Ava Community Energy Program Update

March 4, 2025 City Council Meeting Agenda Item 15.3



What is Ava Community Energy?



Ava Community Energy (Ava) is a local government agency committed to providing Alameda County and the cities of Tracy, Stockton, and Lathrop with cleaner electricity at lower rates.

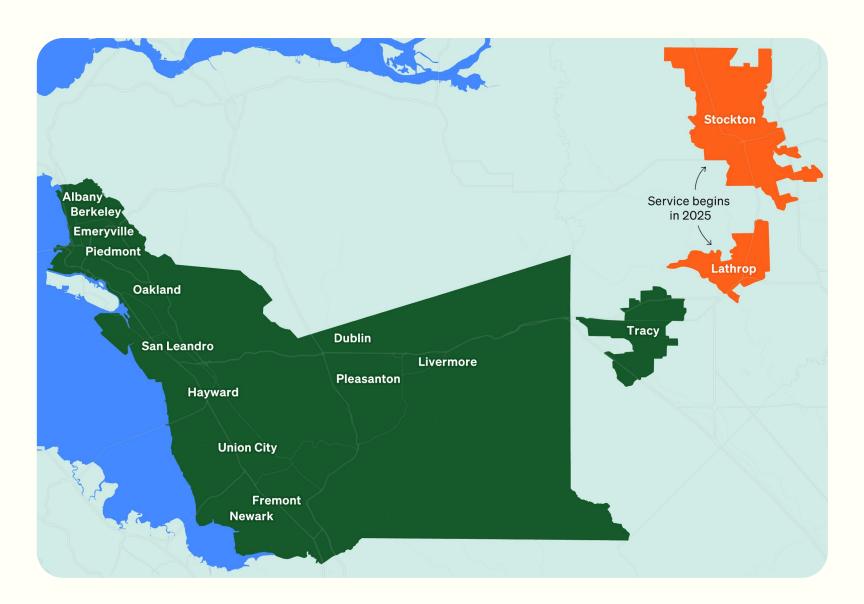
As a not-for-profit public agency (i.e., Joint Powers Authority), Ava reinvests revenue back into our communities through electrification programs, renewable power projects, and support for local, community-based organizations.

Service Territory

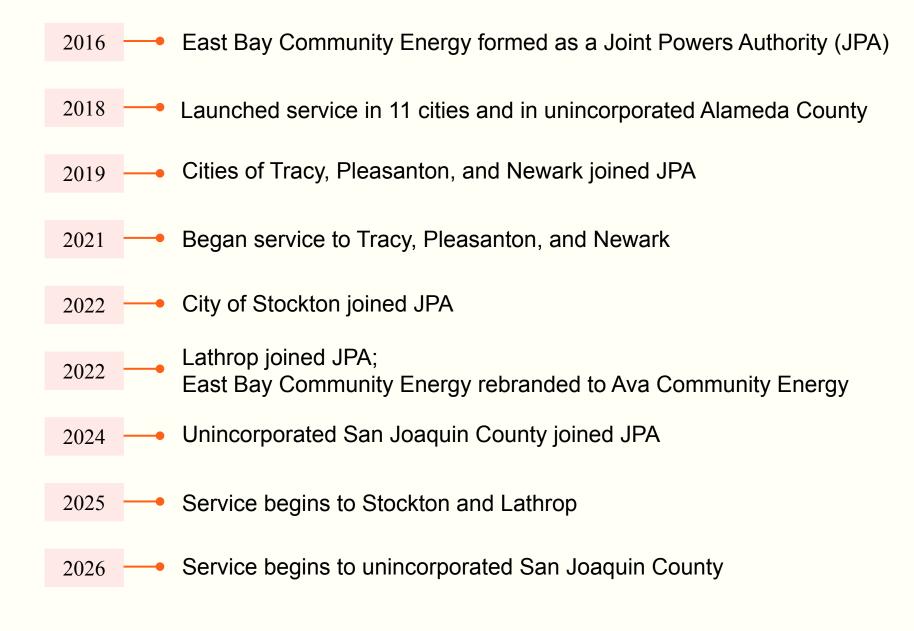
We serve Alameda County and the City of Tracy. Stockton and Lathrop will begin service with Ava in April 2025.

Unincorporated San Joaquin County will begin service in 2026.

Ava is the default provider of electricity generation service for all customers in our service territory. Customers are automatically enrolled in our service and are billed by PG&E.



Service Timeline



What Are the Benefits?



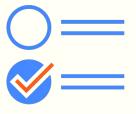
Lower rates



Local control and investment



Sustainability



Customer choice and programs

How It Works



1. Ava buys and generates clean power

Ava buys from, and is building, clean power plants.
Ava sells the power to customers at low rates.



