaluate emerging alternatives and intends to conduct a formal competitive process when market conditions and Ava's needs make doing so appropriate.

Committee Recommendation

On October 7, 2026, the Executive Committee discussed this agreement and recommended that the Board of Directors approve Task Order No. 5 with SMUD for Customer Care and Data Management Services.

Attachments

A. Resolution
B. SMUD Task Order No. 5 draft agreement
C. PowerPoint

RESOLUTION NO. R-202x-XX

A RESOLUTION OF THE BOARD OF DIRECTORS

OF AVA COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CEO TO NEGOTIATE AND EXECUTE TASK ORDER NO. 5 WITH SACRAMENTO MUNICIPAL UTILITY DISTRICT FOR CALL CENTER AND DATA MANAGEMENT SERVICES

WHEREAS Ava Community Energy Authority ("Ava") was formed as a community choice aggregation agency ("CCA") on December 1, 2016, under the Joint Exercise of Powers Act, California Government Code sections 6500 *et seq.,* among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of Ava and parties to the Joint Powers Agreement ("JPA") in March of 2020. The city of Stockton was added as a member to Ava in September of 2022. The city of Lathrop was added as a member to Ava in October of 2023. San Joaquin County was added as a member to Ava in July 2024. On October 24, 2023, Ava legally adopted the name Ava Community Energy Authority, where it had previously used the name East Bay Community Energy Authority since its inception.

WHEREAS Call Center and Data Management Services ("CCDMS") are fundamental to the efficient operation of Ava Community Energy as a CCA; and

WHEREAS Ava, then East Bay Community Energy Authority, issued a Request for Proposals for CCDMS in March 2021 and selected the proposal from the Sacramento Municipal Utility District ("SMUD") for further consideration and ultimately, a three-year agreement; and

WHEREAS Ava had entered into a Master Services Agreement ("MSA") with SMUD for a term of approximately two years effective as of January 30, 2018, permitting Ava to execute Task Orders to purchase services; and

WHEREAS Ava and SMUD subsequently amended the MSA effective as of December 20, 2020, to extend the term of the MSA until December 31, 2022; and

WHEREAS Ava and SMUD again amended the MSA effective as of January 4, 2022, to extend the term of the MSA until December 31, 2024; and

WHEREAS Ava and SMUD again amended the MSA effective as of December 31, 2024, to extend the term of the MSA until December 31, 2029; and

WHEREAS Ava and SMUD executed Task Order 2, effective January 1, 2021, with an expiration date of December 22, 2022; and

WHEREAS Ava and SMUD subsequently amended Task Order 2 to extend the expiration date to December 31, 2024; and

WHEREAS Ava and SMUD entered into Task Orders 3 and 4, both with an expiration date of December 31, 2026; and

WHEREAS Ava is wholly satisfied with SMUD's CCDMS services to-date and desires to extend the relationship and continue services under Task Order 5, with updated scope and terms of compensation.

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

Section 1. The Board hereby authorizes the Chief Executive Officer to negotiate and execute, subject to the approval of General Counsel, Task Order 5, for the purposes set forth above, for a term ending on December 31, 2029, and for compensation in substantial conformance with the terms set forth in the staff report associated with this resolution.

ADOPTED AND APPROVED this 21st day October, 2026.

_____

Betsy Andersen, Chair

ATTEST:

_____

Adrian Bankhead, Clerk of the Board

EXHIBIT A: SCOPE OF SERVICES

Task Order 5 – Ongoing Services

SMUD and Ava (the Parties) agree to the following services, terms and conditions described in this Task Order. The Effective Date of this Task Order 5 is January 1, 2027.

1. WHEREAS, the Parties entered into a Task Order 3, effective December 18, 2024, with expiration of the term on December 31, 2026;

WHEREAS, Task Order 3 and its amendments (collectively, "Task Order 3") addresses data management and call center services that met the requirements of Ava ongoing operations for three years; and

WHEREAS, the Parties have entered into a MSA effective 12/10/2024, with expiration of the term on December 31, 2029, and the Parties wish to (1) continue many of the same ongoing operations services in this Task Order 5 that were provided in Task Order 3, and (2) add additional services, as set forth in this Task Order 5.

1. SCOPE OF WORK

As of the Effective Date, Task Order 5 supersedes and replaces Task Order 3, and no further services are provided under Task Order 3.

The provisions of this Task Order, including exhibits, schedules and related attachments are subject to the Terms and Conditions of the MSA between the Parties. If any provisions of Task Order 5 including any exhibit schedule or related attachments conflicts or is inconsistent with any provisions in the MSA, the provisions of Task Order 5 shall take precedence unless expressly stated otherwise. Capitalized terms used in this Task Order 5, which are not defined in this Task Order 5, will have the respective meanings ascribed to them in the MSA.

SMUD will provide the following services to Ava:

1. Enrollment
2. Description of Appendices
3. Data Management Services
4. Electronic Data Exchange Services
5. Customer Information System
6. ShareMyData
7. Customer Enrollment and Program Forms
8. Interactive Voice Response Call Center Technology
9. Billing System – PG&E "Bill-Ready Option"
10. Customer Call Center
11. Qualified Reporting Entity QRE Services
12. Settlement Quality Meter Data (SQMD) Services for Wholesale Load Settlement

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13. Data Feeds
14. Operational Support Services
15. Additional Services and Customizations

Additional or continued Services not included in this Scope of Work can be provided at any time during the Term of the MSA through a separate mutually agreed upon Task Order, Task Order Amendment or Work Order to this Task Order 5.

1.1. Enrollment

SMUD will continue services for Ava's existing customers. SMUD will set up all customers for new member territories as they are enrolled, including services provided under 1.3-1.14.

1.2. Description of Appendices

Appendix A, Service Level Agreements summarizes Service Level Agreements (SLAs) referenced in this Task Order 5.

Appendix B, Work Products, summarizes the Work Products identified in this Task Order 5.

Appendix C, (SMUD Confidential) SMUD Intellectual Property

1.3. Data Management Services

SMUD will continue to provide a fully operational, SOCII Certified, Data Management System (SMUD-DMS) for the term of this Task Order including Electronic Data Exchange Services with PG&E, a Customer Information System, customer enrollment Web Forms, IVR (Interactive Voice Response) Call Center Technology, and service-based Billing System.

1.4. Electronic Data Exchange Services

SMUD will:

1.4.1. Coordinate with PG&E to continue to support Ava's Community Choice Aggregation Program ("Program") within PG&E's territory including meetings and calls as needed to ensure timely set up, data transfer, and billing services.

1.4.2. Maintain electronic interfaces and communication protocols with PG&E to exchange full set of EDI files (including 810, 814, 820, 824, 867, 248 and 997), exception files, CSV files (4013), UDC Daily Payment Files, Share My Data, all future EDI files needed to provide data management and billing services in compliance with CEC and CPUC regulations (exception management of programs, such as DAC-GT and PIPP, may be at an extra cost), and other non-EDI files (such as Item 16/17 Data). Unless otherwise determined, data from PG&E will be received by SMUD which will process and apply Ava rates and

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then generate EDI transaction files to be sent back to PG&E for billing and enrollment services. Ava will ensure valid credentialing through PG&E.

1.4.3. Store EDI source files in AWS S3 buckets that are accessible by Ava staff for the duration noted in Appendix B Work Products.

1.4.4. Process CCASRs from/to PG&E which specify the changes to a customer's choice of service for customer enrollment, or customer-initiated returns to bundled utility service (814 Electronic Data Interchange Files). Changes will be reflected in the CRM.

1.4. 5. Obtain customer usage data from PG&E's Enterprise Secure File Transfer server to bill each customer according to PG&E requirements (867 Electronic Data Interchange Files). SMUD will work with PG&E to continue to transfer said customer usage data.

1.4.6. Maintain a rate table of Ava rates and apply applicable rate tariffs to calculate the amount to be billed by PG&E for services provided by Ava.

1.4.7. Update rate tables under the following conditions:

a) Launch of new PG&E rate tariff or change in component of rate tariff
b) PG&E Generation Rate (price) change
c) Changes to PCIA and/or Franchise Fee Surcharge (FFS)

1.4.8. Update rate table up to six (6) times annually based on the following:

a) Ava Value Proposition change (fee outlined under Additional Services)
b) Change in price of an existing Non-Standard Rate Agreement rate (fee outlined under Additional Services)
c) Multiple changes may be batched into singular rate tables update

1.4.9. Maintain and communicate the amounts to be billed by PG&E that cover Ava program charges (810 Electronic Data Interchange Files). SMUD will maintain a rate table of Ava rates and apply applicable rate tariffs to calculate the amount to be billed by PG&E for services provided by Ava. SMUD will transfer the billing amounts to PG&E via EDI files and requirements specified by PG&E.

1.4.109. Receive and maintain data related to payment transactions toward Program charges from PG&E after payment is received by PG&E from Ava customers (Electronic Data Interchange Files).

1.4.11. Store data regarding payment transfers covering transactions toward Ava charges from PG&E after payment is received from customers via EDI or UDC Daily Payment files.

1.4.12. Maintain automated log files that include data such as missing files, failed loads, file reloads, file exceptions; report on transactional exceptions upon request by Ava.

1.4.13. Monitor all file transactions and promptly communicate any delays and inconsistencies to Ava.

1.4.14. Coordinate with PG&E to remedy EDI file errors or exceptions (missing or missed files).

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1.4.15 Provide to Ava staff a daily email to track and validate the inbound/outbound file transmissions with PG&E.

1.5. Customer Information System

For the Customer Information System, SMUD will:

1.5.1. Make available the SMUD-DMS to manage customer data via a Customer Relationship Management (CRM) system for the duration of this Task Order.
1.5.2. Update program enrollment options made online and through the phone via Interactive Voice Response (IVR).
1.5.3. Maintain the CRM's compatibility with the billing engine and data repository for customers' electric usage data.
1.5.4. Store data covering all eligible accounts including each account's enrollment status (eligibility, opt in/out, Ava service plan selection, NEM selections, and history), rate tariff election(s) and history, payment history related to billed amount, collection status, billing history, and any customer service representative phone correspondence or transactions with the customer.
1.5.5. Enable call center staff to classify or group the call description to help track the call types in order to identify trends. Implementation of any new, custom, or dynamic call descriptors will be based on existing Salesforce Lightning functionality (e.g., Topics) and subject to requirements development between Ava and SMUD. Examples include, but are not limited to, billing issues, enrollment, or event.
1.5.6. Maintain role-based access to allow Ava staff (up to fifteen), SMUD Call Center Representatives, and SMUD's team to view customer interactions, enter transactions (such as program election changes), edit account notes and view other information fields as necessary.
1.5.7. Obtain from PG&E and store in the CRM PG&E blue bills for all customers for the duration noted in Appendix B Work Products
1.5.8. Maintain a record of customers' enrollment status and history from the launch of services for each customer including customers who have been offered service but have elected to opt out or opt up, either before or after starting service and make this information available to Call Center Representatives and Ava staff through the CRM to support customer service calls.
1.5.9. Maintain, calculate, and communicate as needed records of Net Energy Metering (NEM) and Solar Billing Plan (SBP) credits and generation data for customers to be posted on bill and settled monthly or annually, and align NEM and SBP credits and billed amounts with Ava's posted tariffs, including provisions for special billing circumstances, such as CARE or FERA, or municipal.
1.5.10. Maintain all customer data according to Ava's customer privacy policy, as may be amended from time to time, and the requirements of relevant California Public

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Utilities Commission Decisions including D.12-08-045, including a weekly backup process.

1.5.11. Maintain a Data Management Provider Security Breach Policy.

1.5.12. Provide as-needed user training and support for Ava staff and its designated consultants to use the CRM.

1.5.13. Provide Ava with access to central repository of up-to-date CRM training materials.

1.5.14. Maintain Customer Information System patching and upgrades.

1.5.15. Collect only the minimum Confidential Information (CI) that is directly relevant and necessary to accomplish specific authorized purpose(s) and retain CI for only as long as is necessary to fulfill the authorized purpose(s), and destroy in accordance with the terms of the MSA CI that is no longer needed.

1.6. ShareMyData

SMUD will:

1.6.1. Provide daily downloads of processed Share My Data (SMD) to Ava.

1.6.2. Deliver two files (SMD Interval Data and SMD Customer Mapping Data) on a daily basis as data is available, additional files for SMD as necessary.

1.6.3 Provide warnings to Ava if files are not being received according to the regular schedule and timeline per SLA defined below.

1.7. Customer Enrollment and Program Forms

For Forms, SMUD will:

1.7.1. Collaborate with Ava's website provider to integrate customer enrollment forms to provide an easy and intuitive experience for customers.

1.7.2. Provide Ava customers with access to address check functionality via the Salesforce CRM.

1.7.3. Maintain web-based form(s) for the Ava website so that customers may change service plan or enrollment status (opt-out, down, remain on, up or in), select product options, NEM monthly/annual selection, and/or confirm current product selection prior to a default product transition with features requirements, such as the "Remain on" selection during a default service plan update.

1.7.4. Twice per year, implement minor cosmetic and content updates (e.g., text copy, font color, hyperlinks, and images) across web pages, email templates, and IVR scripts to maintain alignment with Ava's branding guidelines. Large-scale web redesigns, new functionality, or structural site changes are outside the scope of this provision.

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1.8. Interactive Voice Response (IVR) Call Center Technology

For the IVR, SMUD will:

1.8.1. Maintain a professional Interactive Voice Response (IVR) tool for the customer call center.
1.8.2. Maintain English and Spanish language IVR routing.
1.8.3 Include custom prompts and recordings to align with the Ava customer base and needs.
1.8.4 Make changes to IVR flow and recordings as requested, with associated third-party fees paid under an Amendment; IVR changes for TOT enrollments will not be charged an additional fee.
1.8.5. Track how many customers start and complete IVR self-service options without live-agent assistance.
1.8.6. Include an option to cold transfer to third parties for customer support best served by another vendor, such as a program or payment option.
1.8.7 Ensure that all multi-SA ID customers, including those with multiple SA IDs in different ZIP codes all under the same Account ID are directed to a CSR, rather than handling their requested transaction via the IVR
1.8.8 Twice per year, implement minor cosmetic and content updates (e.g., text copy, font color, hyperlinks, and images) across web pages, email templates, and IVR scripts to maintain alignment with Ava's branding guidelines. Large-scale web redesigns, new functionality, or structural site changes are outside the scope of this provision.

1.9. Billing System – PG&E "Bill-Ready Option"

The accuracy of the billing data is subject to the accuracy of data provided from PG&E. SMUD will include the following key tasks:

1.9.1. Send Ava service charges and in-line messages as separate line items to PG&E for placement on monthly bill including, but is not limited to, non-electrical charges, special programs like batteries, collective billing, energy assistance programs, net energy metering, solar billing plan, and messages.
1.9.2. Apply PG&E account usage for each Ava customer against applicable rates to allow for customer billing including net energy metering, solar billing plan, and future state mandated programs.
1.9.3. Apply Ava rates to customer bills based on usage received from PG&E or via 867 EDI data when billing quality data becomes available from PG&E, as needed to comply with the tariff including use of
SMUD's quality assurance process and audits to ensure accuracy of rate calculations.
1.9.4 SMUD will prorate bills for PG&E rate changes, provided Ava supplies SMUD

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with updated rate tables.

