



California Community Choice Financing Authority

**California Community Choice Financing Authority (CCCFA)
Board of Directors Meeting
Thursday, May 23, 2024
1:00 P.M.**

Via Teleconference at the Following Locations:

- Silicon Valley Clean Energy – 333 W. El Camino Real, Ste 330, Sunnyvale, CA 94087
- Marin Clean Energy – 1125 Tamalpais Ave, San Rafael, CA 94901
- Clean Power Alliance – 810 S. Grand, Ste 400, Los Angeles, CA 90017
- Central Coast Community Energy - 70 Garden Court, Suite 300, Main Conference Room - Monterey, CA 93940

Members of the public who wish to observe the meeting may do so at one of the locations listed above or telephonically via the following teleconference call-in number and meeting ID:

For Viewing Access Join the Zoom Meeting:
<https://us02web.zoom.us/j/87343304744>

**Dial-in: (669) 900-6833
Webinar PIN: 873 4330 4744**

In compliance with the Brown Act, Directors may participate at one of the meeting locations listed above. In either case, please: 1) post this Agenda at a publicly accessible location at the participation location no later than 72 hours before the beginning of the meeting, and 2) have a speaker phone available for members of the public who wish to attend at your location.

Agenda

1. Call to Order & Roll Call
2. Agenda Update and/or Changes

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3. Public Comment

This item is reserved for persons wishing to address the Board of Directors on any CCCFA-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 three minutes per speaker.

4. Consent Calendar (Discussion/Action)

C.1 Consider approval of 4/25/23 meeting minutes

C.2 Working Group Project List: The Board will receive an update on the Working Group's current and planned projects

5. Board will review and provide direction on draft membership criteria for CCCFA (Discussion)

6. Consider Approval of Resolution No. 2024-1 – A Resolution of the Board of Directors of the California Community Choice Financing Authority (CCCFA) approving the City of San Jose as an Associate Member of CCCFA (Discussion/Action)

7. Board Member Announcements (Discussion)

8. Adjourn

DISABLED ACCOMMODATION: If you are a person with a disability which requires an accommodation, or an alternative format, please contact the Clerk of the Board at (510) 906-0491, 72 hours prior to the scheduled meeting to ensure reasonable accommodations are provided.

Materials related to an item on this agenda submitted to the Board of Directors, or a majority of the Board, after distribution of the agenda are available for public inspection at the Clerk's Office, Ava Community Energy (formally East Bay Community Energy), 1999 Harrison St. Ste 2300, Oakland CA, 94612, during normal business hours.



California Community Choice Financing Authority

Draft Minutes

**California Community Choice Financing Authority (CCCFA)
Board of Directors Meeting
Thursday, April 25, 2024
1:00 P.M.**

Via Teleconference at the Following Locations:

- Silicon Valley Clean Energy – 333 W. El Camino Real, Ste 330, Sunnyvale, CA 94087
- Marin Clean Energy – 1125 Tamalpais Ave, San Rafael, CA 94901
- Clean Power Alliance – 810 S. Grand, Ste 400, Los Angeles, CA 90017

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Agenda

1. Call to Order & Roll Call

Present:

Robert Shaw – Central Coast Community Energy (CCCE)
Michael Callaghan – Temporary Director for Monica Padilla –
Silicon Valley Clean Energy (SVCE)

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Garth Salisbury – Marin Clean Energy (MCE)
Ted Bardacke – Clean Energy Alliance (CPA)

Not Present:

Nick Chaset – Ava Community Energy (Ava)

Staff and Others:

Adrian Bankhead – Board Clerk
David Ruderman – General Counsel
Debbie Lamb – Consultant
David McNeil – Clean Power Alliance
Juan Lopez – Central Coast Community Energy
Amrit Singh – Silicon Valley Clean Energy
Niels Zellers – Ava Community Energy
Eric Acedo – Pioneer Community Energy

2. Agenda Update and/or Changes

No updates or changes were requested.

3. Election of Officers

The Board will conduct its biennial election of the Chair and Vice-Chair

Action: Robert Shaw nominated Ted Bardacke to be Chair.
The nomination was approved 4/0/1:

Approval of Nomination of Ted Bardacke as Chair Vote:

CCCE – Yes

SVCE – Yes

MCE – Yes

CPA – Yes

Ava – Not Present

Action: Garth Salisbury nominated Robert Shaw to be Vice-Chair.