2. PG&E delivers the power to homes and businesses

Ava's power is delivered to customers by PG&E.
Customers pay PG&E for delivery as they always have.



3. Customers get the power and local benefits

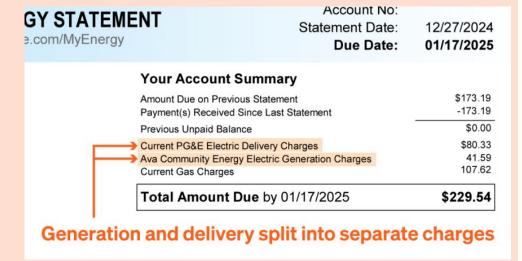
Customers benefit from clean energy, low rates, local governance, and innovative programs.

How It Works: Customer Billing

PG&E bill **before** joining Ava.



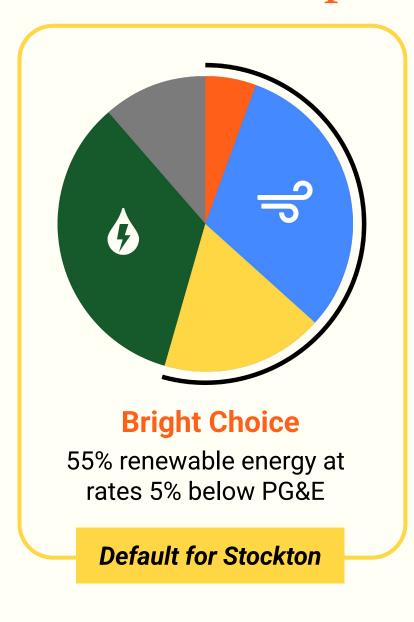
PG&E bill after joining Ava.



- By law, PG&E manages billing.
 Customers get a single bill each month from PG&E that includes both Ava charges for generation and PG&E charges for delivery.
- It's not an additional charge. Ava charges replace what PG&E used to charge for generation.
- Customers receive a monthly credit.
 PG&E issues a Generation Credit to Ava customers each month. That credit is the amount PG&E would have charged for generation services. Ava's rates are 5% lower than that, and the customer pockets the difference.

AvaEnergy.org/understand-your-bill

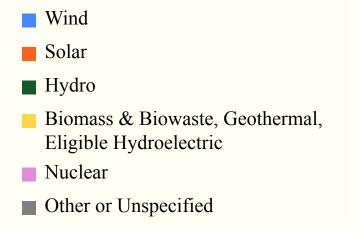
Rate Choice Options

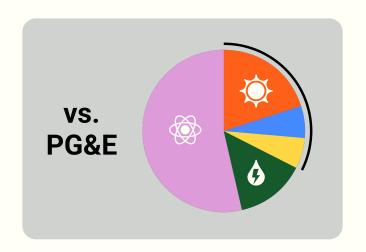






100% solar and wind energy priced at 1/4 cent per kWh above PG&E rates





Power Purchasing Agreements (PPAs)

Ava Community Energy is looking to add more California wind, solar, and storage to the grid.

These PPAs are enabling new construction of clean energy solutions.

23 projects contracted

1,225+ MW of wind, solar, and geothermal energy

632+ MW of battery storage



Enrollment Process

California state law (AB 117) requires Community Choice Energy providers to become the default provider of service. Customers are automatically enrolled unless they choose to opt out.

Service begins April 1, 2025.
Customers are enrolled
throughout April based on their
meter read date.



Ava is required to send 4 enrollment notices to all customers, beginning 60 days before enrollment.

- Enrollment notice 1 was sent out beginning Feb. 3
- Notices 2, 3, 4 will be sent monthly through May 2025

All print notices are co-branded with the City and in English and Spanish (email notices contain multiple language options).

Additional courtesy notices are being sent to customers on special programs such as NEM and Solar Billing Plan (SBP).

Enrollment Process for Solar Customers

| PG&E true-up month | Ava enrollment month | Month you can take action to opt out |
|--------------------|----------------------|--------------------------------------|
| January-April | April | February |
| May-June | June | April |
| July-August | August | June |
| September-October | October | August |
| November- December | December | October |

Solar customers will be enrolled throughout the year, based on their true-up date.

- If their true-up with PG&E is January-April, they will be enrolled in April
- If their true-up is May-December, they will be enrolled in the month of their true-up or the month following it

More information is available at AvaEnergy.org/welcome-solar

Key Dates

| January 2025 | PG&E provides full customer data to Ava |
|---------------|---|
| February 2025 | Customer Enrollment Notice #1 (Mail and email) |
| March 2025 | Customer Enrollment Notice #2 (Mail and email) |
| April 2025 | Customer enrollment begins based on bill cycle (each weekday) Customer Enrollment Notice #3 (Email first, mail if no email address available) |
| May 2025 | Customer Enrollment Notice #4 (Email first, mail if no email address available) First customer bill |

Enrollment Notice Examples





Customer Name Customer Address

Dear Stockton Resident,

You have a new choice in electricity providers, Ava Community Energy (Ava) is a local public agency formed in 2018 that serves communities in Alameda and San Joaquin Counties. Starting in April 2025, our service will expand to Stockton.