1.9.5. Obtain from PG&E and store usage and billing data (EDI867, MV90) for all Ava eligible customers for the duration noted in Appendix B Work Products.

1.9.6. Ensure successful rate migration through robust quality assurance measures.

1.9.7 Use commercially reasonable efforts along with SMUD's billing quality assurance measures to remedy billing errors for any customer(s) in a timely manner per the SLA.

1.9.8. Complete the annual settlement processes for Net Energy Metering customers by identifying eligible customers, providing accrued charges and credits, and providing a corresponding settlement and mailing list to Ava staff for review and check processing including bill credits as appropriate, based on a previous selection, on an annual true-up or, or an annual cash-out with monthly true-up.

1.9.9. Provide customer mailing lists to Ava's designated printer or to Ava staff for the following:

a) New move-in customer notices routinely within 14 days of enrollment.
b) All eligible customers within new community territories for initial enrollment notice
c) All eligible customers within new community territories less customers who have opted out for second enrollment notice
d) All eligible customers within new community territories less customers who have opted out for third enrollment notice
e) All eligible customers within new community territories less customers who have opted out for fourth enrollment notice
f) All eligible solar customers within new community territories, phased as requested by Ava

1.10. Customer Contact Center

SMUD will:

1.10.1. Provide professional and dedicated staffing for an Ava Customer Contact Center with the ability to answer calls in both English and Spanish.

1.10.2. Provide communication in more than 50 other languages through an interpretation vendor to meet the language needs of almost all customers.

1.10.3. Provide sufficient Customer Contact Center staff during enrollment periods, high bill periods, default product transition, and after a billing error discovery, to process Ava service enrollment and answer questions related to Ava services, generation-related billing, and other Ava-related inquiries via phone, chat or email.

1.10.4. Provide sufficient Customer Contact Center staff during the non-enrollment period to process Ava service enrollment and answer questions related to

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Program services, generation-related billing and other Ava-related inquiries via phone, chat or email.

1.10.5. Make Contact Center staff available during the hours indicated in the Appendix A Service Level Agreements.

1.10.6. Make available a trained SMUD billing expert to manage escalated calls during the contract center hours.

1.10.7. Provide callers with the estimated hold time, if applicable, during both the enrollment and non-enrollment period.

1.10.8. Record all inbound and outbound calls performed by SMUD CSRs and make recordings available to Ava staff upon request.

1.10.9. Maintain an archive of recorded calls as outlined in Appendix B – Work Products.

1.10.10 Track Call Center contact quality with criteria including:

- Use of appropriate greetings and other call center script guidelines
- Courtesy and professionalism
- Capturing key customer data
- Providing customers with correct and relevant information
- First-contact resolution
- Accuracy in data entry and call coding
- Grammar and spelling in email and chat communications
- Request and/or confirm current email, mailing address, and phone number of customers and add to, or update, database during inbound calls as needed.

1.10.11. Forward calls to Ava staff as may be required to serve customer needs; receive calls from customers referred to Ava by PG&E and, receive calls from customers choosing to contact Ava directly without referral from PG&E; and, "warm transfer" the customer to PG&E or Ava as needed to serve customers.

1.10.12 Should Ava request some number of calls be routed directly to Ava staff, Ava and SMUD will work collaboratively to reach a solution that may include fees or credits not currently outlined in this agreement.

1.10.13. Provide a toll-free number to be placed on Ava's website and PG&E invoices allowing Ava customers to contact the contact center.

1.10.14. Record permission (via live calls, email request, chat, or electronic form submittal) from customers to send electronic correspondence, instead of printed mail.

1.10.15 Respond to phone inquiries from customers using training tools based on information provided by Ava, and for questions not addressed within the training tools, refer inquiries back to PG&E or Ava.

1.10.16. Based on materials and information provided by Ava, train Call Center staff on new programs, policies, and rate changes in a timely manner in order to best respond to customer inquiries including, but are not limited to, incentive programs, changes to power content, and transition to time-of-use rates.

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1.10.17 Twice per year, implement minor cosmetic and content updates (e.g., text copy, font color, hyperlinks, and images) across web pages, email templates, and IVR scripts to maintain alignment with Ava's branding guidelines. Large-scale web redesigns, new functionality, or structural site changes are outside the scope of this provision.

1.11. Qualified Reporting Entity QRE Services

In such cases where SMUD directly performs QRE services, as a key part of WREGIS settlement activities, SMUD will manage and coordinate Qualified Reporting Entity (QRE) services for collection, verification, and reporting of renewable resource meter data to WREGIS under certain circumstances.

Many renewable power project owners directly contract with the CAISO or another entity for QRE services for their projects; Ava will encourage project owners, as part of the Ava standard PPA language, to use one of these options. In such instances, SMUD would not separately provide QRE services.

For Ava behind the meter projects that lack CAISO meters and for which QRE services cannot be otherwise contracted out, SMUD will perform or contract for QRE services, provided that SMUD has sufficient access, facilitated by Ava and PG&E, to meter data and meter and/or telemetry troubleshooting resources. For avoidance of doubt, all meter and or telemetry troubleshooting responsibilities shall remain with the power project owner and/or PG&E.

In such cases where SMUD directly performs QRE services, SMUD will:

1.11.1. Upload data to WREGIS on a monthly basis, as required in accordance with WREGIS procedures, for the creation of Renewable Energy Certificates (RECs) for Ava power supply, and will make such data for

Ava projects available to Ava’s Wholesale Energy Services provider or scheduling coordinator for power purchase agreement settlement.

1.12. Settlement Quality Meter Data (SQMD) Services for Wholesale Load Settlement

. SMUD will:

1.12.1. Obtain Ava load data from PG&E on behalf of Ava, if requested.
1.12.2. Ensure settled load complies with CAISO requirements for SQMD and with Ava’s SQMD plan.
1.12.3. Forward Ava load SQMD to the CAISO at the required frequency for load settlement purposes.

1.12.4. Send information directly to CAISO or through another 3rd party vendor under Ava contract, if required.

1.12.5. Perform annual review of the SQMD Plan as required by the CAISO and provide a memo confirming an annual/bi-annual self-audit of SQMD to Ava and scheduling coordinator.

1.12.6. Establish proactive measures and checks to ensure SQMD data submitted to CAISO is accurate and take commercially reasonable steps to resolve and correct any data issues or anomalies that are within SMUD's control ahead of final settlement deadlines.

1.12.7 Provide T+7 reporting including estimated load for missing interval data. The Parties recognize that the estimated load is an approximate amount that SMUD provides based on a reasonable prediction. However, this information is simply an estimation, and SMUD does not guarantee or warranty the accuracy of this information. Ava acknowledges and agrees that any decisions made by Ava based on this estimated load information is the sole responsibility of Ava and SMUD shall not be liable for matters resulting from such decisions.

1.13. Data Feeds

SMUD will:

1.13.1 Provide data feeds, indicated in the table below, to assist Ava in compiling various customer sales and usage statistics that may be necessary to facilitate Ava's completion of requisite external reporting activities. Source indicates whether the files are pass through files from PG&E or generated by SMUD.

File	File Name*	Frequency	Source	Format*
Enrollment				
997 Response for 814	EBCE_yyyyMMddHHmmssfff.EDI997	Daily	PG&E	EDI
Daily Enrollment Details	EBCE_DataFeed_EnrollmentExport_yyyyMMdd.csv	Daily	SMUD	CSV
Inbound 814	EBCE_yyyyMMddHHmmssfff.EDI814	Mon-Fri	Inbound PG&E	EDI and CSV
Outbound 814	EBCE_yyyyMMddHHmmssfff.EDI814	Mon-Fri	Outbound SMUD	EDI
Usage				
Regular 867 Usage	EBCE_yyyyMMddHHmmssfff.EDI867	Tue-Sat	PG&E	EDI
MV90 867 Usage	EBCE.yyyyMMddHHmmssfff.EDI867	Mon-Fri	PG&E	EDI
Share My Data Interval	SMD_File_Generated_on_yyyyMMdd.csv	Daily	SMUD	CSV
Share My Data	EBCE_DataFeed_SMD_SA_ID_Changes_yyyyMMdd.csv	Daily	SMUD	CSV

Customer Mapping				

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Billing				
248 Confirmations	EBCE_yyyyMMddHHmmssfff.EDI248	Daily (including in CSV form)	PG&E	EDI
810 Billing	EBCE_yyyyMMddHHmmssfff.EDI810	Mon-Fri	SMUD	EDI
997 Response for 810 and 814	EBCE_yyyyMMddHHmmssfff.EDI997	Mon-Fri	PG&E	EDI
Daily Billing Details	Billing_Detail_Daily_yyyyMMdd.csv	Daily	SMUD	CSV
Green-e Audit Report	Variable	Annual		
SQMD				
Retail Load Data Trailing 100	EBCE Trailing 100 Retail.csv	Daily	SMUD	CSV
Wholesale Load Data Trailing 100	EBCE Trailing 100 Wholesale.csv	Daily	SMUD	CSV

Accounting				
Weekly Aging Report - Bill Date	EBCE_Aging_Report_Weekly_BillDate_YYYYMMDD1_YYYYMMDD2_YYYYMMDD3.csv EBCE_Aging_Report_Weekly_BillDate_20230531_20230625_064642910.csv	Weekly	SMUD	CSV
Monthly Aging Report - Bill Date	EBCE_Aging_Report_Monthly_BillDate_YYYYDDMM1_YYYYDDMM2_HHMMSS.csv EBCE_Aging_Report_Monthly_BillDate_20231031_20231108_125431643.csv	Monthly	SMUD	CSV
Weekly Aging Report - Due Date	EBCE_Aging_Report_Weekly_DueDate_YYYYMMDD1_YYYYMMDD2_HHMMSS.csv EBCE_Aging_Report_Weekly_DueDate_20230302_20230306_120006420.csv	Weekly	SMUD	CSV
Monthly Aging Report - Due Date	EBCE_Aging_Report_Monthly_DueDate_YYYYMMDD1_YYYYMMDD2_HHMMSS.csv EBCE_Aging_Report_Monthly_DueDate_20230131_20230207_075722063.csv	Monthly	SMUD	CSV
Invoice Details	InvoiceDetailReportDaily_yyyyMMdd.csv / InvoiceDetailReportWeekly_yyyyMMdd.csv / InvoiceDetailReport_yyyyMM.csv	Daily, Weekly, Monthly	SMUD	CSV
Payment Details	DailyPaymentReport_yyyyMM.csv / DailyPaymentReportWeekly_yyyyMMdd.csv	Weekly, Monthly	SMUD	CSV
Transaction Summary	Transaction Summary Report yyMMdd.csv	Monthly	SMUD	CSV
PG&E UDC Daily Payment File	UDC_customer-support@ebce.org_udc_NNNNNNNNNyyMMddHHMI.csv	Daily	PG&E	CSV
Daily Payments Received Summary for the Previous Day		Daily	PG&E	CSV

Ava UDC and 820 Combined Payment Report	[CCA]_Combined_UDC_820_Monthly_[YYYYMMDD]_[YYYYMMDD]_[YYYYMMDD_HH24mmss].csv	Monthly	SMUD	CSV
820 Uncollectibles	UNCOLLECTIBLE_820_EBCE_20260531_20260607_185702.csv	Monthly	SMUD	CSV
UDC Uncollectibles	UNCOLLECTIBLE_EBCE_20260531_20260608_015312.csv	Monthly	SMUD	CSV

*Note: File names and Format are maintained and provided as received from source. Changes to Source data file format, source, and name may be subject to additional fees.

File	File Name*	Frequency	Source	Format*
Customer Interaction Data				
Call Center Interactions	Interactions_CallCenter_yyyyMMddHHMISSnnn.csv	Daily	SMUD	CSV
Web Enrollment Forms Interactions	Interactions_Web_yyyyMMddHHMISSnnn.csv	Daily	SMUD	CSV
IVR Interactions	Interactions_IVR_yyyyMMddHHMISSnnn.csv	Daily	SMUD	CSV
Chat Interactions	Interactions_Chat_yyyyMMddHHMISSnnn.csv	Daily	SMUD	CSV
Enrollment				
814 Transaction Summary	Enrollment_814_yyyyMMddHHMISSnnn.edi	Weekly	SMUD or PG&E	EDI
Customer Characteristics				
New / Updated E-mail, Phone, Mailing	Customer_Characteristics_yyyyMMddHHMissnnn.csv	Daily	SMUD or PG&E	CSV
Customer Enrollments and Characteristics				
Ava Program Enrollment Transactions	AVA_ [Program_Name]_yyyyMMddHHMissnnn.csv	Daily	Ava	CSV
Email, Phone, Mailing	AVA_Cust_Characteristics_yyyyMMddHHMissnnn.csv	Daily	Ava	CSV

DRAFT

Ava Customer Marketing Preferences	AVA_Cust_Marketing_Prefs_yyyyMMddHHMissnnn.csv			Daily	Ava	CSV
Accounting Feed						
820 Transactions	Payments_820_yyyyMMddHHMissnnn.csv|edi	Daily	PG&E or SMUD	EDI and CSV		

*Note: File names and Format are maintained and provided as received from source. Changes to Source data file format, source, and name may be subject to additional fees.

Any EDI file that comes from PG&E will be sent when SMUD receives it from them. Any delays will be communicated according to SLA below.

SMUD will:

1.13.2. Continue to provide the following reports on the indicated frequency covered under the per meter pricing with any changes to the current, operationalized reports will be subject to additional fees.

1.13.3 Store reports for the duration noted in Appendix B Work Products.

Report	Frequency
Billing Operations Report (enrollment activity move-in/move-out tracking by month in comparison to previous calendar year, billing transactions)	Monthly
Customer Center Operations Report (customer interactions through IVR, Web, CSR, chat)	Monthly
Customer Relationship Management (CRM) Reports (including custom reports and the ability to add email functionality) and Dashboard	Available 24/7
Net Energy Metering (NEM) and Solar Billing Plan (SBP) True-up, Cash-out Reports	Annual (April true up) for all, monthly for customers leaving Ava
VIP opt-out notification report	As needed
Aging report by-past due-bucket	Weekly
New connect customer list	Biweekly
SMD Performance Report	Weekly
Operational Issues Report	Weekly
Open Requests Report	Weekly

1.14. Operational Support Services

SMUD will:

1.14.1. Provide a dedicated Client Manager or single point of contact for day-to-day requests and communication.

1.14.2. Provide additional point of contact such as a project manager or subject matter expert for billable customizations and data interactions as appropriate.

1.14.3. Agree to collaborate on mutually agreeable project schedule for enhancements.
1.14.4. Host a monthly performance review meeting which can be changed to weekly upon Ava request during enrollment and transition periods.
1.14.5. Host ad hoc executive meetings upon request at a mutually agreed upon time.
1.14.6. Support Ava with collateral material for Ava to prepare and deliver an annual presentation to Ava Board regarding SMUD services upon request with reasonable notice.
1.14.7 Provide data and administrative support for Ava's annual financial audits and annual Power Source Disclosure Reporting requirements.