Approval of Nomination of Robert Shaw as Vice-Chair:

CCCE – Yes

SVCE – Yes

MCE – Yes

CPA – Yes

Ava – Not Present

4. Public Comment

This item is reserved for persons wishing to address the Board of Directors on any CCCFA-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the

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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 three minutes per speaker.

David Ruderman opened the public comment period. There were no comments.

5. Consent Calendar (Discussion/Action)
 - C.1 Consider approval of 12/7/23 meeting minutes
 - C.2 Consider approval of Professional Services Agreement with Lamb Consulting for website management in an amount not to exceed \$24,000 (2-year term)
 - C.3 Consider approval of consent to simultaneous representation by Colantuono, Highsmith & Whatley, PC
 - C.4 Consider approval of Legal Services Agreement with Duncan Weinberg Genzer & Pembroke for an amount not to exceed \$5,000
 - C.5 Working Group Project List: The Board will receive an update on the Working Group's current and planned projects

Action: It was M/S/C (Callaghan/Shaw) to approve the consent calendar. The motion carried 4/0/1:

:

Approval of Consent Agenda Vote:

CCCE – Yes

SVCE – Yes

MCE – Yes

CPA – Yes

Ava – Not Present

6. Board Member Announcements (Discussion)
There were no Board member announcements.
7. Closed Session:
Conference with Legal Counsel; Initiation of Litigation (Gov. Code § 54956.9(d)(4))
Number of Potential Cases: One (1) case
8. Report Out from Closed Session
There were no items to report out of closed session.
9. Adjourned at 2:25pm.

DISABLED ACCOMMODATION: If you are a person with a disability which requires an accommodation, or an alternative format, please contact the Clerk of the Board at (510) 906-0491, 72 hours prior to the scheduled meeting to ensure reasonable accommodations are provided.

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Materials related to an item on this agenda submitted to the Board of Directors, or a majority of the Board, after distribution of the agenda are available for public inspection at the Clerk's Office, Ava Community Energy (formally East Bay Community Energy), 1999 Harrison St. Ste 2300, Oakland CA, 94612, during normal business hours.

PASSED AND ADOPTED at a regular meeting of the CCCFA Board of Directors on this 23th day of May, 2024 by the following vote:

	YES	NO	ABSTAIN	ABSENT
Robert M. Shaw (3CE)				
Nick Chaset (Ava)				
Garth Salisbury (MCE)				
Monica Padilla (SVCE)				
Ted Bardacke (CPA)				

CHAIR, CCCFA

Attest:

SECRETARY, CCCFA

**CCCFA Treasurer/Controller's Working Group Projects List for
May 23, 2024 Board of Directors Meeting**

1. Petition for Declaratory Order filed with FERC by Energy Southeast, a Cooperative District and Southeast Energy Authority, a Cooperative District (Ruderman)
 - a. Petition filed March 29, 2024. Deadline to provide comments April 29, 2024
 - b. Comments submitted by Aron Energy Prepay Sellers ("AEP", which includes 12 Aron Energy LLCs) and Large Public Power Council ("LPPC"), an association of 28 large state and municipally owned utilities.
 - i. Both sets of commenters support the Petition.
 - ii. Public Citizen intervened without comment.
 - iii. No other entities commented, and no one opposed the Petition.
 - iv. Mid-May is the time accorded for submitting Answers to see if Public Citizen responds to AEP or LPPC
2. Consideration to increase CCA staff reimbursement rate for work done on behalf of CCCFA
 - a. Previously \$119/hr and proposing that this be increased to \$150/hr.
 - b. Rationale discussed during the meeting.
 - c. Salisbury to provide update in Board announcement agenda item.
3. Insurance (McNeil)
 - a. CCCFA obtained D&O insurance.
 - b. Will contact broker for other insurance product options.
4. CCA prepay savings measurement (McNeil)
 - a. WG is researching a "best practice" methodology to measure and compare savings on different prepay transactions on an apples to apples basis.
 - b. Discussed alternative saving metrics and seeking feedback from WG in June.
5. CCCFA Joint Contracting (McNeil)
 - a. WG is exploring the cost/benefit/feasibility of CCCFA issuing an RFP and creating a pool of qualified respondents to provide underwriting / prepay supplier and/or funding recipient services.
 - b. One Member plans to receive its board's authorization to transact with multiple banks this summer. It is looking for feedback from WG at June meeting for next steps on this item
6. New Member On-Boarding Packet (Salisbury)
 - a. Doug Bird under contract with CCCFA to prepare on-boarding packet. Work remains in process.