As an Ava customer, your benefits include:

- . Bill savings: Ava offers a discount on the electric generation portion of your bill, compared to Pacific Gas & Electric Co. (PG&E). Ava has already saved our customers over \$120 million.
- . More renewable energy: Ava has signed 23 contracts for new utility-scale wind, solar, geothermal, and battery storage facilities at low, long-term rates.
- . Innovative energy programs: Ava customers benefit from programs and incentives focused on electric vehicles, home energy upgrades, and community resilience.
- . Community involvement: Ava policies are determined by Board members from the cities it serves, including Stockton Mayor Christina Fugazi.

You will be automatically switched to Ava's Bright Choice service in April 2025. You'll get a single monthly PG&E bill that includes both Ava's charge for electricity generation and PG&E's charge for their delivery services. Ava's generation charge replaces

PG&E's generation charge. You will see a generation credit on your bill, as well as an additional Bright Choice discount that saves the average household about \$5/month.

Bright Choice is priced 5% below PG&E rates and contains over 50% renewable energy content. For more information on your options, visit AvaEnergy.org/stockton.

In accordance with California law, Ava is an "opt-out" program. That means if you don't want to become an Ava customer, and want to remain with PG&E, you must take action to opt out of becoming an Ava Community Energy customer. You can opt out at any time by visiting AvaEnergy.org or calling 833-699-3223.

IMPORTANT NOTES:

- · Customers participating in CARE, FERA, and/or Medical Baseline Allowance programs continue to receive these same discounts while on Ava service.
- · Ava is required to send four enrollment notices to you. This is the first notice. Subsequent notices will be sent by email to customers who have an email address on file with PG&E.

Contact oustomer-service@AvaEnergy.org or call 833-699-3223 with any questions.



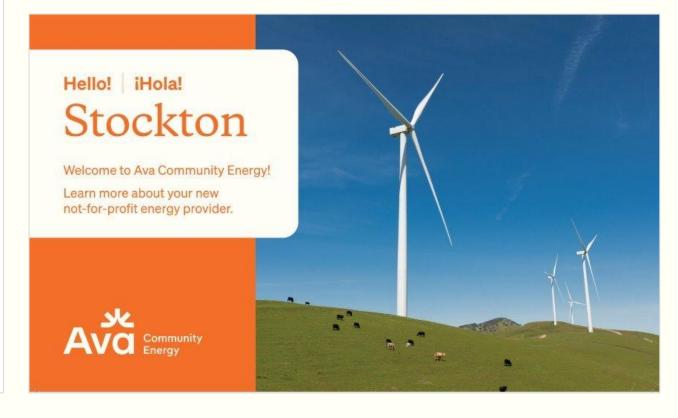






Your electricity service will soon have lower rates. Here's how.

Pronto su servicio eléctrico tendrá tarifas más bajas. Aquí le contamos cómo.



Opting Out

Customers can request to opt out of Ava service at any time. There is no opt-out fee for customers in Stockton and Lathrop through April 2026.

- If customers opt out before <u>March 21</u>, they will not be placed on Ava service at all
- Customers who opt out within the first 60 days of service can return to Ava at any time. After 60 days, customers must wait 12 months to return to Ava (per PG&E's terms & conditions).

Note: Ava's website had a temporary glitch that displayed a notice about a \$5 opt-out fee. No customers were actually charged. We apologize for the miscommunication and have sent an email to every customer who saw the errant message.



How to Opt Out:

Call Ava's customer support center at 833-699-3223 (weekdays from 9am-5pm)

or

Complete the online form at AvaEnergy.org/change-your-plan

FAQs & Common Misconceptions

Will I lose my CARE/FERA/Medical Baseline benefits?

No. Customers on programs such as CARE, FERA, medical baseline, time of use rates, etc, will remain on those programs and receive exactly the same benefits (plus the Bright Choice discount)

Why is our elected official on your Board?

Our Board is made up of elected officials from each of the jurisdictions we serve. As a not-for-profit public agency, we do not have shareholders and there are no profit motives.

The only compensation Board Members receive is \$128 to attend Board meetings, which are entirely open to the public. This is typical when representatives are appointed to serve on governing boards.

FAQs & Common Misconceptions

How can Ava provide lower rates than PG&E?