2. ADDITIONAL SERVICES AND CUSTOMIZATIONS

SMUD will provide these additional services according to the following fee structure. Certain services are included in the per meter pricing.

Included in Per Meter Fee

#	Project / Service
1	Twice per year, implement minor cosmetic and content updates (e.g., text copy, font color, hyperlinks, and images) across web pages, email templates, and IVR scripts to maintain alignment with Ava's branding guidelines. Large-scale web redesigns, new functionality, or structural site changes are outside the scope of this provision.
2	Real Time Pricing on Ava bill, matching current PG&E framework
3	In-line bill message change, annually
4	Monthly NEM and annual NEM reporting, same service provided as of 12/31/2026
5	NEM/SBP monthly and annual cash-out reporting, and SBP Transitioning Customers reporting
6	SQMD, same service provided as of 12/31/2026
7	CARE/FERA NEM and SBP audits
8	SMD, same service provided as of 12/31/2026
9	Additional layer of customer inquiries, customizable in place of hashtag
10	Routing of all multi-SA ID customers to a CSR rather than the IVR, including customers with multiple SA IDs in different ZIP codes under a single Account ID
11	SMUD CSR can cold transfer calls to another Ava vendor (e.g., Ava Charge assistant, payment service, or program incentive provider)
12	Prorate Billing Determinants Across Rate Changes and Seasons

Fee-Based Services

#	Project / Service	Fee
13	PIPP, same service provided as of 12/31/2026	$1,590 per month
14	DAC-GT, same service provided as of 12/31/2026	$2,756 per month

15	WCAG 2.2. compliance	$15,000
16	Non-standard rates, new	$31,800
17	Non-standard rates, rate change	$10,600
18	Value proposition changes, update % difference and per-kWh adder	$10,600
19	IVR Transfer to External Number (Cold Handover): The IVR shall provide a single-step branch/transfer from the existing IVR menu to a designated external toll-free number of another Ava vendor (e.g., Ava Charge assistant, payment service, or program incentive provider)	$2,000 per phone number

Bill Credits

Service	Use	Fees	Pre and Post QA	Accounting	Potential Use Case
Courtesies	One-time, low volume account adjustment	Included in standard service	Yes	Under Courtesy	Customer Experience
Managed Rewards	CCA program without business rules	$2,500 per file upload (unlimited number of program records/unlimited number of labels) $4,500 per new label	Yes	Under Label	Fixed fee, many customers
Simple Rewards	CCA program without business rules	$500 per month, any label (covering up to 8 programs/4 files per month)	No	Under Label	Direct instruction from CCA
Programs	Regulated programs, CCA programs with business rules	$10,000-$50,000 depending on complexity	Yes	Under Label	Calculated fee, monthly application

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3. ASSUMPTIONS

- Both Parties acknowledge and agree to the following assumptions listed below. Deviation from these assumptions may result in delays in service or additional fees, which fees will be agreed upon by both Parties. SMUD will be required to work with other contractors performing services for Ava and assumes that representatives from these contractors will be available and respond in good faith in a reasonable timeframe to requests for information and integration.
- SMUD will mirror standard PG&E billing for Ava customers, including new rates as they are released.
- Ava will provide decisions and feedback in a timely manner. Any delays of decisions or review of critical documents may result in a delay of services.

4. APPROVAL PROCESS / ACCEPTANCE

Both Parties agree to perform tasks, reviews, and approvals in a timely manner.

5. TERM AND TERMINATION

5.1. Term of Task Order 5

The Term of Task Order 5 is from the Effective Date of Task Order 5 until December 31, 2029. Thereafter, the term shall renew concurrent with the Term of the MSA, unless one party provides written notice to the other party at least one hundred eighty (180) calendar days in advance of the end of the then existing term that it does not wish to renew the term.

5.2. Transition of Call Center

With at least ninety (90) calendar day written notice to SMUD, Ava reserves the right to transfer all Contact Center services in-house and have all communications managed by Ava customer service representatives (CSRs). Beginning on the first day of the first month following transfer of all Contact Center services in-house and all communications managed by Ava CSRs, the Per Meter Fee, per month fee set forth in Section 6.1 of this Task Order 5 shall be reduced by $.12 for each meter that is impacted. Ava will be responsible for any additional infrastructure or programming costs incurred by SMUD to facilitate this transition. SMUD will provide an estimate and receive approval from Ava for these costs prior to SMUD performing such services and incurring associated costs.

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6. COMPENSATION FOR SERVICES

This section is SMUD confidential information.

6.1. Data Management and Call Center Services

Services under Section 1 will be made available at a fixed monthly fee per customer meter enrolled of $1.13 (Per Meter Fee) through December 31, 2027. Each January 1st thereafter, the per meter fee shall be adjusted by the percentage change in the U.S. Bureau of Labor Statistics, "Consumer Price Index-All Urban Consumers less food and energy" Series ID: CUUR0000SA0LIE for the immediately prior 12-month period, taking the average of the monthly figures, capped at 5% per year.

SMUD will credit Ava with $1,000,000 towards services, outlined in this contract, to be used at any point during the contract.

Customizations or enhancements that include an additional fee to Ava must be established with a scope of work, including a detailed fee structure.

6.2. Billing Methodology

SMUD will use the following methodology to calculate the total number of customer meters enrolled in Program service.

1. Identify customers from the 4013 that have been entered into the CRM system and have an ‘opt in’ enrollment date range that is current
2. Filter that list to include customers that are also listed on the corresponding 814 File
3. Replace the DA_Xref with the associated SP_ID
4. Calculate the enrollment date ranges in the month
5. Use the total number of distinct SP_IDs from the date range query results to calculate the total number of customer meters enrolled in Ava Program service

7. PAYMENT TERMS

Fees incurred under this Task Order 5 will be invoiced monthly, starting January 1, 2027. For services under this Task Order 5, Ava shall pay all undisputed invoices within thirty (30) calendar days of the date of the invoice. Any disputed amounts are subject to terms of the MSA.

(Signature page follows)

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9. SIGNATURES

The Parties have executed this Task Order 5, and it is effective as of the Effective Date.

Ava Community Energy Authority

By _____

Name _____

Title _____

Date _____

Approved as to Form _____

Sacramento Municipal Utility District

By _____

Name _____

Title _____

Date _____

Approved as to Form _____

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Appendix A — Service Level Agreements

System

- Document Management System availability >= 99% Destination Management Company
- Technical Support hours of 9:00AM to 5:00PM Pacific Time, Monday through Friday, excluding Ava and PG&E holidays.

Processes

Billing Issue Resolution

- SMUD-originated Billing Issues will be remedied within two (2) Bill Cycles from date of discovery.
- PG&E-originated Billing Issues will be remedied within two (2) Billing Cycles from date of discovery to extent within the control of SMUD. SMUD will continue to follow-up with PG&E through issue resolution.

Billing Error Liability

- Billing errors for which SMUD systems or processes are at fault will result in the following shared liability:
- SMUD is only liable for errors that result from SMUD systems or processes.
  - Errors that occurred on dates that precede the start of this task order cannot be included.
- SMUD is not liable for any underbilled amount for errors that can be remedied by a rebill, the timing of which follows the rebill rules set by the CPUC (see PG&E Rule 17.1).
- For underbilled amounts that cannot be remedied by a rebill:
  - SMUD is not liable if the impact is less than $10,000.
  - SMUD is liable if the impact is more than $10,000; however, SMUD's liability is limited to 50% of the underbilled amount or $100,000 per instance whichever is less.

Rate Changes

Rate changes will be implemented upon formal request by Ava. To ensure system accuracy, quality assurance, and proper billing execution, rate change requests follow a standardized implementation schedule incorporating UAT staging, validation, production deployment, and effective date alignment.

Typical Implementation Schedule: The schedule below outlines the key operational milestones required to implement a rate change:

Milestone / Action	Responsible Party	Target Timing	Example Schedule
Rate Change Request	Ava	~20–25 days prior to effective date	December 1, 2025

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SMUD creates rates table tied to PG&E's newly published rates / performs 3-point QA	SMUD	Within 5–7 business days of PG&E published Tariff Rates	January 8, 2026 *Published Jan 1, 2026
UAT Rate Sheet Submission for Validation	SMUD → Ava	Within 12 business days of PG&E published Tariff Rates	January 20, 2026
UAT Validation & Approval Sign-off	Ava	~3 business days prior to production release	January 22, 2026
Production Load & System Go-Live	SMUD	Friday Post Validation	January 23, 2026
Rate Change Effective Start Date	SMUD		January 1, 2026

Schedule Adjustments & Variance: The schedule may be modified by mutual agreement due to external operational dependencies or system constraints, including:

- PG&E Advice Letter filing or tariff publication delays
- Seasonal boundary transitions (e.g., Summer/Winter Time-of-Use shifts)
- Production release calendar constraints or holiday schedules
- Custom rate structure logic or major system/file format enhancements

SQMD

- SMUD will be liable for CAISO late meter adjustment sanctions defined in CAISO Tariff section 37.5 when data is submitted to the CAISO past the deadline and submission timing is within SMUD's control, or the data submitted is erroneous resulting in a resubmittal past the deadline and the data error was the fault of SMUD.
- For clarity, SMUD will not be liable for CAISO late meter adjustment sanctions defined in CAISO Tariff 37.5 when data errors are introduced by PG&E data inaccuracies or incompleteness or for other reasons outside of SMUD's control.
- In the event that SQMD data submitted to the CAISO results in an incorrect kWh settlement due to an error that is solely within SMUD's control, and when the data can no longer be corrected with the CAISO because it is past the CAISO deadline for correction, then SMUD will be liable for 50% of any excess over-settlements incurred by Ava. When such an error is identified, SMUD will calculate the over-settled or under-settled amounts by multiplying the hourly kWh discrepancy by the FMM price for each hour affected. Instances of under-settlement will offset instances of over-settlement. Upon termination of this Task Order 5, SMUD will credit Ava with 50% of any net amounts due resulting from all such instances. The

maximum daily credit will not exceed $10,000. Errors that occurred on trade dates that precede the start of this task order cannot be included.
- In the event that SQMD data submitted to the CAISO results in an incorrect kWh settlement that is outside of SMUD's sole control, then SMUD will not be liable for any penalties associated with such errors.

ShareMyData
SMD Interval File Feed
- PG&E SMD Interval Files monitored daily

% of Expected Meter Data	Action Taken
If less than 97% in 24 hours	Ava Notified
If less than 98% in 48 hours	PG&E and Ava Notified, Escalate with PG&E

SMD Customer Retail File Feed
- PG&E SMD Customer Retail File Feed monitored daily
- Not Received, no action taken, monthly ad-hoc request made to cover gaps

SMD Completeness
- Completeness is defined by total number of Service Agreement IDs with at least one interval divided by total number of Service Agreement IDs on PG&Es customer enrollment file feed
- >95%, no action taken
- 90-95%, SMUD to investigate and resolve any issues found
- < 90%, SMUD, Ava notified and escalated with PG&E

Data Feeds
Monitoring and Communication
- Data Feeds monitored daily
- Each Data Feed generates a file per defined schedule in Data Feeds and Data Package +
- Ava to be notified within 24 hours if files will not arrive per defined schedule in section 1.13.1 and SMUD will initiate a process to receive the files from PG&E

File Availability
- File availability is defined as generated and available on shared storage within 3 business days of schedule, except for files that were expected to be received on a daily cadence per their schedule
- No action taken for files generated within 3 days of schedule
- PG&E issues not resolved with 7 days to be escalated with PG&E, except for files that are expected to be received on a daily cadence per their schedule

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Missing, Incomplete or Corrupted Files

- Files to be regenerated within 5 business days from discovery
- Issues not resolved through regeneration to be investigated, resolved and re-generated with 10 business days
- Ava to monitor for corrupted files
- SMUD to monitor for missing files
- Ava and SMUD to monitor for incomplete data

Call Center

- Operating hours of 9:00AM to 5:00PM Pacific Time, Monday through Friday, excluding Ava, SMUD, and PG&E holidays.
- 60 second average speed of answer with an abandon rate of no greater than 4% during non-enrollment periods
- SMUD CSRs respond to 100% of Ava Customer Inquiries
- 100% of voicemail messages answered within one (1) business day.
- 100% of emails receive an immediate automated acknowledgement.
  - 95% of emails receive a customized response within one (1) business day.
  - 100% of emails receive a customized response within three (3) business days.
- 100% of chats receive a customized response within three (3) business days.

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Appendix B – Work Products

Work Product	Fee to Deliver	Storage Duration	Latest Delivery Date
All PG&E source files, as specified in 1.4.4.1 Data Feeds and Reporting table, posted to AWS as received by PG&E	None	12 months or termination of Task Order 5, whichever is less	Termination Date of Task Order 5
A log of all historical file transactions, including summary and exceptions	None	60 months total or termination of Task Order 5, whichever is less	30 Days after Termination Date of Task Order 5
PG&E customer blue bills	None	12 months available in CRM; 48 months archived for a maximum of 60 months total or termination of Task Order 5, whichever is less	30 Days after Termination Date of Task Order 5
Comprehensive extract of all Ava data stored in CRM, including but not limited to customer characteristics, customer transactions, customer usage, customer billing, customer exceptions, etc.	Maybe	18 months available in CRM for non-call center interaction record data; 18 months available in CRM for call center interaction record data; 42 months archived for a maximum of 60 months total or termination of Task Order 5, whichever is less	30 Days after Termination Date of Task Order 5
Provide latest enrollment form wireframes as screen-scrapped .jpg	None	N/A	Termination Date of Task Order 5
Current IVR Scripts (English and Spanish) via email	None	From date of Script approval until termination of Task Order 5	Termination Date of Task Order 5
Summary report documenting the methodology for calculating the Ava –related charges on the PG&E bill	None	N/A	Termination Date of Task Order 5
Transfer call center toll-free phone number to Ava (as legally possible and permissible by the Telecom company)	None	Same phone number from beginning of Program until termination of Task Order 5	Termination Date of Task Order 5 (as legally and technically possible)
Copy of up to 60 call recordings posted to AWS	None	12 months or termination of Task Order 5, whichever is less	60 Days after Termination Date of Task Order 5; can request up to 60 call recordings between Termination Date of Task Order 5 and 60 days after Termination Date
Archived excel exports from WREGIS, if performing QRE	None	None as exports are available to Ava through WREGIS	30 Days from date of export from WREGIS

DRAFT

Archived exports of submitted SQMD data from Settlecore to AWS	None	From Program inception until termination of Task Order 5	30 Days from the submittal date of the last trade date that SMUD is responsible for submitting to the CAISO
Archived historical call center and billing operations reports posted to AWS	None	3 months or until termination of Task Order 5, whichever is less	Termination Date of Task Order 5

Upon mutual agreement, a fee may apply if the Work Product is required in any other format than the source format or where additional data manipulation is requested. Archived data can be retrieved and produced by SMUD within 10 business days upon request from Ava.