7. New Member Selection Criteria (Chang)
 - a. WG is developing high-level criteria for determining how CCAs may become associate or founding members, including criteria related to use of qualified vendors, e.g., municipal financial advisor, underwriters, legal counsel, etc.
 - b. Draft to go before Board for discussion and direction.
8. Update on potential new CCCFA members (Salisbury)
 - a. San Jose Clean Energy has adopted resolution to request associate member status and is asking for associate membership in May for possible prepay deal within 2-3 months.
 - b. At least two other CCAs have sought additional information on potential membership.
9. Distribution list protocol and consistency (Chang)
 - a. WG worked with members and IT to update and deal distribution lists and establish consistent policy for same.
 - b. Bankhead to follow-up on a few outstanding deals and work with IT (Jelar) to update.
10. Board suggested WG consider increasing deal cost to fund external staffing support for CCCFA (Need to assign owner)
 - a. WG considering whether deal cost is the best method for funding due to its intermittent nature and is considering more consistent revenue streams. Other option includes adding a per month fee based Megawatt hour on new deals for consistent funding proportional to deal size. Discussions on-going with WG.
11. CCCFA Website Updates (Bankhead–Temp.)
 - a. Board approved contract with Lamb Consulting to maintain website.
 - b. Adrian had kick-off meeting with Lamb Consulting. WG and others may send website updates/concerns to Adrian who will forward to Lamb Consulting
12. Preparation of records and email retention policy (Ruderman)
 - a. Work in progress to prepare draft for WG consideration
13. Member announcements
 - a. Ava considering personnel change for working group; Salisbury to consider appointing a different Ava representative.

Draft Outline of CCCFA Membership Criteria

To become an Associate member and issue through CCCFA one must:

1. Receive majority vote approval from Board as stated in the CCCFA JPA.
2. Be a current CCA that is actively serving load in California as stated in the CCCFA JPA.
3. Agree to pay new member fee, ongoing costs for share of CCCFA planning costs, and prepay transaction fee.
4. Choose an accredited financial provider with established experience as an energy prepay supplier.
5. Utilize qualified legal counsel with energy prepay experience to provide counsel related to bond counsel, tax counsel, disclosure counsel, energy prepay buyer counsel, and energy procurement counsel.
6. Employ the services of an accredited municipal financial advisor on behalf of the CCA and CCCFA.
7. Complete the required onboarding process as detailed by CCCFA.
8. Comply with all applicable legal requirements prior to debt issuance and maintain such compliance throughout the life of the prepay transaction.

To be eligible to become a Founding Member one must:

1. Receive 2/3 vote approval from the CCCFA board members as stated in JPA.
2. Agree to pay new member fee, ongoing costs for share of CCCFA planning costs, and prepay transaction fee.
3. Previously have issued a prepay transaction through CCCFA plus operated for a minimum of one year following closing of the inaugural transaction. Operated is to be defined as flowing power through the prepay structure.
4. Be in good standing in all compliance related obligations related to the energy prepay transaction, including but not limited to ongoing disclosures, arbitrage rebate reporting and payments, eligible energy deliveries and/or remediation.
5. Designate a CCA Full-time employee (at Director level or above) to serve in the CCCFA working group as an active participant for 1 year and commit to continued future contributions in the working group. Note: The working group is led by and advisory to the Treasurer/Controller, Garth Salisbury.
6. Be current on all CCCFA associated fees and other energy prepay related fees and payments.
7. Must comply with any other transactional requirements as set forth and required by CCCFA.



California Community Choice Financing Authority

Staff Report – Item 6

Item 6: Resolution No. 2024-1: Resolution of the Board of Directors of the California Community Choice Financing Authority (CCCFA) Approving City of San José as an Associate Member of CCCFA

From: The CCCFA Treasurer/Controller’s Working Group

Date: 5/23/2024

Attachment: CCCFA Resolution 2024-1;

RECOMMENDATION

The CCCFA Treasurer/Controller’s Working Group, consisting of a representative from each of the four-founding member Community Choice Aggregators (CCAs),¹ asks that the Board consider approving the City of San José’s request to join CCCFA as an Associate Member.

BACKGROUND

Article III, Section 3.02 of CCCFA’s Joint Powers Agreement allows public CCA agencies to join CCCFA as an associate member, subject to approval of a majority of the Directors in attendance at a regular or special meeting. Associate members do not have a seat on the CCCFA Board of Directors or provide a representative to the CCCFA Treasurer/Controller’s Working Group. The CCCFA Board adopted a \$50,000 new membership fee that must be paid by any new members of CCCFA.

