



California Community Choice Financing Authority

**California Community Choice Financing Authority (CCCFA)
Board of Directors Regular Meeting
Thursday, June 25, 2026
1:00 P.M.**

Via Teleconference at the Following Locations:

- Ava Community Energy – 1999 Harrison St, Ste 2300, Oakland, CA 94612
- Silicon Valley Clean Energy – 333 W. El Camino Real, Suite 330, Sunnyvale, CA 94087
- Montgomery Town Library - 86 Mountain Road, Route 242, Montgomery Center, VT 05471
- 2601 Porter Street, Soquel, CA 95073

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

Agenda Page 2

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)

- a. Consider approval of the minutes from the 5/28/26 regular meeting.
- b. Consider Approval of Resolution 2026-10 - Authorizing the Amendment of Certain Existing Energy Prepayment Transaction Documents (Discussion/Action)

5. Ava bond issuance authorization (Discussion/Action)

- a. (GS) Consider Approval of Resolution 2026-11 - Authorizing the Issuance of One of More Series of Clean Energy Project Revenue Bonds from Time to Time in an Aggregate Principal Amount Not to Exceed \$2,500,000,000 to Finance the Acquisition of Long-Term Supplies of Electricity for the Ava Community Energy Authority and Other Matters Relating Thereto
- b. (MS) Consider Approval of Resolution 2026-12 - Authorizing the Issuance of One of More Series of Clean Energy Project Revenue Bonds from Time to Time in an Aggregate Principal Amount Not to Exceed \$2,500,000,000 to Finance the Acquisition of Long-Term Supplies of Electricity for the Ava Community Energy Authority and Other Matters Relating Thereto

6. Consider Approval of Resolution 2026-13 - Authorizing the Issuance of One or More Series of Clean Energy Project Revenue Bonds in an aggregate Principal Amount Not to Exceed \$900,000,000 to Finance the Acquisition of a Long-Term Supply of Electricity for Desert Community Energy and Redwood Coast Energy Authority and Other Matters Relating Thereto

7. CCCFA Fees - Revenue Options (Discussion/Action)

8. General Manager's Working Group: Receive Working Group update and status report (Discussion/Action)

9. Board Member Announcements (Discussion)

10. Adjourn

Next CCCFA Board meeting is scheduled for Thursday, July 23, 2026 at 1:00 pm.

Agenda Page 3

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, 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 Regular Meeting
Thursday, May 28, 2026
1:00 P.M.**

Via Teleconference at the Following Locations:

- Clean Power Alliance – 801 S. Grand Avenue Suite 400, Los Angeles, CA 90017
- Ava Community Energy – 1999 Harrison St, Ste 2300, Oakland, CA 94612
- Pioneer Community Energy – 2510 Warren Dr., Suite B, Rocklin, CA 95677
- Silicon Valley Clean Energy – 333 W. El Camino Real, Suite 330, Sunnyvale, CA 94087
- 2601 Porter Street, Soquel, CA 95073

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

Present:

Agenda Page 2

Member Robert Shaw – Central Coast Community Energy (CCCE)

Member Monica Padilla – Silicon Valley Clean Energy (SVCE)

Member Vicken Kasarjian – Marin Clean Energy (MCE)

Member Howard Chang – Ava Community Energy (Ava)

Chair Ted Bardacke – Clean Power Alliance (CPA)

Staff and Others:

Adrian Bankhead – Board Clerk

Garth Salisbury – Treasurer/Controller

David Ruderman – General Counsel

Steve Rymer – General Manager

Patty Kong – Financial Consultant, MRG

Don Eckert – CEO, Pioneer Community Energy

Sam Kang – COO, Pioneer Community Energy

2. Agenda Update and/or Changes

There were no updates or changes to the agenda.

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.

No public comments were received for this item.

4. Consent Calendar (Discussion/Action)

- a. Consider approval of minutes from the 4/23/26 regular meeting.

No public comments were received for this item.

Action: It was M/S/C (Shaw/Kasarjian) to approve the Consent Calendar. The motion carried (5/0/0/0/0) (yes/no/abstain/recuse/not present)

Approval of Consent Calendar Vote:

CCCE – Yes

SVCE – Yes

MCE – Yes

CPA – Yes

Ava – Yes

5. Consider Approval of Resolution No. 2026-9 Authorizing the Issuance of One of More Series of Clean Energy Project Revenue Bonds in an Aggregate Principal Amount Not to Exceed \$1,250,000,000 to Finance the Acquisition of Long-Term Supply of Electricity for Pioneer Community Energy and Other Matters Relating Thereto (Discussion/Action)

Garth Salisbury, Don Eckert and Sam Kang introduced the item, provided comments and answered questions from the board.