For Work Products that represent a significant amount of data, SMUD may provide periodic data dump transfers to Ava, and Ava will be responsible for the ongoing storage of that data.

The Work Product will continue to be SMUD's obligation for data going forward from the time of last data dump transfer.

DRAFT

Appendix C – SMUD Intellectual Property

SMUD Confidential Information

For avoidance of doubt, the following are considered SMUD Intellectual Property, and will be treated in accordance with the terms described in the MSA.

Intellectual Property

- DMS architecture, configuration and processes
- CIS/CRM architecture, configuration and processes
- Web architecture, methodology, and enrollment forms configuration and processes
- IVR architecture, methodology, and configuration and processes
- Billing System architecture, methodology and configuration and processes
- File Processing System architecture, methodology, and configuration and processes
- SQMD System architecture, methodology, and configuration and processes
- Data Policy
- Training Materials
- IVR recordings
- SMUD-created IVR scripts
- Report methodology, processes, and documentation

DRAFT

Attachment Consent Item 12C

Ava Community Energy

SMUD Agreement Extension for Customer Care and Data Management Services

Kelly Birdwell Brezovec| October 21, 2026

Agenda

- Background
- Summary
- Pricing
- Alternatives
- Next steps

Background

- Sacramento Municipal Utility District (SMUD) provides critical Customer Care and Data Management Services (CCDMS) to Ava via a contract priced at a per-meter monthly service fee
- SMUD has provided these critical services since the start of service in 2018
- The current two-year contract started on January 1, 2025, and ends on December 31, 2026
- Staff proposes entering into a three-year agreement starting January 1, 2027
- The Executive Committee provided positive feedback on this contract extension and recommends the Board of Directors adopt a Resolution allowing the CEO to negotiate and execute Task Order 5 with SMUD for Call Center and Data Management

Summary: New Agreement

- The proposed new contract sees a price increase from $1.10 to $1.13 per meter with an annual escalation tied to inflation.
- Staff has updated and negotiated elements of the agreement, including
  - Lower fixed fees for customer credits
  - Included twice-annual updates of customer-facing web, phone, and email templates
  - Tighter schedule controls for billing system enhancements

Pricing Detail

	Per Meter Price	% Annual Increase	Estimated Annual
2018-2021	$1.05		$7 MM - $8.8 MM
2022-2024	$1.00	-4.7%	$8.5 MM (including Share My Data fee)
2025-2026	$1.10	10%	$10.9 MM
2027	$1.13	2.7%	$11.1 MM
2028	$1.15 - $1.17	2-3.5%	$11.5 MM
2029	$1.19 - $1.20	2-3.5% (based on $1.16 in 2028)	$12.1 MM

2028-2029 are forecast, based on expected inflation and growth

Alternatives

- Staff regularly monitors the market and engages with potential providers and peer agencies
- Current options for California CCAs are limited to SMUD and Calpine Energy Solutions
  - Calpine does not fully meet Ava's customized operational and customer service needs
- Staff will continue evaluating alternatives and conduct a formal competitive process when appropriate

Next Steps

- Following an approval of the resolution,
  - Ava and SMUD legal teams finalize the agreement
  - Ava and SMUD execute Task Order 5
  - Services on Task Order 5 commence January 1, 2027

Ava
Community Energy

Consent Item 13

To:	Ava Community Energy Authority
From:	Marie Fontenot, SVP Power Resources
Subject:	Update on Submission of Final Integrated Resource Plan Documents and Materials
Date:	October 21, 2026

Summary/Recommendation

This Staff Report updates the Board that Ava's required Integrated Resource Planning compliance analysis and filing was submitted to the California Public Utilities Commission on the required submission date.

Financial Impact

N/A

Analysis and Context

On July 15, 2026 staff presented to Ava's Board a summary of the analysis and materials required for submission to achieve compliance with the California Public Utilities Commission (CPUC) Integrated Resource Planning Proceeding.

All CPUC-jurisdictional load serving entities (LSEs) were required to file and serve their individual IRPs with the CPUC no later than August 10, 2026. The filings were required to include three documents provided by the CPUC: a Narrative Template, a Resource Data Template (RDT), and results from the CPUC's Clean System Power (CSP) Calculator. Staff provided an overview of preliminary results of the analysis and the compliance documents in the

July 15, 2026 Board meeting. Staff later presented an overview of the final compliance materials to an Ad Hoc committee of Board members shortly before the compliance submission was made.

Staff now provides to the Board the final compliance filing that was provided to the CPUC and includes the public links to the materials on Ava's website as well as on the CPUC website which contains links to Ava's filing as well as those of other jurisdictional LSEs.

Ava website 2026 IRP filing materials: https://avaenergy.org/about-ava/key-documents/integrated-resource-plan/

CPUC website 2026 IRP filings: https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/electric-power-procurement/long-term-procurement-planning/2024-27-irp-cycle-events-and-materials/2026-lse-integrated-resource-plans

Committee Recommendation

N/A

Attachments

N/A

Consent Item 14

To:	Ava Community Energy Authority
From:	Russell Mills, Chief Financial Officer & Treasurer
Subject:	Presenting the Treasurer's Report for Fiscal Year 2026-2027 Q1 (Informational Item)
Date:	October 21, 2026

Summary/Recommendation

Receive the report on Ava's cash position, monthly receipts, and outstanding loan balances.

Background and Discussion

For the quarter ending September 30, 2026, Ava has maintained a positive cash balance on all Ava bank accounts. Below is a summary of account balances, cash received, and any outstanding loan balances.

Account Balances as of 9/30/2026

Accounts Held	Amount
River City Accounts	
Operating	
Internal Operating	$ 2,417,447
Operating Fund	$ 78,413,259
Lockbox	$ 18,989,387
Interest Bearing	
Money Market	$ 125,617,932
Insured Cash Sweep Checking	$ 113,573,327
Insured Cash Sweep Saving	$ 5,317,351
CDARS	$ 50,136,565
US Bank	
Checking	$ -
Reserve Balance	$ 330,873,400
Invested Capital	$ 21,163,349
Wells Fargo	
Security Margin	$ 121,311
PNC	
Checking	$ 4,812,140
Total	$ 751,435,468

Cash Received by Month into Lockbox Account

Jul	2026	$	53,046,371
Aug	2026	$	72,794,188
Sep	2026	$	74,036,957
Total		$	199,877,516

Outstanding Loan Balances:

PNC Bank Credit Facility: $0.00

Customer Delinquency:

As of September 30, 2026

31 – 60 Days:	$ 4,620,221
61 – 90 Days:	$ 3,458,612
91 - 120 Days:	$ 1,969,169
120+ Days:	$ 64,263,633

CEO Report Item 15

TO: Ava Community Energy Board of Directors

FROM: Howard Chang, Chief Executive Officer

SUBJECT: **CEO Report (Informational Item)**

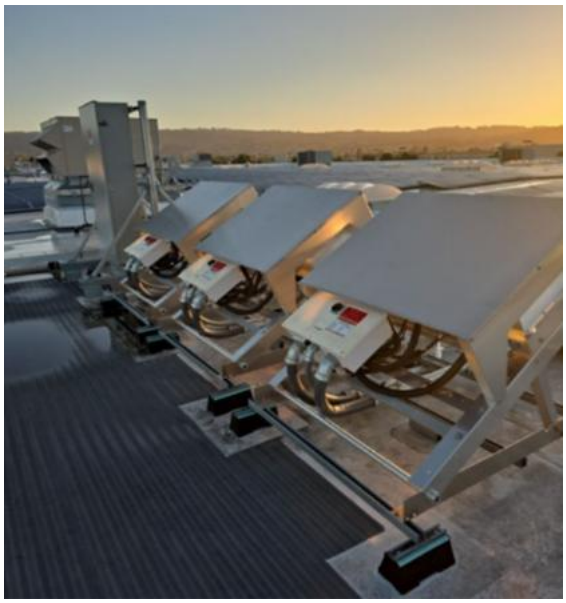
DATE: October 21, 2026

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

Executive Committee Meeting
An Executive Committee Meeting met on Wednesday, October 7, 2026. Members received updates on the Customer Programs Strategy Engagement Consultant Selection and Renewable Energy Procurement and Power Content Reporting. Members also reviewed and provided feedback on the proposed agreement extension with Sacramento Municipal Utility District (SMUD) for critical billing and customer services. The next Executive Committee meeting will be held on Wednesday, November 4, 2026, at 3:00 pm.

Marketing Regulatory and Legislative Subcommittee Meeting
A Marketing Regulatory and Legislative Subcommittee Meeting met on Friday, September 18, 2026. Members received an update on the Power Chair Indifference Adjustment (PCIA) regulatory proceedings and reviewed developments from the 2026 California Legislative Session. The next Marketing, Regulatory and Legislative Subcommittee meeting will be held on Friday, November 20, 2026, at 10:00 am.

Long Term Project Online Date Announcement
The Oakland 2 project from Ava's Disadvantaged Community Green Tarriff Program (DAC) came online on August 31, 2026. The Oakland 2 project is a 0.72 MW Solar facility, located in Oakland, California delivering renewable energy for Ava's customers for a 20-year term. The project is a part of Ava's DAC program which funds local renewable generation projects while providing eligible low-income residential customers with 100% renewable energy. The Oakland 2 site, developed by Prologis Inc., is the first of five DAC projects to come online with all projects located in Ava's service territory.



Oakland 2 Inverter Covers on the roof

Ava in the Community - October

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 10/01 and 11/30. Learn more at https://avaenergy.org/about-ava/meetings-events/events/

Date	Event	Type	Location
10/1/2026	Lathrop Country Breakfast	Volunteering	Lathrop
10/3/2026	Science in the Park	Tabling and Sponsoring	Hayward
10/3/2026	Emeryville Harvest Festival	Tabling	Emeryville
10/11/2026	E-Bike Test and Ride #3	Co-hosting	Hayward
10/11/2026	Fremont Chess Festival	Sponsoring	Fremont
10/17/2026	Edible Schoolyard Fall Harvest Festival	Tabling and Sponsoring	Stockton
10/19/2026	Fashion Fest	Tabling and Sponsoring	Oakland

10/19/2026	CEO Impact Report presentation to San Leandro City Council	City Council meeting	San Leandro
10/20/2026	CEO Impact Report presentation to Pleasanton City Council	City Council meeting	Pleasanton
10/23/2026	Clements Stampede	Tabling and Sponsoring	Unincorporated San Joaquin County
10/24/2026	Habitat for Humanity Sequoia Grove Home Celebration	Tabling and Sponsoring	Hayward
10/24/2026	YMCA Trunk or Treat	Sponsoring	Stockton
10/27/2026	CEO Impact Report presentation to Berkeley City Council	City Council meeting	Berkeley
11/1/2026	Día de Los Muertos Festival	Tabling and Sponsoring	Oakland
11/7/2026	Tri-City Intergenerational Climate Roundtable	Presenting and Sponsoring	Fremont
11/11/2026	Lathrop Veterans Day Resource Fair	Tabling	Lathrop
11/17/2026	CEO Impact Report presentation to Emeryville City Council	City Council meeting	Emeryville

New Web Content

Ava regularly publishes educational content on our website to help customers understand the benefits of Ava, navigate their bills, and participate in our programs. Below is a list of content published in the past 3 months. For additional resources, visit AvaEnergy.org/insights.

Date	Title	Link	Description
10/9/26	Video: E-Bike Test & Ride Customer Testimonials: Charlie	https://youtube.com/shorts/9ehqOh8L_b0?si=otYC5Yn-WC_6rnEi	A 30-second customer testimonial from the E-Bike Test & Ride event.
10/7/26	Video: E-Bike Test & Ride Customer	https://youtube.com/shorts/KQ6VYrjVFKw?si=xL_5_rF8_FtJvY_e	A 15-second customer testimonial from the E-

	Testimonials: Linda		Bike Test & Ride event.
10/6/26	Video: E-Bike Test & Ride (Short Version)	https://youtube.com/shorts/9ehqOh8L_b0?si=rinetqW83Henybc	A 30-second cutdown of the E-Bike Test & Ride video for resharing on social media.
9/29/26	What It's Like to Own an EV Without Home Charging	https://avaenergy.org/insight/what-its-like-to-own-an-ev-without-home-charging/	Frequently asked questions about owning an EV without access to home charging, answered by an Ava employee.
9/8/26	Powering Community Connections with Mandela Partners	https://avaenergy.org/insight/powering-community-connections-with-mandela-partners/	A story about our collaboration with Mandela Partners, an Ava Community Sponsorship recipient that empowers local entrepreneurs and creates community connections.
9/2/26	New EV Driver Checklist: 4 Things To Do in the First	https://avaenergy.org/insight/new-ev-driver-checklist-4-things-to-do-in-the-first-month-of-ev-ownership	A checklist of 4 simple ways for residents to adjust to the lifestyle

	Month of EV Ownership		of owning an EV.
8/31/26	Video: Ava Community Energy x Bike East Bay: E-Bike Test & Ride	https://www.youtube.com/watch?v=yLuh8Pub_GU	A video recap of our E-Bike Test & Ride events
8/17/26	Sequoia Grove Construction Update: Summer 2026	https://avaenergy.org/insight/sequoia-grove-construction-update-summer-2026/	An update on Habitat for Humanity East Bay/Silicon Valley's Hayward development, which is all-electric with funding from Ava.
8/12/26	Types of Electric Vehicles: BEV vs. HEV vs. PHEV	https://avaenergy.org/insight/types-of-electric-vehicles-bev-vs-hybrid-vs-plug-in-hybrid/	Explains the differences, pros, and cons of common types of EVs to help customers consider the best option for them.
8/11/26	Health-e Communities Pilot: What Ava Learned from Replacing Gas Ranges with Induction in 162 Homes	https://avaenergy.org/insight/health-e-communities-pilot/	Pilot evaluation and final report for the Health-e Communities pilot, including our air quality findings, key

			challenges and learnings, and customer experience.

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

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”

Attachment Staff Report Item 17A

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

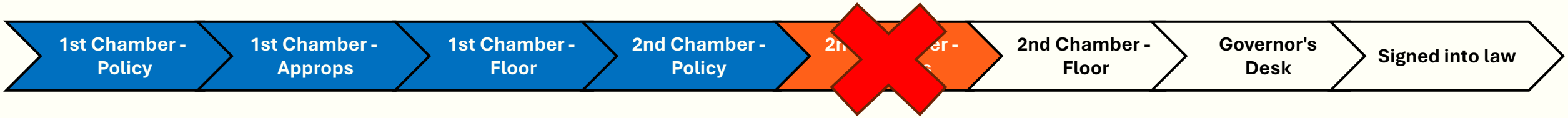
Resource Adequacy (RA) Transactability

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 Community Energy — Support-if-Amended AB 1975 (Schultz)

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

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.

Ava Community Energy — Support AB 2266 (Schultz)

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.