ANALYSIS & DISCUSSION

The City of San José formed a CCA in 2017 called San José Clean Energy. San José expressed interest in associate membership in CCCFA. An additional Associate Member would result in a positive fiscal impact.

¹ The CCCFA founding members are Ava Community Energy, Central Coast Community Energy, Clean Power Alliance, Marin Clean Energy, and Silicon Valley Clean Energy.

CCCFA would receive a fiscal benefit from accepting San José as a member. As a new member, San José would help capitalize CCCFA and defray the costs for existing members. San José would be required to pay a \$50,000 new membership fee and will start paying a pro-rata share of the CCCFA general and administrative expenses for the full year in the year they join.

Since associate members do not have Board representative, adding San José as an associate member is not expected to create significant additional administrative complexity associated with operating CCCFA.

FISCAL IMPACT

CCCFA would receive a \$50,000 new membership fee.

RECOMMENDED MOTION

Move to adopt Resolution No. 2024-1 approving City of San José as an associate member of CCCFA.

Attachments:

1. Resolution No. 2024-1 Resolution of the Board of Directors of the California Community Choice Financing Authority (CCCFA) Approving City of San José as an Associate Member of CCCFA; and
2. Resolution No. Res2023-401 A Resolution of the Council of the City of San Jose Authorizing the Director of Finance, the Director of Energy, the Assistant Director of Finance, and the Assistant Director of Energy or Their Designees to Join the California Community Choice Financing Authority if Necessary, Including Execution of Any Required Documents and the Payment of Membership Fees Under City Manager Authority, Subject to the Appropriation of Funds

RESOLUTION NO. 2024-1

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CALIFORNIA COMMUNITY CHOICE FINANCING AUTHORITY (CCCFA) APPROVING CITY OF SAN JOSÉ AS AN ASSOCIATE MEMBER OF CCCFA

WHEREAS, the California Community Choice Financing Authority (“CCCFA”) is a joint powers authority established on June 25, 2021, and organized under the Joint Exercise of Powers Act, constituting Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the California Government Code, as amended and supplemented (the “Act”);

WHEREAS, CCCFA was established pursuant to a Joint Powers Agreement, as amended from time to time (“CCCFA Joint Powers Agreement”);

WHEREAS, CCCFA members include the following community choice aggregators: Ava Community Energy, Central Coast Community Energy, Clean Power Alliance, Marin Clean Energy, Pioneer Community Energy, and Silicon Valley Clean Energy;

WHEREAS, the City of San José formed San José Clean Energy as a community choice aggregator, as defined in Section 331.1 of the Public Utilities Code, which has implemented a CCA program pursuant to Section 366.2 of the Public Utilities Code;

WHEREAS, the City of San José, through San José Clean Energy, possesses the power to purchase and sell electric energy, enter into related contracts for such purposes, and is qualified to join membership in CCCFA;

WHEREAS, on November 14, 2023, the City of San José requested membership in CCCFA and has provided an executed copy of a resolution of its governing board to request membership under Resolution No. RES2023-401;

WHEREAS, under Resolution No. RES2023-401, the City of San José agreed in writing to pay CCCFA’s initial membership fees and its share of on-going organization, planning and other costs and charges as determined by the Board of CCCFA;

WHEREAS, the CCCFA Joint Powers Agreement allows a new member to join as a Founding Member or an Associate Member, subject to approval by the CCCFA Board of Directors;

WHEREAS, the CCCFA Board of Directors adopted a \$50,000 new membership entry fee during the March 11, 2022 CCCFA Board Meeting for a share of organization planning, and other costs and charges (“Membership Fee”); and

WHEREAS, the City of San José requested to join CCCFA as an Associate Member.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of CCCFA as follows:

1. The above recitals are true and correct and incorporated by this reference.
2. The City of San José is hereby approved as an Associate Member of CCCFA.
3. Upon satisfaction of the following conditions, the Secretary is directed to file an executed counterpart of the CCCFA Joint Powers Agreement as an amendment thereto, effective upon such filing. Upon completion of these conditions, the City of San José shall become an Associate Member for all purposes:
 - a. The City of San José shall file an executed counterpart of the CCCFA Joint Powers Agreement with the Board.
 - b. The Treasurer/Controller is hereby directed to invoice the City of San José \$50,000 for its Membership Fee.
4. The officers, employees and agents of CCCFA are hereby authorized and directed, jointly and severally, to execute and deliver any and all documents, agreements and instruments and to do any and all things which they may deem necessary or advisable in order to consummate the transaction herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of the CCCFA Joint Powers Agreement and this Resolution.