As a public agency, Ava has <u>three</u> sustained competitive advantages compared to a for-profit, investor-owned utility.

- No shareholder dividends: As a public agency, Ava does not turn rate-payer dollars into shareholder profits.
- 2) **Lower tax burden:** As a local government entity, Ava does not have the same tax burden as a for-profit corporation.
- 3) **Municipal bonds:** As a Joint Powers Authority (JPA), Ava can access cheaper capital by issuing municipal bonds

Plus, Ava is a relatively small, nimble organization; it has much less overhead than PG&E.

Ava has saved customers over

\$145 million since 2018-

and has always offered a discounted rate on the Bright Choice service.

FAQs & Common Misconceptions

Does Ava send salespeople door-to-door to enroll in their service?

No, Ava does not go door-to-door, but this tactic is commonly used by for-profit third-party gas service providers.

Who do I call about a power outage?

Please call PG&E at 1-800-743-5000.

Customer Outreach



Sponsorships & Events

- Sponsoring the Stockton Ports and Stockton Cargo for their upcoming seasons
- Boothing and sponsoring major events like Asparagus Fest, Earth Day, July 1 in Lathrop, and more
- Ava provides Community Sponsorships 3x per year to a dozen local orgs at \$2,500 each



Advertising

- Local advertising channels include billboards, bus ads, streaming audio and video, Google, and print (Latino Times & SJ Mag)
- Partnered with Port City Marketing, a Stockton-based marketing agency





Education: Webinars and in-person presentations for general customers, and targeted presentations for solar customers, seniors, and business owners.

Social Media

Our marketing team monitors discussion about Ava and responds when helpful (to answer questions or clear up misinformation)

- Primary channels: Facebook, Instagram, and NextDoor
- Paid posts are targeted to the zip codes we serve

Ava provides a social media toolkit each month for:

- Cities of Stockton and Lathrop
- Local CBOs
- Local Chambers of Commerce



Key Resources

These landing pages include all of the information customers in Stockton and Lathrop need to know:

- AvaEnergy.org/stockton
- AvaEnergy.org/lathrop
- AvaEnergy.org/welcome
- AvaEnergy.org/welcome-solar

Opt-Out Form:

AvaEnergy.org/change-your-plan

Press Kit:

AvaEnergy.org/press-kit

Stockton

Welcome! In April, you will join the 1.7 million residents and businesses already served by Ava Community Energy.



The Stockton City Council voted in 2022 to join and the City of Stockton will begin receiving our energy service in April 2025.

Your Options

All residential, municipal, and commercial accounts in Stockton will be automatically enrolled in Ava's Bright Choice plan. Bright Choice offers more renewable energy and is 5% less expensive than PG&E service. You can also choose Ava's Renewable 100 service (sourced from wind and solar power) or return to PG&E's generation service at any time.

Ava will send each customer four enrollment notices, one per month, starting in February. Read a <u>sample first enrollment</u> notice (PDF).

What does this mean if you have solar? When you are enrolled in Ava service as a solar customer, you sell your surplus solar generation to Ava, and you buy electricity from Ava when your panels aren't supplying all of the electricity you consume. PG&E used to do this, but now Ava will. You can read more about solar with Ava or attend a webinar with Ava staff to ask specific questions.

Service Plans:

Residential Plans

Business Plans

Thank you!



Online) AvaEnergy.org

Phone 833-699-3223

Email) customer-support@AvaEnergy.org

Social) PoweredWithAva



Community Investment

As of Fall 2024:

\$145 million

saved since 2018 by our customers compared to what they would have paid PG&E.

\$4.2 million

given to local programs in athletics, STEM education, music and art, and more over 3 years

\$26 million

budgeted annually for local programs







































Local Programs

Ava invests annually in programs to reduce energy bills and help our customers transition to clean energy.



Savings and Incentives Programs

We help our customers save on electric appliances (like water heaters and induction ranges), solar and battery systems, clean transportation, and more.



Resilience Programs

We're building infrastructure and investing in outage-resilient systems through solar and storage initiatives and partnership with community-based organizations.



Commercial & Municipal Programs

We work with cities and businesses in their transition to clean energy by offering building efficiency, fleet electrification, and infrastructure solutions.

Key Account Outreach

Commercial/Industrial

Individual outreach by Juan Cortez,
 Sr. Coordinator, Commercial Customers

Small Business

- Ava is a member of the Chamber of Commerce and collaborates with the Stockton and Lathrop's Economic Development Departments
- Available to present at Chamber's monthly meeting
- Ava has joined other local business organizations and Chambers of Commerce



Rate Choice Options



Bright Choice

55% renewable energy at rates 5% below PG&E



Renewable 100

100% solar and wind energy priced at 1/4 cent per kWh above PG&E rates