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.~~

Staff Report Item 18

To:	Ava Community Energy Authority
From:	Howard Chang, CEO
Subject:	Ava 5-year agency priorities
Date:	10/21/2026

Summary/Recommendation

Staff is providing an informational presentation providing an overview of Ava's 5-year agency priorities.

Analysis and Context

Since Ava's operational launch, staff have developed priorities to help guide staff workflows and deliverables. This presentation serves to provide an organized review of these priorities to the board. The presentation is not a comprehensive collection of all operational responsibilities, but rather more strategic needs from 2027-2031. The purpose is to raise awareness of these priorities with the board, seek feedback and alignment on what is identified, and provide a preview of substantive deliverables and future action items that staff will bring forward for discussion in 2027.

Attachment

A. 5-year Agency Priorities PPT

Attachment Staff Report Item 18A

Ava Community Energy

5-Year Agency Priorities

October 21, 2026

Introduction

Purpose:

Receive an informational presentation that outlines strategic priorities for the agency over the next 5 years (2026–2031)

Note: This does not reflect a comprehensive review of all operational priorities and deliverables.

Agency Objectives & Key Results (OKRs)

Provide Affordable, Clean Power to Everyone

Objective:

Decarbonize Ava's wholesale energy supply and drive down costs for our customers

Target Key Results:

1. Decrease greenhouse gas (GHG) emissions within Ava's wholesale energy portfolio
2. Ensure adequate generation and capacity resources to meet current and future load
3. Stabilize and lower wholesale energy costs

Example KPIs include: GHG emissions, GHG reduction, Rates: ¢ /kWh, PPA price: $/MWh, Peak load (GW) vs. volumetric load (GWh), etc.

Execution Mechanisms & Strategies

Channel & Deliverables	Mechanism/Strategy
Establish long-term power procurement targets	• Evaluate 24x7 vs. net annual emissions accounting frameworks and changing power content regulatory requirements • Complete supplemental internal IRP analysis and align on emissions/power content focused targets for 2030 and beyond
Renewable 100 & Bright Choice roadmap	• Evaluate a price and power content roadmap given convergence of these two products
Energy prepay optimization	• Maximize and optimize operations of energy prepay transaction to utilize tax exempt status and structurally lower procurement costs
Power generation project ownership	• Evaluate value creation and risk mitigation benefits • Review a project to pilot ownership
Innovation	• Continue to create new power contracting structures to diversify and mitigate risk (e.g. Options agreements, interconnection enhancement agreements, hybridization projects, etc.) • Evaluate emerging technologies to advance CA energy goals
Optimize equity-based funding tools	• Maximize local renewable energy projects in disadvantaged communities as part of DAC-GT program • Evaluate rate structures and cost allocation among customer segments; optimize Ava rate structures and CARE/FERA customer eligibility
Policy advocacy	• Engagement on IRP and Reliable and Clean Power Procurement Program (RCPPP) CPUC proceedings regarding procurement and emissions requirements

Key Deliverables

In the next year	Over the next 5 years	At the end of 5 years
A. Evaluate 24x7 emissions reporting requirements as indicated by CPUC and CEC B. Complete supplemental IRP analysis to evaluate least cost power portfolios across different emissions frameworks C. Execute on 1-2 additional energy prepay transactions D. Evaluate power generation project ownership for board consideration	A. Align power content targets with changing regulatory environment B. Develop mid-term Renewable 100 and Bright Choice content and price roadmap C. Execute [3-4] energy prepay transaction repricings D. Initiate project ownership pilot(s)	A. Establish long-term procurement targets within a 24x7 emissions framework B. Assess project ownership scalability and target portfolio share C. Define portfolio cost target ranges ($/kWh cost **or** % discount to PG&E)

Electrify Everything

Objective:

Leverage our clean energy supply in electrifying buildings and transportation to create tangible and sustained value for our customers and communities

Target Key Results:

1. Decrease emissions from buildings and transportation across our service area
2. Improve customer affordability of electrification measures
3. Leverage electrification to create cost savings for all customers
4. Bring electrification benefits to priority communities
5. Increase community resilience
6. Facilitate economic development opportunities

Example KPIs include: GHG reduction, $’s deployed, $’s saved, # of customers served, etc.

Execution Mechanisms & Strategies

Channel & Deliverables	Mechanism/Strategy
Customer Programs	• Customer Programs Strategy: Defines the objective, strategic priorities, and success metrics that lead to a portfolio of program concepts.
Municipal Support	• Advance energy and climate goals of our municipal members e.g. project investment, technical assistance, and economic development opportunities
Grants	• Current priority areas: Workforce Development, Education, Community Empowerment, Research & Innovation
Rate structures	• Utilize rate structures and dynamic pricing to drive deeper decarbonization through electrification. Includes: Hourly Flex Pricing, Time-of-Use rates, and other structures that support Virtual Power Plants (VPP), load modification, or load reduction. • May be influenced by regulatory mandates
Policy Advocacy	• Defined by Ava's legislative platform and regulatory agenda • Coordinated to support the objective and priorities identified in the Customer Programs Strategy
Local/State Ordinances or mandates	• Not within Ava's direct control, but Ava may support local code, permitting, and other supplemental municipal services

Key Deliverables

In the next year	Over the next 5 years	At the end of 5 years
A. Customer Programs Strategy with identified priorities for focus of next 5 years B. Customer Programs Funding Plan C. Adaptive Program Portfolio	A. Phased implementation of Customer Programs B. Tracking of programmatic success metrics C. Adaptation/iteration of individual programs to align with portfolio targets and market conditions while honoring established strategy	A. Report out on success metrics identified as part of Customer Programs Strategy B. Analysis of assets in Virtual Power Plant to determine long term resource viability/ scalability C. Revisit Customer Programs Strategy to align with current customer needs and priorities

Defeat Existential Threats

Objective:

Mitigate organizational risks and protect Ava's local autonomy in how we serve our customers and communities

Target Key Results:

1. Maintain effective governance through informed decision making, strong oversight & controls, and full transparency
2. Establish long-term sustainable rate structure competitiveness
3. Build financial resilience through a strong balance sheet, ample liquidity, and high credit quality
4. Minimize operating risks related to customer billing capabilities, power resource management tools, and cybersecurity
5. Advocate in the regulatory and legislative fields to protect Ava ratepayers, advance Ava priorities, and maintain autonomy

Example KPIs include: Value Proposition on rates, Reserve funding levels, Rate Stabilization Fund levels, Credit rating, IT penetration testing, Load served, etc.

Strategies & Mitigations Supporting Ava's Mission

Execution Mechanisms & Strategies

Channel & Deliverables	Mechanism/Strategy
Effective Governance	• Facilitate informed decision making through enhanced education, retreats, and community engagement • Enhance controls and ensure comprehensive oversight through periodic review of policies, consideration of operational audits, and implementation of a formal enterprise risk management framework • Evaluate and strengthen governance structure as needed
Establish sustainable competitive rate structure	• Evaluate rate-indexing methodology and longer-term value proposition setting; consider more granular rate variations and dynamic rate structures • Evaluate cost structures related to customer segmentation and regional load shapes • Build strong rates competency
Financial Resilience	• Maintain a strong balance sheet and liquidity to mitigate risk and create value • Target Reserve and RSF funding timeframes & utilization plans • Maintain A- credit rating and evaluate upgrade prioritization - implications on credit facility costs, project debt costs if owning
Policy Advocacy & Compliance	• Take action for short-term PCIA defense and longer-term reform • Enhance ratepayer advocacy • Advocate for procurement and rate setting autonomy • Ensure compliance in regulatory, legislative, CA, and federal obligations
Operational Readiness	• Build necessary and value creating operating capabilities (e.g. billing, scheduling, DERMS, power resource management/optimization) • Implement Cybersecurity defenses • Maintain optimal economies of scale and consider growth with strategic load growth and territory expansion

Key Deliverables

In the next year	Over the next 5 years	At the end of 5 years
A. Implement a formal enterprise risk management framework to measure, mitigate, and communicate risks B. Improve board and community engagement C. CPUC PCIA Track 3 engagement D. Initiate Phase 1 of rates analysis to evaluate various rate structures	A. Undergo build vs. buy analysis to evaluate mission critical operating capabilities B. Review long-term funding plans to meet target Reserve Fund and Rate Stabilization Fund levels C. Advocate on longer-term PCIA and other potential regulatory reform D. Identify potential rate structure changes to optimize cost allocation and long term value proposition	A. Evaluate debt optimization for project ownership and programs B. Establish plans to meet target financial funding goals C. Preserve local decision making and maintain procurement autonomy D. Establish timeline to implement rate structure adjustments

Build an Ethos-Driven Organization

Objective:

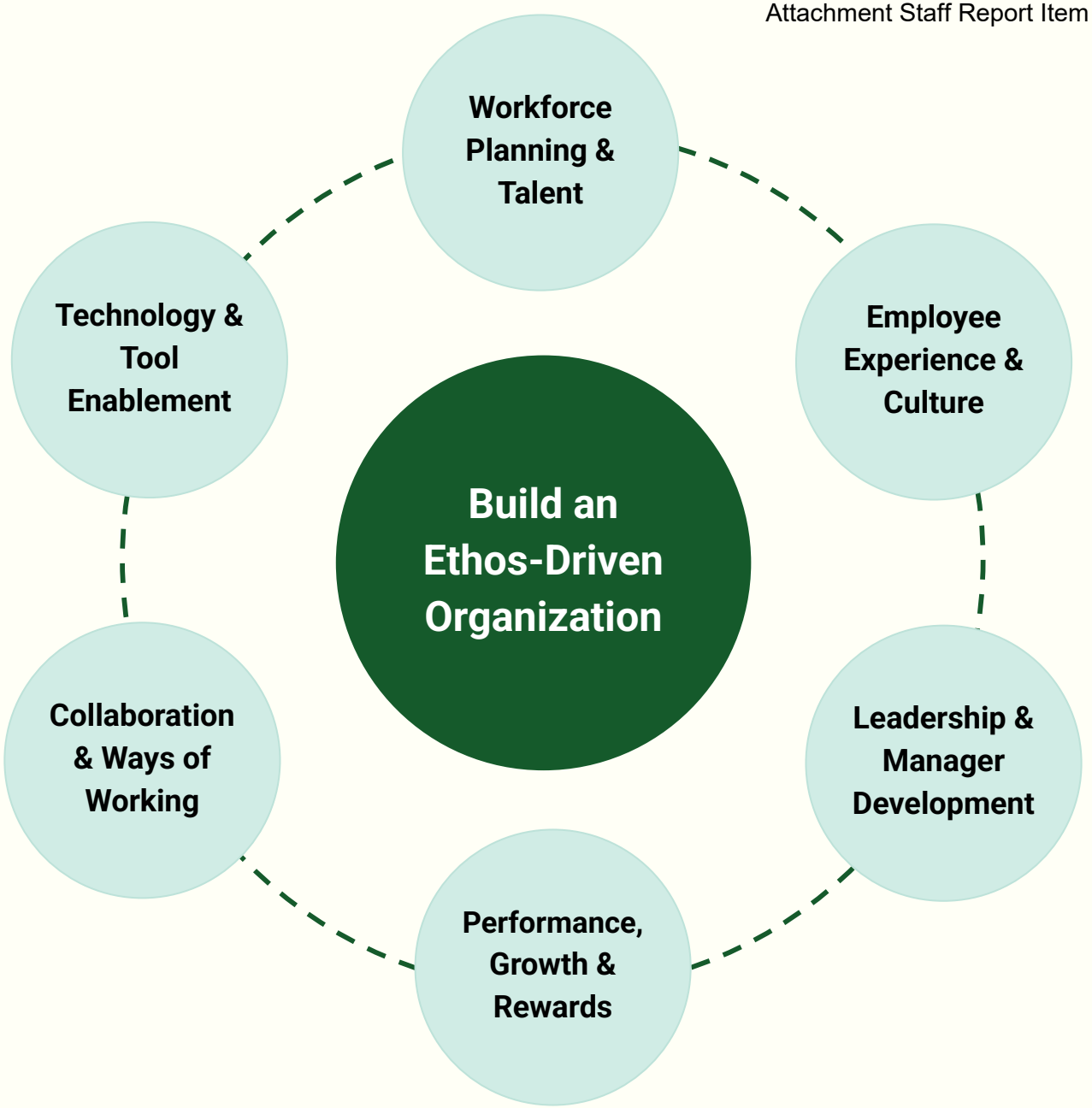
Create an employee experience and operational environment where staff can thrive, collaborate effectively, grow professionally, and safely deliver on Ava's mission

Target Key Results:

1. Sustain a high-quality and engaging employee experience
2. Retain and grow top talent through strong manager effectiveness, development, and performance systems
3. Establish clear, consistent collaboration and communication practices enabled by tools, technology, and operational frameworks
4. Ensure a secure, safe, and compliant workplace and environment that protects staff, data, and operations

Example KPIs include: Employee Net Promoter Score (eNPS), Employee retention, Staffing headcount

The People and Tools to Power Ava's Mission



Execution Mechanisms & Strategies

Execution Channel	Mechanism/Strategy
Workforce Planning & Talent	• Use 3-5 year workforce planning, recruitment, succession planning, and internal growth pathways to build future organizational capacity
Employee Experience & Culture	• Use engagement surveys, onboarding, recognition, DEIB initiatives, and Ethos-based programs to strengthen connection and belonging
Leadership & Manager Development	• Build leadership and manager effectiveness through training, coaching, shared expectations, and team-development support
Performance, Growth & Rewards	• Align OKRs, feedback, performance management, compensation, and development to reinforce impact and employee growth
Collaboration & Ways of Working	• Establish clear communication practices, cross-functional workflows, project management standards, and knowledge-sharing systems
Technology & Tool Enablement	• Adopt tools, technology, and AI that improve the employee experience, collaboration, efficiency, and decision-making

Key Deliverables

In the next year	Over the next 5 years	At the end of 5 years
A. Develop 3-5 year workforce hiring plan B. Launch a multi-year succession planning initiative C. Assess AI adoption opportunities, conducting pilots and enhancing how we work with a “put people first” mentality D. Define and measure manager effectiveness and provide training and workshops to support manager growth and alignment.	A. Execute & refine long-term workforce hiring plan, inclusive of relevant outcomes from succession planning and operational initiatives B. Focused training efforts aligned with opportunities identified in engagement surveys and other assessments C. Continued optimization of goal setting, performance, and retention practices	A. Continuous optimization of tools across the agency, inclusive of newly adopted technology B. Maintain a high performance based culture with strong staff retention C. Provide the people and tools to effectively deliver on the goals previously stated

Conclusion

Conclusion

- 2031 will approach quickly and this presentation consolidates the broad range of strategic priorities that Ava needs to resource outside of the day to day operational needs
- While this list of objectives, key results, and deliverables is not comprehensive of all priorities, even what has been presented here will need to be further prioritized & streamlined given limited time and resources
- Staff welcomes board feedback on this informational presentation

Glossary Appendix

Acronym Glossary

Acronym	Definition
24x7	24 hours, 7 days/week
AI	Artificial Intelligence
CARE/FERA	California Alternate Rates for Energy / Family Electric Rate Assistance
CEC	California Energy Commission
CPUC	California Public Utilities Commission
DAC-GT	Disadvantaged Community Green Tariff
DEIB	Diversity, Equity, Inclusion, and Belonging
DERMS	Distributed Energy Resource Management System
eNPS	Employee Net Promoter Score
GHG	Greenhouse Gas
GW	Gigawatt
GWh	Gigawatt-hour

Acronym	Definition
IRP	Integrated Resources Plan
IT	Information Technology
KPI	Key Performance Indicator
kWh	Kilowatt-hour
MW	Megawatt
OKR	Objectives and Key Results
PCIA	Power Charge Indifference Adjustment
PPA	Power Purchase Agreement
RCPPP	Reliable and Clean Power Procurement Program
RSF	Rate Stabilization Fund
TWh	Terawatt-hour
VPP	Virtual Power Plant

Staff Report Item 19

To:	Ava Community Energy Authority
From:	Annie Henderson, Chief Customer Officer
Subject:	Informational report on general customer survey and commercial customer survey results
Date:	October 21, 2026

Summary

Staff conducted two customers surveys. The first was an on-line survey of more than 550 residents of Alameda and San Joaquin Counties. The second survey was conducted by an Oakland firm, EMC Research, that performed online and telephone surveys of 192 commercial customers of Ava Community Energy. This report and presentation shared the results of the two surveys.