No public comments were received for this item.

Action: It was M/S/C (Kasarjian/Shaw) to approve Resolution No. 2026-9. The motion carried (5/0/0/0/0) (yes/no/abstain/recuse/not present)

Approval of Resolution No. 2026-9 Vote:

CCCE – Yes

SVCE – Yes

MCE – Yes

CPA – Yes

Ava – Yes

6. Board Governance Options: Receive General Manager's CCCFA Governance Structure Implementation Report and Provide Direction for Next Steps (Discussion/Action)

Steve Rymer, General Manager, introduced the item and answered questions from the board.

Public Comment - Nick Bijur, CFO, Peninsula Community Energy (PCE), spoke in support of the Model 2 - Governing Member Model and noted PCE's intent to join the Working Group. Mr. Bijur also asked about the election framework and whether board representation is limited to CEOs.

Public Comment - Jeb Spengler, Finance Manager, San Diego Community Energy, also spoke in support of Model 2, noting that the option would maintain SDCE's voice on the board, and spoke about the importance of having a voice in cost allocation decisions and in meeting coordination.

Action: It was M/S/C (Chang/Shaw) to approve the Staff Recommendation for Model Two with a ninety-day target date

Agenda Page 4

to bring it back. The motion carried (5/0/0/0/0)
(yes/no/abstain/recuse/not present)

Approval of Board Governance Options - Staff
Recommendation for Model Two Vote:

CCCE – Yes

SVCE – Yes

MCE – Yes

CPA – Yes

Ava – Yes

7. General Manager's Working Group: Receive Working Group update and status report (Discussion/Action)

The Working Group update and status report was included in the meeting packet. No questions or comments were raised by board members.

No public comments were received for this item.

8. Board Member Announcements (Discussion)

Chair Bardacke announced that he will be unable to attend the June 25, 2026 BOD meeting. He stated that **Alternate Member David McNeil** will serve as the voting representative for Clean Power Alliance and that **Vice-Chair Shaw** will chair the meeting.

9. Adjourn
The meeting was adjourned at 2:04 pm.

Next CCCFA Board meeting is scheduled for Thursday, June 25, 2026 at 1:00 pm.

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, 1999 Harrison St. Ste 2300, Oakland CA, 94612, during normal business hours.



California Community Choice Financing Authority

Staff Report – Item 4B

Item 4B: Board of Directors

From: Garth Salisbury, Treasurer/Controller

Date: June 25, 2026

Subject: Consider Approval of Resolution 2026-10 Authorizing the Amendment of Certain Existing Energy Prepayment Transaction Documents

Attachments: Resolution 2026-10 of the California Community Choice Financing Authority authorizing the amendment of certain existing energy prepayment transaction documents

RECOMMENDATION

By motion, adopt Resolution No. 2026-10 authorizing the amendment of certain existing energy prepayment transaction documents pertaining to Relevant Bonds (as defined below) issued in connection with prepayments by CCCFA to Relevant Prepay LLCs, subject to the receipt of a Rating Confirmation from Moody's Investors Service, Inc. ("Moody's") with respect to the Relevant Bonds.

BACKGROUND

Between November 2021 and December 2024, CCCFA issued nine bonds series (listed below and collectively, the "Relevant Bonds") in connection with energy prepayments made on behalf of Members MCE, 3CE, CPA, PCE, and SCP (each a "Project Participant") to nine Prepay LLCs (listed below and collectively, the "Relevant Prepay LLCs"):