PASSED AND ADOPTED at a regular meeting of the CCCFA Board of Directors on this 23rd day of May 2024, by the following vote:

	YES	NO	ABSTAIN	ABSENT
Ted Bardacke				
Robert Shaw				
Garth Salisbury				
Monica Padilla				
Nick Chaset				

CHAIR, CCCFA

Attest:

SECRETARY, CCCFA

RESOLUTION NO. RES2023-401

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING THE DIRECTOR OF FINANCE, THE DIRECTOR OF ENERGY, THE ASSISTANT DIRECTOR OF FINANCE, AND THE ASSISTANT DIRECTOR OF ENERGY OR THEIR DESIGNEES TO JOIN THE CALIFORNIA COMMUNITY CHOICE FINANCING AUTHORITY IF NECESSARY, INCLUDING EXECUTION OF ANY REQUIRED DOCUMENTS AND THE PAYMENT OF MEMBERSHIP FEES UNDER CITY MANAGER AUTHORITY, SUBJECT TO THE APPROPRIATION OF FUNDS

WHEREAS, in May 2017, the City Council of the City of San José (“City”) unanimously approved the formation of San José Clean Energy (“SJCE”), a Community Choice Aggregator (“CCA”) which is a local electricity-purchasing cooperative that allows cities, counties, and other qualifying governmental entities available within the service areas of investor-owned utilities (such as Pacific Gas and Electric Company) to purchase and/or generate electricity for their residents and businesses; and

WHEREAS, SJCE launched service to most businesses and residents in the City service area by February 2019, and pays for electricity generation from clean resources through fixed- and variable-priced power purchase agreements of different durations; and

WHEREAS, since its inception, SJCE has employed various strategies to mitigate power cost volatility and reduce the costs of its power purchase agreements, including procuring standard blocks of energy, buying energy in medium and long-term contracts, load shaping through rate design, and utilizing other demand-side management tools; and

WHEREAS, energy prepayment financial transactions have been used to reduce the costs of natural gas procurements since the 1990s; this financing mechanism is now

being applied to renewable energy purchase agreements, and various CCAs have entered into these transactions to reduce the cost of eligible power purchase agreements under favorable market conditions; and

WHEREAS, the City has identified a potential opportunity to reduce the costs of certain existing SJCE power purchase agreements, as well as the costs of qualifying future SJCE power purchase agreements, by prepaying the respective energy costs for those agreements with tax-exempt debt issued by the California Community Choice Financing Authority (“CCCFA”), a conduit issuer of tax-exempt bonds, on the City’s behalf; and

WHEREAS, the CCCFA is a Joint Power Authority founded by a CCA consortium including Central Coast Community Energy, East Bay Community Energy, Marin Clean Energy, Silicon Valley Clean Energy, and Clean Power Alliance; and

WHEREAS, a potential energy prepayment transaction for the City would involve a collection of agreements among the City, the Energy Counterparty who are the power generators, the financial institution acting as the Prepay Counterparty, and the Conduit Issuer, currently contemplated to be the CCCFA; and

WHEREAS, the City desires to authorize the Director of Finance, the Director of Energy, the Assistant Director of Finance, and the Assistant Director of Energy or their designees to join the CCFA, if necessary, including execution of any required documents and payment of membership fees under City Manager authority, subject to the appropriation of funds, in order to enable staff to evaluate the benefits, costs, and risks of the energy prepayment transaction; and

WHEREAS, City staff will return to the City Council with a recommendation based on the results of its feasibility analysis of an energy prepayment transaction with the CCCFA and, should the staff recommendation be to carry out such a transaction,

present the required agreements and ancillary documents for City Council review and approval;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

The Director of Finance, the Director of Energy, the Assistant Director of Finance, and the Assistant Director of Energy or their designees are hereby authorized to join the California Community Choice Financing Authority if necessary, including execution of any required documents and the payment of membership fees under City Manager authority, subject to the appropriation of funds.

ADOPTED this 14th day of November, 2023, by the following vote:

AYES: BATRA, CANDELAS, COHEN, DOAN, FOLEY, JIMENEZ, KAMEI, ORTIZ, TORRES, MAHAN.

NOES: NONE.

ABSENT: DAVIS.

DISQUALIFIED: NONE.

ATTEST:



TONI J. TABER, CMC
City Clerk



MATT MAHAN
Mayor