Financial Impact

Staff used AYTM for the general public survey at a cost of less than $3,000, including respondent incentives. The cost of the EMC Research commercial customer survey is approximately $30,000. Both costs were included as part of the approved budget for this fiscal year. This item requests no additional expenditure or Board action.

Analysis and Context

General Customer Online Survey

Ava has surveyed customers in several formats since before the start of service in 2018. Earlier surveys examined awareness of Ava, interest in electrification, service preferences and communications. The current surveys added questions asking respondents to rank electricity provider qualities, allocate 100 points among possible uses of surplus revenue, and choose one use if only one could be funded. These responses provide one input to staff and Board deliberations; they are not a representative vote on a specific budget proposal.

Methodology

Staff developed and fielded the survey on AYTM and used zip codes to screen responses. The presentation reports 600 completed surveys: 407 from Alameda County, 150 from San Joaquin County and 43 from Contra Costa or Santa Clara County. The 43 outside-county responses were excluded, leaving 557 responses from the two counties (approximately 73% Alameda County and 27% San Joaquin County). For comparison, the count of customer accounts are approximately 77% Alameda County and 23% San Joaquin County.

Results

When respondents ranked six qualities of an electricity provider, 39% placed low rates first and 30% placed reliable electricity service first. Programs and incentives (9%), renewable electricity (9%), community grants (7%) and public agency status (6%) followed. An appendix slide reports that 77% put low rates and 71% put reliability in their top three; the corresponding figure for programs was 47%.

When distributing 100 points among six possible uses of surplus revenue, respondents assigned an average of 24.92 points to ongoing savings through lower rates. Renewable energy received 16.88 points, customer programs 16.75, a one-time bill credit 15.37, rate stability 14.22 and other carbon-free energy 11.87. The average points reflect relative preference across the listed options, not dollar allocations.

When required to pick a single use, 224 of 557 respondents (40%) chose lower rates. Renewable energy received 97 selections (17%), programs 66 (12%), a bill credit 64 (11%), rate stability 63 (11%) and other carbon-free energy 43 (8%).

Taken together, the answers place affordability first, especially ongoing lower rates. Respondents also value reliability, although electric distribution service is principally PG&E’s responsibility. Interest in renewable energy and programs is meaningful even though those options were selected less often than lower rates. The survey questions did not provide respondents with Ava’s current power mix, which limits how the renewable and carbon-free choices can be interpreted, but does indicate that customers value our carbonfree 2030 goal.

Commercial Customer Survey

Methodology
Commercial customers account for more than 60% of Ava's electricity load. Ava retained Oakland-based EMC Research for a more direct survey of known commercial accounts and people responsible for energy decisions. EMC used a mixed approach of online surveys and telephone interviews lasting approximately 12 to 15 minutes. The completed interview count is 192 surveys.

Results
Commercial customers valued lower rates (48%) and Reliability (26%) as the most important qualities in an electricity provider. The top choice for application of surplus revenue was to lower rates, followed by bill credits.

Main Takeaways from the Customer Surveys

Low rates are a clear priority across all survey responses for residential and customers.

Customers care about reliability, though Ava has little to no control in this area.

Residential customers consistently ranked programs third in level of importance and funding.

There was a persistent interest in renewable energy from residential customers.

Attachments

A. Customer Surveys Results Presentation

Attachment Staff Report Item 19A

Ava Community Energy

Customer Survey Results

October 21, 2026

Introduction

Purpose

- This is an informational report to the Board of Directors regarding recent survey results from polling of local residents and Ava Community Energy commercial customers.
- No action is requested.

Agenda

- Background
- General Public
  - Methodology for General Public Survey
  - General Public Survey Results
- Commercial Customers
  - Methodology for Commercial Customer Survey
  - Commercial Customer Survey Results
- Summary & Conclusion

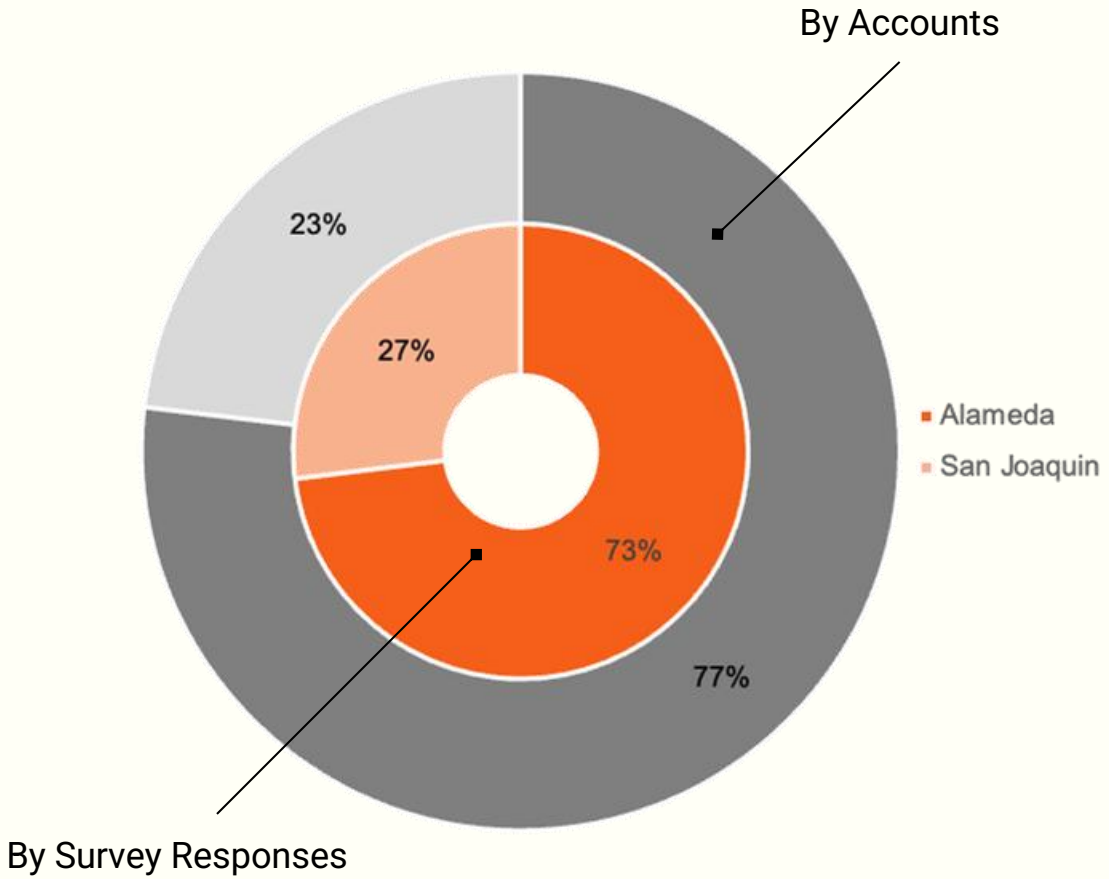
Background

- We have surveyed customers since prior to start of service in 2018 and used different formats over time
- In the most recent survey, we asked similar questions to prior surveys and further specifically asked customers to:
  - stack rank choices for the level of importance of utility service characteristics
  - assign value to various applications of surplus revenue
  - make a single selection for application of surplus revenue
- Additionally, we created a higher-touch survey focused on commercial customers specifically

General Public Survey

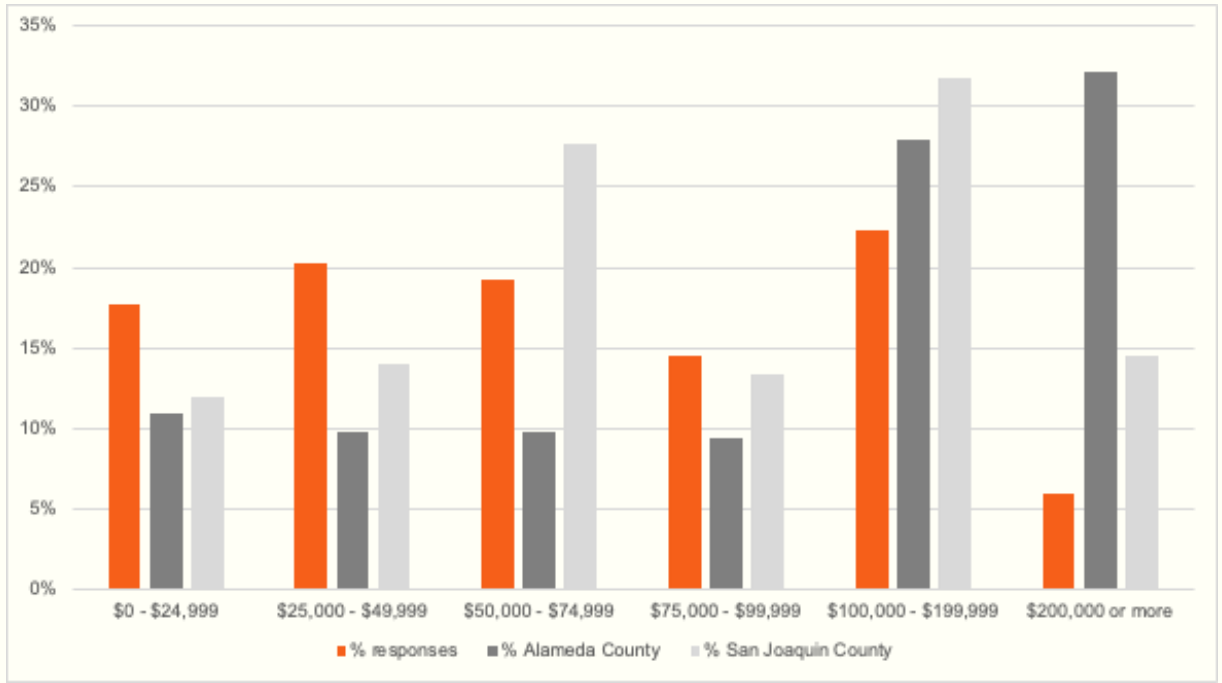
General Public Survey Methodology

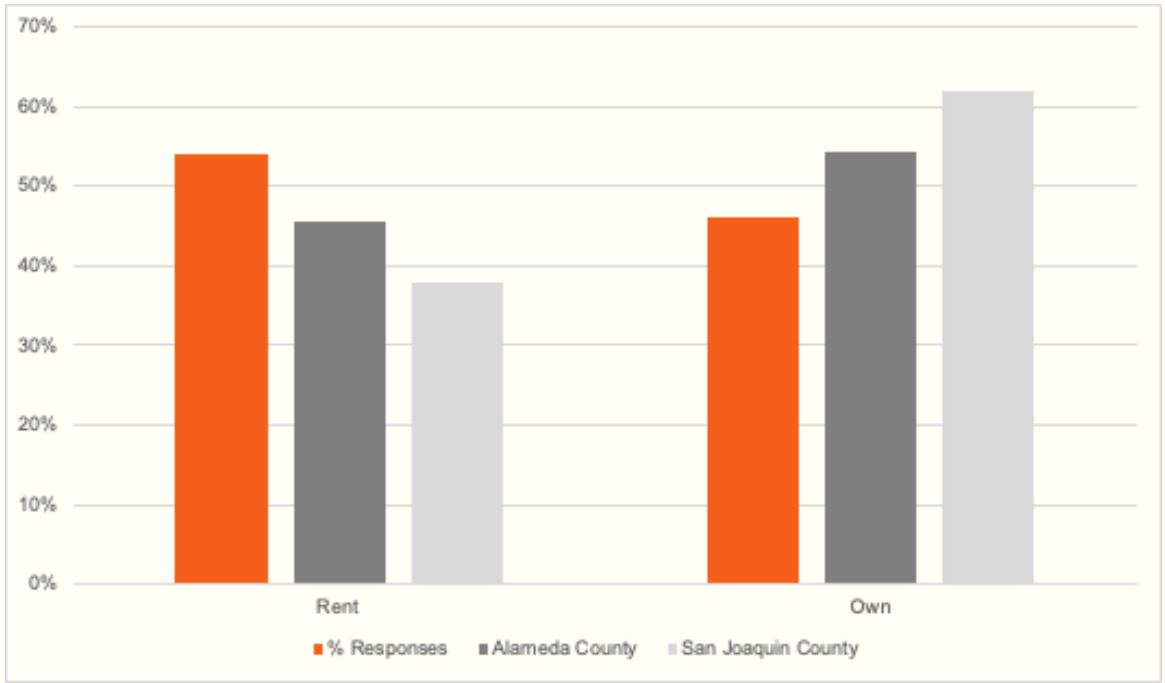
- Utilized an online platform called Ask Your Target Market (AYTM)
- Geofenced responses by zip code
- Actual personally identifiable data not included, possible that a survey could be completed by an individual who opted out of Ava Community Energy service
- Following results based on **557 surveys** from Alameda and San Joaquin County
  - 407 Alameda County /150 San Joaquin County
  - Compared survey results to Ava service territory



Survey Demographics

- **Alignment**: Survey responses generally track to local demographic distribution for geography, race, and age
- **Over Sample:** Larger representation of lower income population and renters compared to local demographics