- Clean Energy Project Revenue Bonds Series 2021A

- Completed on behalf of MCE Clean Energy (“MCE”) with prepayment to Aron Energy Prepay 5 LLC
- Clean Energy Project Revenue Bonds Series 2023C
 - Completed on behalf of Clean Power Alliance of Southern California (“CPA”) with prepayment to Aron Energy Prepay 14 LLC
- Clean Energy Project Revenue Bonds Series 2023D
 - Completed on behalf of CPA with prepayment to Aron Energy Prepay 22 LLC
- Clean Energy Project Revenue Bonds Series 2023F
 - Completed on behalf of Central Coast Community Energy (“3CE”) with prepayment to Aron Energy Prepay 22 LLC
- Clean Energy Project Revenue Bonds Series 2023G
 - Completed on behalf of MCE with prepayment to Aron Energy Prepay 21 LLC
- Clean Energy Project Revenue Bonds Series 2024B
 - Completed on behalf of CPA with prepayment to Aron Energy Prepay 41 LLC
- Clean Energy Project Revenue Bonds Series 2024C
 - Completed on behalf of Peninsula Clean Energy (“PCE”) with prepayment to Aron Energy Prepay 43 LLC
- Clean Energy Project Revenue Bonds Series 2024G
 - Completed on behalf of Sonoma Clean Power Authority (“SCP”) with prepayment to Aron Energy Prepay 45 LLC
- Clean Energy Project Revenue Bonds Series 2024H
 - Completed on behalf of CPA with prepayment to Aron Energy Prepay 46 LLC

Subsequent to the issue of the Relevant Bonds, Goldman Sachs (“GS”) identified desired amendments to certain provisions of the prepay transaction documents relating to the purchase and sale of receivables, the capital structure and qualified investments of the Relevant Prepay LLCs, and related matters. The Relevant Prepay LLCs have requested the Board authorize these amendments, provided that the amendments would only be entered into following the receipt of a Rating Confirmation (as defined in the Trust Indentures of the Relevant Bonds) from Moody’s with respect to the Relevant Bonds.

In April and May 2026, GS conferred with counsel (Sheppard Mullin, Chapman & Cutler, and Orrick) and the Project Participants of the Relevant Bonds regarding the proposed amendments. The Project Participants gave their consent for GS to request a Rating Confirmation from Moody’s to evaluate any credit impacts of the proposed amendment with respect to the ratings of the Relevant Bonds, which is expected to be received by the end of June 2026.

The Board Resolutions of CCCFA authorizing the Relevant Bonds included provisions granting Authorized Officers discretion to amend prepay transaction documents subsequent to closing. However, while the proposed amendments are expected to have no fiscal or operational impact on CCCFA, counsel has suggested that obtaining authorization from the Board is prudent given the number of transaction documents impacted.

DESCRIPTION OF AMENDMENTS

The proposed amendments would implement three primary changes to the Relevant Bonds' prepay transaction documents. The amended provisions are consistent with provisions utilized by GS in its prepay transaction documents since 2025 and are substantially similar to provisions utilized by Morgan Stanley in its prepay transaction documents since 2024, which have been approved by the Board for use in recent prepay transactions with those underwriters.

Put Receivable Account ("PRA") Mechanics

Currently, the PRA at each Relevant Prepay LLC is funded with capitalization from GS subsidiary J. Aron & Company, LLC ("J. Aron") at the closing of the prepay transaction. The amount of funding in the PRA is equal to the combined total of the initial funding amounts of the prepay estate's Debt Service Reserve Account and the Commodity Reserve Account. Generally, if the prepay deal ends and Project Participant receivables are outstanding, the prepay Trustee puts the receivables to Prepay LLC at par and Prepay LLC pays out of the PRA.

Under the proposed amendments, J. Aron would have the option to fund the PRA at the closing of the prepay transaction. If J. Aron chooses not to fund the PRA, Prepay LLC will be required to buy any Project Participant receivables upon their creation; Prepay LLC would then transfer the receivables to J. Aron by netting the receivable purchase price against its monthly payment to J. Aron.

Prepay LLC Investments

Currently, funds held at Prepay LLC can be invested in money market funds only.

Under the proposed amendments, funds held at Prepay LLC could be invested in money market funds or in structured investments guaranteed (or otherwise provided with credit support) by GS or an affiliate of GS.

Capital Injection

Currently, if additional capital is needed in Prepay LLC (e.g., for the posting of swap collateral), J. Aron adds equity to Prepay LLC. If collateral posting requirements decline,

there is no easy method for J. Aron to get its equity capital back out of Prepay LLC (e.g., return requests are subject to a dividend test).

Under the proposed amendments, J. Aron would have the ability to increase its loan to Prepay LLC in order to fund additional capital calls. Any funds injected into Prepay LLC subsequent to closing would be available for return upon J. Aron's request.