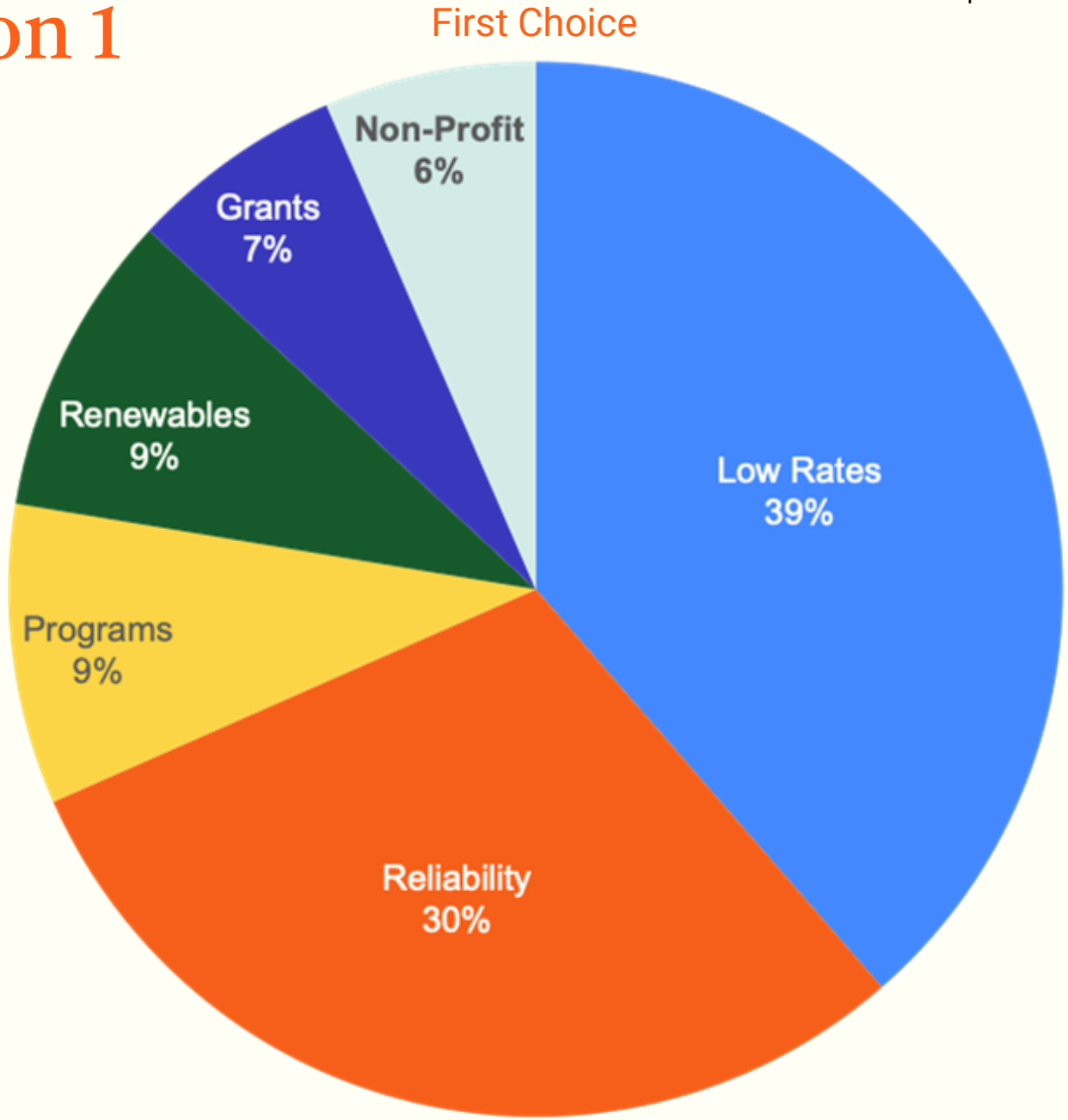
*2024 county-level income and housing data from https://datausa.io/

General Public Question 1

In terms of your electricity provider, how important are the following qualities?

[stack rank following options]

- **Low rates**
- **Reliable** electricity service
- Electricity comes from **renewable sources** like wind and solar power
- Offers energy-related **programs** and incentives
- Provides **grants** to the communities it serves
- Is a **public agency** (not a for-profit company)

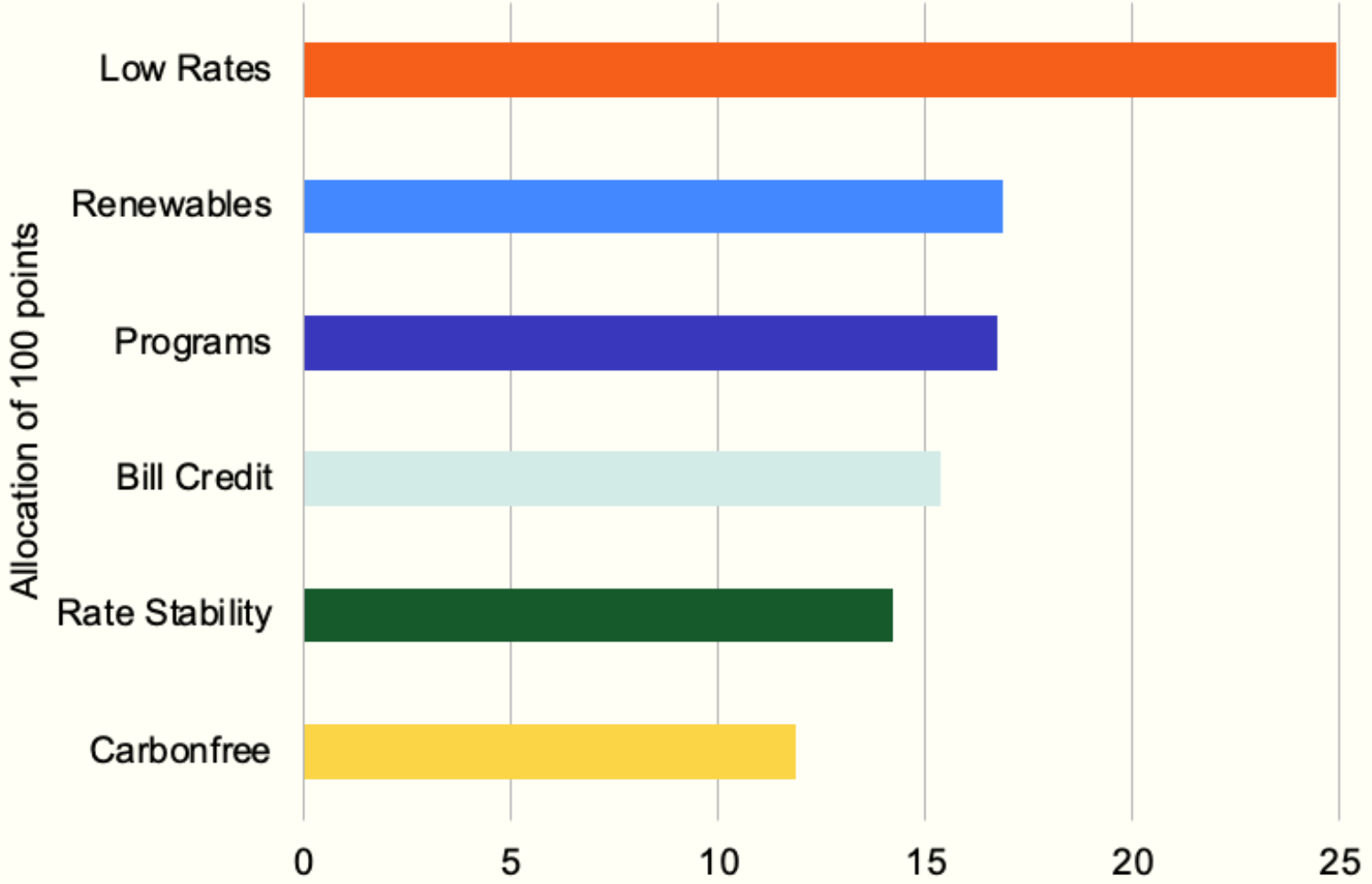


General Public Question 2

Revenue sometimes exceeds what is needed for operating costs. In your opinion, how should excess revenue be invested?

[assign 100 points across following options]

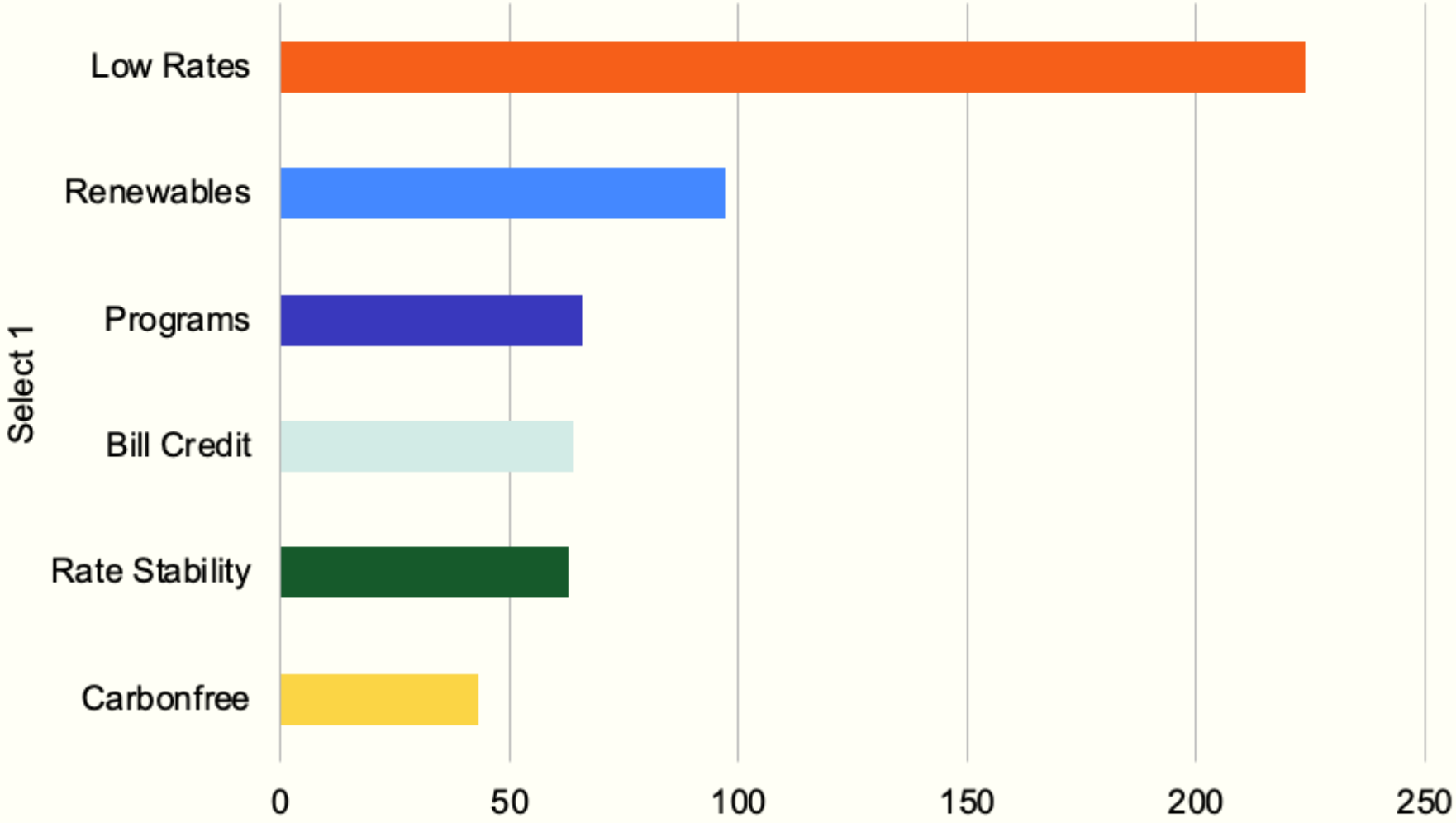
- Provide ongoing savings by **lowering rates**
- Provide **more renewable energy**, like solar and wind
- Provide more customer **programs**, like rebates and incentives
- Provide one-time bill savings with a **credit**
- Increase predictability by keeping **rates stable** year over year
- Provide **more carbonfree energy**, like nuclear and hydro



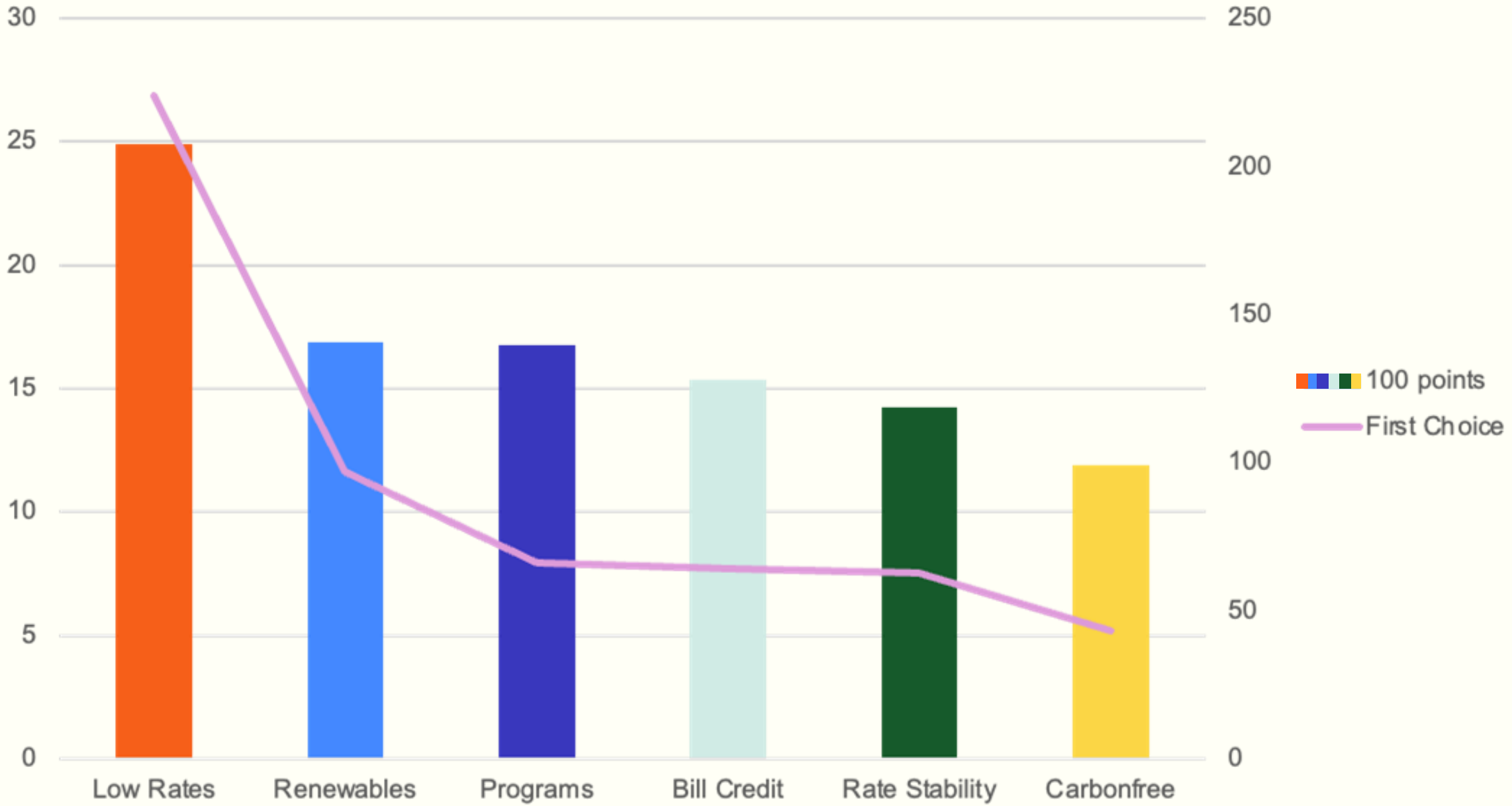
General Public Question 3

Pick only one if surplus revenue available

If only one option can be funded, which would you choose?