REQUESTED ACTION

The proposed Board Resolution approves the following transaction documents entered into in connection with the issuance of the Relevant Bonds, subject to receipt of a Rating Confirmation, and authorizes the Authorized Officers of CCCFA and, where relevant, the CCCFA-appointed Directors of each Relevant Prepay LLC, to execute and deliver such agreements in substantially said forms following the receipt of a Rating Confirmation from Moody's with respect to the Relevant Bonds:

- Proposed forms of Supplemental Trust Indenture, by and between CCCFA and U.S. Bank Trust Company, National Association;
- Proposed forms of Amendment to Master Power Supply Agreement, by and between CCCFA and each Relevant Prepay LLC;
- Proposed forms of Amendment to Electricity Sale and Service Agreement, by and between each Relevant Prepay LLC and J. Aron;
- Proposed forms of Amended & Restated SPE Master Custodial Agreement, by and among CCCFA, J. Aron, the Bank of New York Mellon in its capacity as the master custodian for each of the Relevant Bonds, and each Relevant Prepay LLC;
- Proposed forms of written consent of each of the swap counterparties for the Relevant Bonds consenting to the proposed amendments; and
- Proposed forms of written consent of each Relevant Prepay LLC's board of directors approving the amendments described herein.

The Board Resolution authorizes and directs the Authorized Officers of CCCFA and Issuer-Appointed Directors of the Relevant Prepay LLCs to execute and deliver any and all documents and to undertake any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions approved in the Resolution. As with the underlying prepayment transactions, the Authorized Officers are the CCCFA Chair, Vice Chair, Treasurer/Controller, Secretary, or any other person or persons designated by the CCCFA Board of Directors by resolution.

FISCAL IMPACT

There is no expected fiscal impact for CCCFA other than limited consultant staff time to assist in effectuating the amendments. GS will make payment to Moody's in connection with the requested Rating Confirmation for the Relevant Bonds.

RESOLUTION NO. 2026-10

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CALIFORNIA COMMUNITY CHOICE FINANCING AUTHORITY AUTHORIZING THE AMENDMENT OF CERTAIN EXISTING ENERGY PREPAYMENT TRANSACTION DOCUMENTS

WHEREAS, pursuant to the provisions of 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”), a number of California public agencies (as defined in the Act) that are community choice aggregators and have implemented CCA programs (as such terms are defined in the California Public Utilities Code) have entered into a joint powers agreement (as amended, the “Agreement”) pursuant to which the California Community Choice Financing Authority (the “Issuer” or “CCCFA”) has been organized for the purpose, among other things, of entering into contracts and issuing bonds to assist its members in financing or refinancing energy prepayments;

WHEREAS, the Issuer is authorized by the Agreement to purchase and sell electric energy and associated capacity and environmental attributes (collectively, “Products”) and to issue revenue bonds to finance or refinance the cost of such transactions, and is vested with all powers necessary to accomplish the purposes for which it was created;

WHEREAS, the Issuer has issued the bonds listed in Exhibit A hereto (collectively, the “Relevant Bonds”) in connection with prepayments by the Issuer to each Prepay LLC listed in Exhibit A hereto (collectively, the “Relevant Prepay LLCs”) for long-term supplies of Product;

WHEREAS, in order to update certain provisions of the prepay transaction documents relating to the purchase and sale of receivables, the capital structure and qualified investments of the Relevant Prepay LLCs and related matters, the Relevant Prepay LLCs have requested to amend certain of the transaction documents for the Relevant Bonds, provided that any such amendments would only be entered into following the receipt of a Rating Confirmation (as defined in the Trust Indentures for the Relevant Bonds) from Moody’s Investors Service, Inc. with respect to the Relevant Bonds;

WHEREAS, each Project Participant (as defined in the Trust Indentures for the Relevant Bonds) has instructed the Issuer in writing to enter into such amendments;

WHEREAS, subject to receipt of a Rating Confirmation with respect to the Relevant Bonds, the Issuer has determined to authorize the officers of the Issuer to take all necessary action to amend certain of the transaction documents entered into in connection with the issuance of the Relevant Bonds; and

WHEREAS, there have been made available to the CCCFA Board of Directors:

1. Proposed forms of Supplemental Trust Indenture, by and between the Issuer and U.S. Bank Trust Company, National Association in its capacity as trustee under the Trust Indentures for the Relevant Bonds;
2. Proposed forms of Amendment to Master Power Supply Agreement, by and between the Issuer and each Relevant Prepay LLC;
3. Proposed forms of Amendment to Electricity Sale and Service Agreement, by and between each Relevant Prepay LLC and J. Aron & Company LLC ("J. Aron");
4. Proposed forms of Amended & Restated SPE Master Custodial Agreement, by and among the Issuer, J. Aron, the Bank of New York Mellon in its capacity as the master custodian for each Relevant Prepay LLC and each Relevant Prepay LLC;
5. Proposed forms of written consent of each of the swap counterparties for the Relevant Bonds, consenting to the proposed amendments; and
6. Proposed forms of written consent of each Relevant Prepay LLC's board of directors approving the amendments described herein.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the California Community Choice Financing Authority, as follows:

Section 1. Subject to receipt of a Rating Confirmation with respect to the Relevant Bonds, the proposed forms of Supplemental Trust Indenture, by and between the Issuer and U.S. Bank Trust Company, National Association in its capacity as trustee under the Trust Indentures for the Relevant Bonds, as made available to the CCCFA Board of Directors for this meeting, are hereby approved. The Chair of the Issuer, the Vice Chair of the Issuer, the Treasurer/Controller of the Issuer, the Secretary of the Issuer or any other person or persons designated by the CCCFA Board of Directors by resolution to act on behalf of the Issuer (each, including the designees thereof, an "Authorized Officer") is hereby authorized and directed for and on behalf of the Issuer, to execute and deliver such agreements in substantially said forms, with such changes and insertions therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 2. Subject to receipt of a Rating Confirmation with respect to the Relevant Bonds, the proposed forms of Amendment to Master Power Supply Agreement, by and between the Issuer and each Relevant Prepay LLC, as made available to the CCCFA Board of Directors for this meeting, are hereby approved. Any Authorized Officer is hereby authorized and directed on behalf of the Issuer, to execute and deliver

such agreements in substantially said forms, with such changes and insertions therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. Subject to receipt of a Rating Confirmation with respect to the Relevant Bonds, the proposed forms of Amendment to Electricity Sale and Service Agreement, by and between each Relevant Prepay LLC and J. Aron, as made available to the CCCFA Board of Directors for this meeting, are hereby approved. Any Authorized Officer is hereby authorized and directed for and on behalf of the Issuer, to approve the foregoing on behalf of the Issuer and to take any and all actions (including delivering any notices, acknowledgements or other consents, and instructing any Issuer-Appointed Director, as applicable) necessary or advisable to permit the Relevant Prepay LLCs to execute and deliver such amendments in substantially said forms, with such changes and insertions therein as the Authorized Officer may approve, such approval to be conclusively evidenced by the taking of such actions.

Section 4. Subject to receipt of a Rating Confirmation with respect to the Relevant Bonds, the proposed forms of Amended & Restated SPE Master Custodial Agreement, by and among the Issuer, J. Aron, the Bank of New York Mellon in its capacity as the master custodian for each of the Relevant Bonds and each Relevant Prepay LLC, as made available to the CCCFA Board of Directors for this meeting, are hereby approved. Any Authorized Officer is hereby authorized and directed on behalf of the Issuer, to execute and deliver such agreements in substantially said forms, with such changes and insertions therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. Subject to receipt of a Rating Confirmation with respect to the Relevant Bonds, the proposed forms of written consent of each of the swap counterparties for the Relevant Bonds, consenting to the proposed amendments, as made available to the CCCFA Board of Directors for this meeting, are hereby approved. Any Authorized Officer is hereby authorized and directed on behalf of the Issuer, to execute and deliver such agreements in substantially said forms, with such changes and insertions therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. Subject to receipt of a Rating Confirmation with respect to the Relevant Bonds, the proposed forms of written consent of each Relevant Prepay LLC's board of directors approving the amendments described herein, as made available to the CCCFA Board of Directors for this meeting, are hereby approved. Each Issuer-Appointed Director (as defined in the Trust Indentures for the Relevant Bonds) is hereby authorized and directed to execute and deliver such consents in substantially said forms, with such changes and insertions therein as each such Issuer-Appointed Director executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. The Authorized Officers and the Issuer-Appointed Directors, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the Issuer, to execute and deliver any and all documents, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions that the Issuer has approved in this Resolution and to consummate by the Issuer the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given under or in accordance with such documents, and the retaining of financial, legal or other consultants, as needed.

Section 8. The CCCFA Board of Directors hereby approves the execution and delivery of all amendments, agreements, documents, certificates and instruments referred to herein with electronic signatures to the extent permitted under the California Uniform Electronic Transactions Act and digital signatures to the extent permitted under Section 16.5 of the California Government Code using DocuSign.

Section 9. The Authorized Officers are hereby authorized and directed to cause to be filed with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system ("EMMA") such notices, disclosure documents, and other information as may be required or appropriate in connection with the transactions authorized by this Resolution.

Section 10. This Resolution shall take effect immediately.

[Signature Page Follows]

PASSED AND ADOPTED at a regular meeting of the CCCFA Board of Directors on this 25th day of June 2026, by the following vote:

	YES	NO	ABSTAIN	ABSENT
Ted Bardacke				
Robert Shaw				
Vicken Kasarjian				
Monica Padilla				
Howard Chang				

CHAIR, CCCFA

Attest:

SECRETARY, CCCFA

EXHIBIT A

Bonds (Participating Member)	Prepay LLC
Issuer's Clean Energy Project Revenue Bonds, Series 2021A (MCE)	Aron Energy Prepay 5 LLC
Issuer's Clean Energy Project Revenue Bonds, Series 2023C (CPA)	Aron Energy Prepay 14 LLC
Issuer's Clean Energy Project Revenue Bonds, Series 2023D (CPA)	Aron Energy Prepay 16 LLC
Issuer's Clean Energy Project Revenue Bonds, Series 2023F (3CE)	Aron Energy Prepay 22 LLC
Issuer's Clean Energy Project Revenue Bonds, Series 2023G (MCE)	Aron Energy Prepay 21 LLC
Issuer's Clean Energy Project Revenue Bonds, Series 2024B (CPA)	Aron Energy Prepay 41 LLC
Issuer's Clean Energy Project Revenue Bonds, Series 2024C (PCE)	Aron Energy Prepay 43 LLC
Issuer's Clean Energy Project Revenue Bonds, Series 2024G (SCPA)	Aron Energy Prepay 45 LLC
Issuer's Clean Energy Project Revenue Bonds, Series 2024H (CPA)	Aron Energy Prepay 46 LLC



California Community Choice Financing Authority

Staff Report – Item 5A

Item 5A: Board of Directors

From: Garth Salisbury, Treasurer/Controller

Date: 06/25/2026

Attachments: Board Resolution No. 2026-11 authorizing the issuance of Clean Energy Project Revenue Bonds to finance the acquisition of long-term supplies of electricity for Ava Community Energy Authority

RECOMMENDATION

By motion, adopt Resolution No. 2026-11 authorizing the issuance of one or more series of Clean Energy Project Revenue Bonds (the “Bonds”) and approving parameters under which one or more energy prepayment transactions can be completed on behalf of Ava Community Energy Authority (“Ava”) with Goldman Sachs & Co. LLC as underwriter (the “Underwriter”) and one or more limited liability companies established by J. Aron & Company LLC (“J. Aron”), as the energy suppliers (the “Energy Suppliers”); authorizing and/or approving documents or “form of” documents supporting the prepayment transactions; and approving payments by CCCFA to service providers for issuance costs from prepayment bond proceeds.

BACKGROUND

Ava has retained PFM Financial Advisors LLC (“PFM”) as Municipal Financial Advisor and Chapman and Cutler LLP (“Chapman”) as Project Participant Counsel to support Ava’s continued evaluation and preparation of one or more energy prepayment transactions.

On June 25, 2021, Ava and three other CCAs created and established CCCFA. Since that time, Ava has completed one joint prepayment transaction with another CCA and four other individual transactions through CCCFA totaling over \$5 billion.

On June 17, 2026, the Ava Board of Directors adopted a Resolution authorizing the completion of one or more energy prepayment transactions with the Underwriter and the Energy Suppliers, provided that the principal amount of the bonds issued for any single prepayment transaction shall not exceed \$1.25 billion, the underwriter's discount shall not exceed 0.6% and total cost of issuance shall not exceed 1.0% of the proceeds of the bonds.

In the current plan of finance, Ava plans to prepay energy purchased under one or more power purchase and sale agreements between Ava and certain sellers of electricity.

REQUESTED ACTION

The proposed Board Resolution encompasses the following approvals or authorizations relating to the execution of one or more prepayment transactions:

- Authorizes the issuance of the Bonds by CCCFA for the purpose of financing the purchase of certain quantities of electricity from the Energy Suppliers and selling such quantities of electricity to Ava;
- Authorizes CCCFA Officers to execute, or approve for distribution of, documents and "form of" documents supporting the prepayment transactions; and
- Confirms receipt by CCCFA of certain representations and good faith estimates from PFM regarding the Bonds;

The proposed Board Resolution is substantially similar to the Resolutions approved by the Board to support previous prepayment transactions by other CCAs.