Surplus Revenue Results - Combination of Q2 and Q3

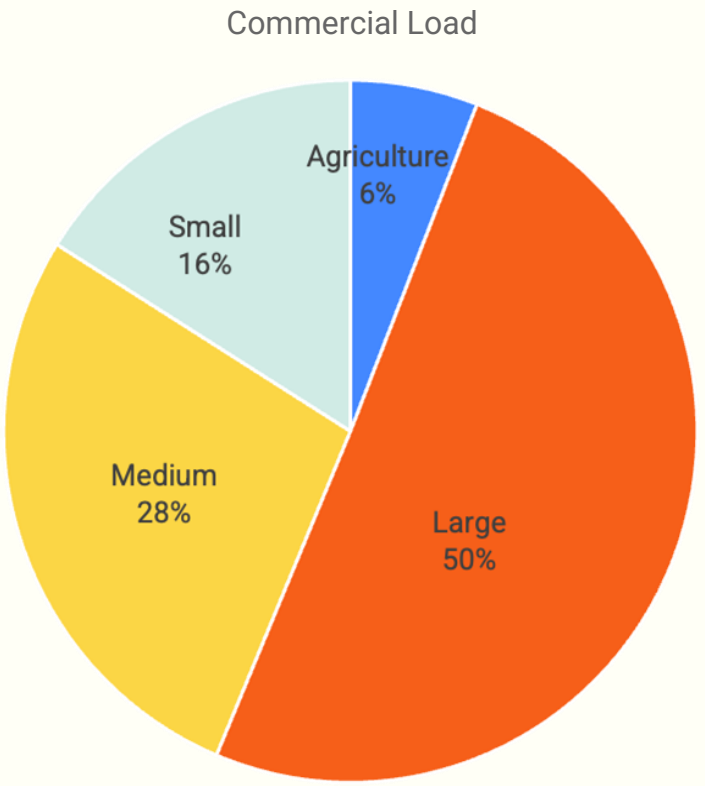


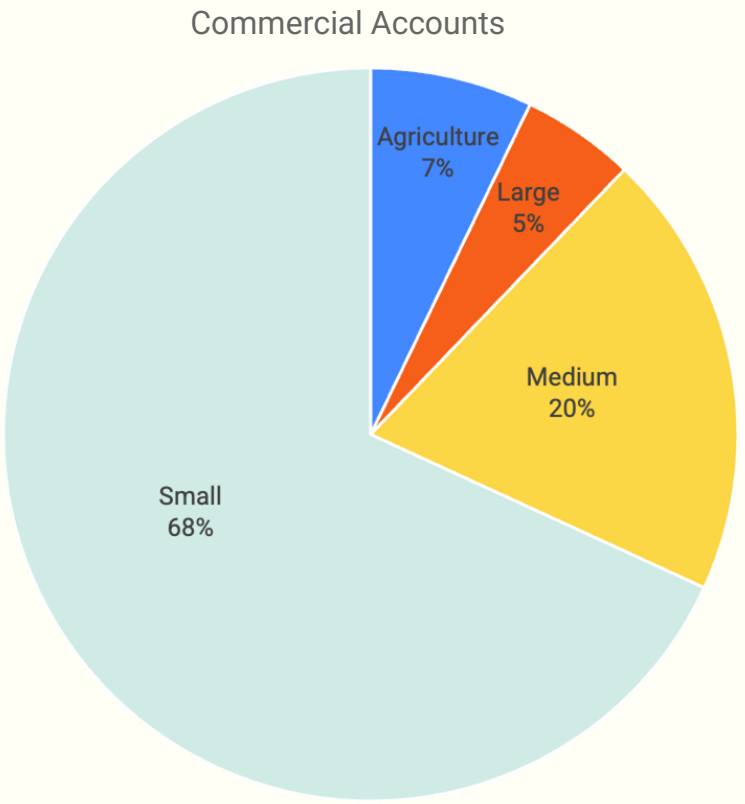
Commercial Customer Survey

Commercial Customer Survey Methodology

- Commercial customer load represents 62% of total load served
- In order to better represent the needs and priorities of these customers, we had to take a more hands-on approach to surveying
- Through EMC Research, a market research firm located in Oakland, we targeted known commercial accounts and individuals responsible for energy-related decisions
- Completed **192 surveys**

Ava Customers





Commercial Customer Survey Demographic Results

Completed survey demographics reflect our commercial customer distribution by size, type, and geography.

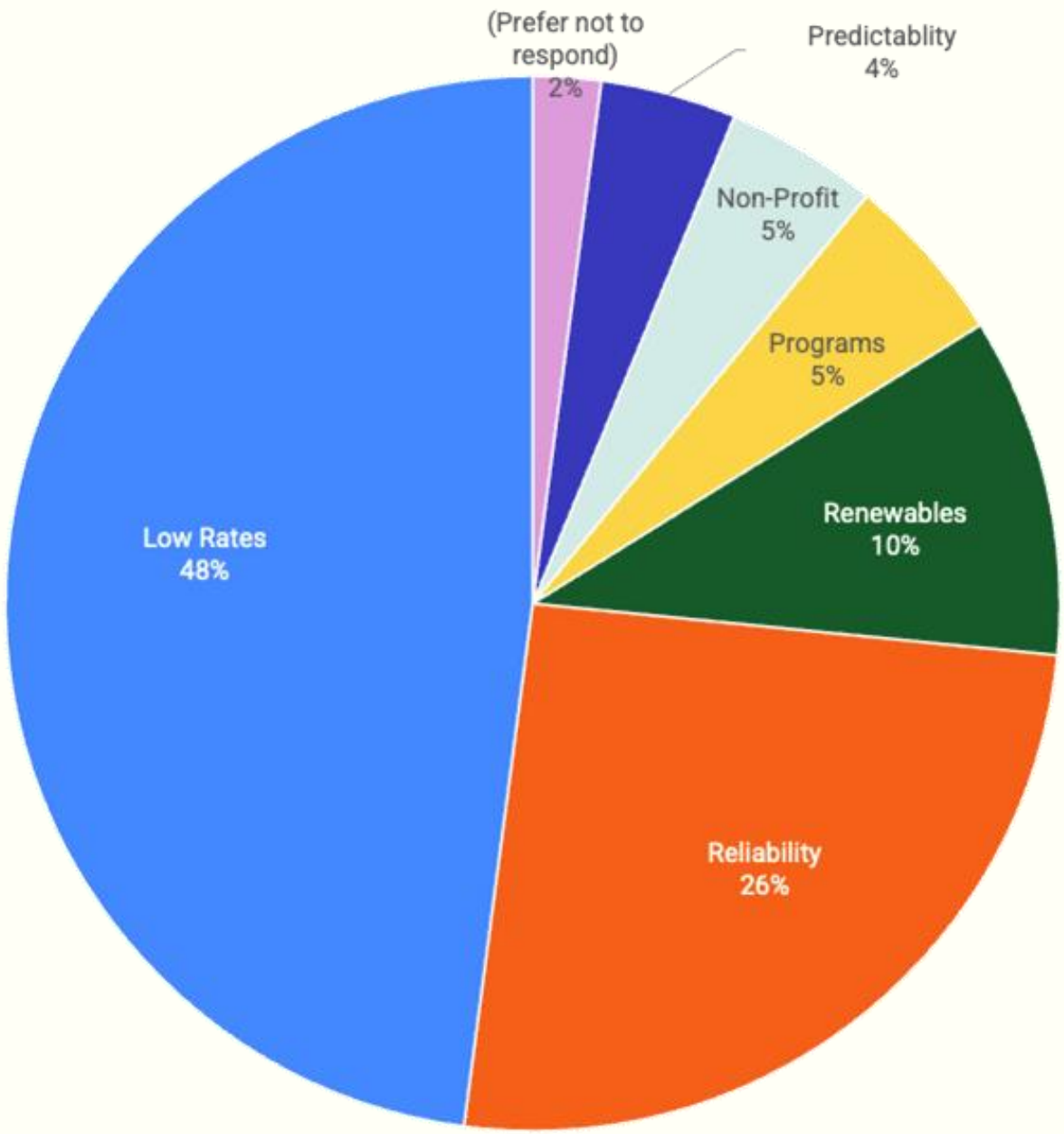
Size Based on Load	**Total**	**Distribution by # Ava Accounts** *(reference)*
Large	**16 (8%)**	5%
Medium	**41 (21%)**	20%
Small	**120 (63%)**	68%
Agriculture	**15 (8%)**	7%
Total	**192 (100%)**	

Commercial Question 1

In terms of your electricity provider, how important are the following qualities?

Users had to select one most important quality

- Offers **low rates**
- Offers **predictable bills** month to month
- Provides **reliable** electricity service
- Provides electricity from **renewable sources** such as wind and solar power
- Is a **public agency** (not a for-profit company)
- Offers energy-related **programs and incentives** for businesses

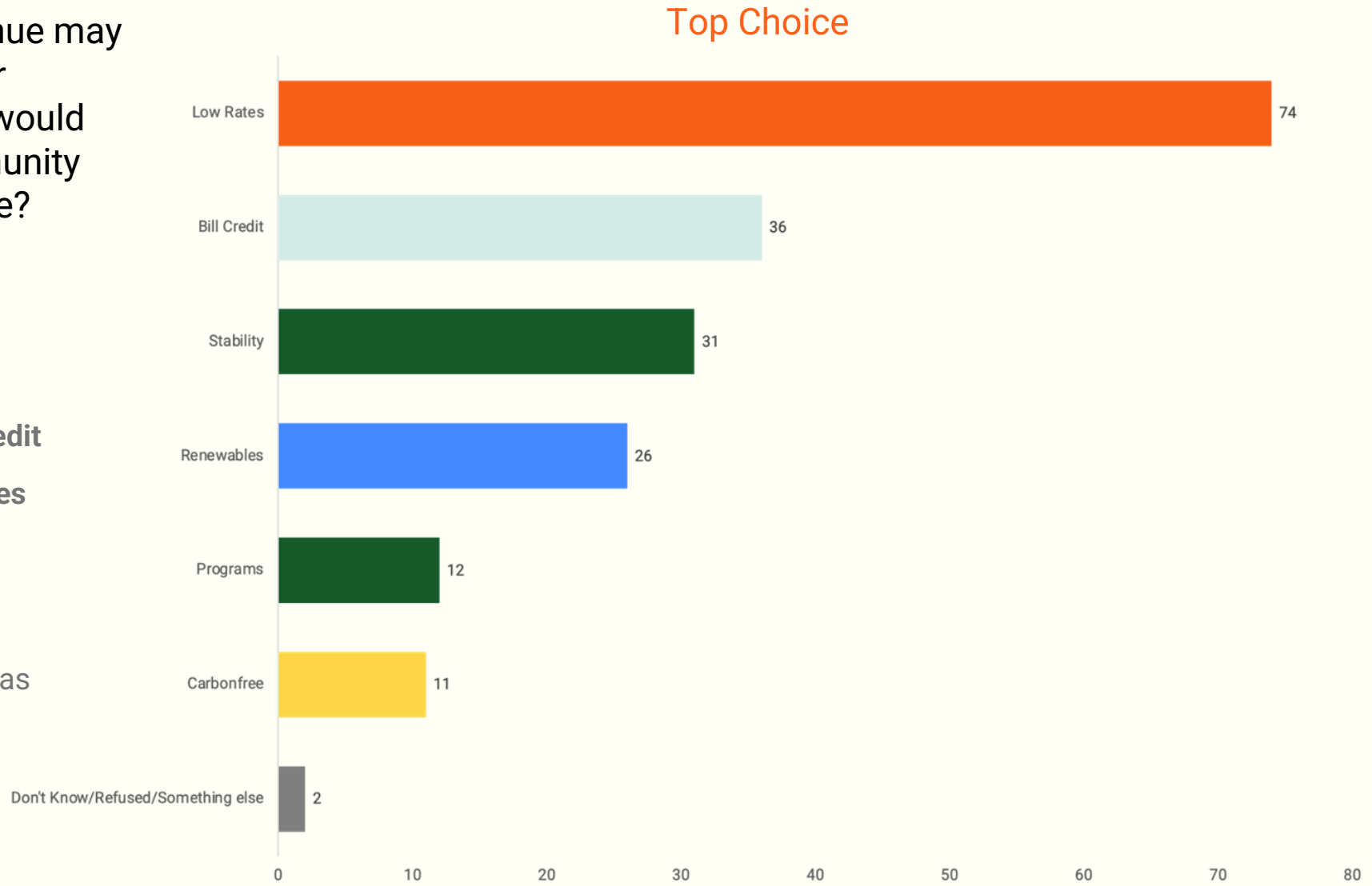


Commercial Question 2

As a not-for-profit agency, Ava's revenue may sometimes exceed what is needed for operations. In an event like this, how would your business most prefer Ava Community Energy to allocate that excess revenue?

[Users had to identify their top selection]

- Provide a one-time bill savings with a **credit**
- Provide ongoing savings by lowering **rates**
- Increase predictability by avoiding rate increases and keeping rates **stable year over year**
- Provide more customer **programs**, such as additional rebates and incentives
- Invest in more **renewable energy**, increasing use of solar and wind power
- Provide access to new sources of **carbonfree energy**, like nuclear and hydroelectric power



Summary & Conclusion

Most Important Quality for Electricity Provider

	Residential/ General Public	Commercial
First	Low Rates (39%)	Low Rates (48%)
Second	Reliability (30%)	Reliability (26%)
Third	Renewables (9%) (tie)	Renewables (10%)
Fourth	Programs (9%) (tie)	Programs (5%) (tie)
Fifth	Grants (7%)	Non-Profit (5%) (tie)
Sixth	Non-Profit (6%)	Rate Stability (4%)

Top Choice for Surplus Allocation

Residential/ General Public	Commercial
Low Rates (40%)	Low Rates (39%)
Renewables (17%)	Bill Credit (19%)
Programs (12%) (tie)	Rate Stability (16%)
Rate Stability (12%) (tie)	Renewables (14%)
Bill Credit (11%)	Programs (6%) (tie)
Carbonfree (8%)	Carbonfree (6%) (tie)

Conclusion

- Staff is providing this as information for the Board, **no action requested**
- As part of our regular on-going work, Staff captures **customer feedback and general sentiment** through event interaction summaries, call center notes, social media listening, customer satisfaction surveys, program surveys, and awareness surveys. This information **informs operational decisions** around marketing messages, program design, and other aspects of our day-to-day work.
- This report is part of our effort to **share important context and insights on our customers with the Board** to better inform future Board discussions