Good Faith Estimates for Prepayment Transaction

Pursuant to Government Code Section 5852.1, PFM has provided CCCFA with the following required good faith estimates for any single prepayment transaction contemplated herein:

- An aggregate principal amount of \$998,390,000 for the Bonds estimated to be sold;
- A True Interest Cost of 4.195%;
- A sum of all fees and charges paid to third parties (being costs of issuance of approximately \$1,150,143 plus estimated underwriters' compensation of \$4,690,708) totaling \$5,840,851;
- Proceeds to be received by CCCFA for the sale of the related Bonds, less the finance charge for the related Bonds and any reserves or capitalized interest paid or funded with proceeds of the related Bonds, of \$1,012,932,011; and
- A total payment amount, being the sum of all payments the borrower will make to pay debt service on the related Bonds to final maturity, plus the finance charge for the related Bonds described above not paid from proceeds of the related Bonds, of \$1,442,108,490 to the initial final maturity date or initial Mandatory Purchase Date, as applicable, for such Bonds.

Prepayment Documents

The proposed Board Resolution authorizes Authorized Officers of CCCFA to execute and deliver the following documents and document forms supporting each prepayment transaction:

- A proposed form of Trust Indenture, between CCCFA and U.S. Bank Trust Company, National Association ("U.S. Bank"), as Trustee, or other trustee named therein;
- A proposed form of Master Power Supply Agreement, between CCCFA and the related Energy Supplier;
- A proposed form of Clean Energy Purchase Contract, between CCCFA and Ava;
- A proposed form of Limited Assignment Agreement (the "Limited Assignment Agreement"), among Ava, J. Aron, and certain sellers of electricity (collectively, the

“PPA Sellers”) under one or more power purchase and sale agreement between Ava and the respective PPA Sellers (collectively, the “Assigned PPAs”);

- A proposed form of one or more Re-Pricing Agreements (the “Re-Pricing Agreements”) between the related Energy Supplier and CCCFA;
- Proposed forms of one or more ISDA Master Agreements, Schedules thereto and related Confirmations between CCCFA and one or more of BP Energy Company and/or Royal Bank of Canada (the “Commodity Swap Counterparties”) relating to one or more commodity swaps (the “Commodity Swap Agreements”);
- A proposed form of one or more Custodial Agreements (the “Front-End Custodial Agreements”), among CCCFA, U.S. Bank, as trustee and custodian, and the related Commodity Swap Counterparty;
- Proposed forms of one or more ISDA Master Agreements, Schedules thereto and related Confirmations between CCCFA and J. Aron, relating to one or more interest rate swaps (the “Interest Rate Swap Agreements”);
- A proposed form of one or more Clean Energy Project Operational Services Agreements (the “Operational Services Agreements”) between CCCFA and Ava;
- A proposed form of one or more Official Statements (the “Official Statements”) to be used by the Underwriter in connection with the offering and sale of the related Bonds;
- A proposed form of Bond Purchase Contract, between the Underwriter and CCCFA; and
- An Intercreditor and Collateral Agency Agreement, dated as of February 12, 2018, by and among River City Bank, as collateral agent, the PPA Providers from time to time party thereto, and Ava (the “Intercreditor Agreement”).

FISCAL IMPACT

Upon the successful closing of a prepayment bond transaction, the total costs of issuance will be paid by CCCFA out of Bond proceeds including a \$20,000 “New Deal Fee” to be paid to CCCFA. In the event a prepayment bond transaction is not successfully completed, Ava will make payments to Moody’s and the Second Party

Opinion provider as described in the ratings fee Memoranda of Understanding between CCCFA and Ava.

RESOLUTION NO. 2026-11

RESOLUTION OF THE CALIFORNIA COMMUNITY CHOICE FINANCING AUTHORITY AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF CLEAN ENERGY PROJECT REVENUE BONDS FROM TIME TO TIME IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$2,500,000,000 TO FINANCE THE ACQUISITION OF LONG-TERM SUPPLIES OF ELECTRICITY FOR THE AVA COMMUNITY ENERGY AUTHORITY AND OTHER MATTERS RELATING THERETO

WHEREAS, pursuant to the provisions of 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”), a number of California public agencies (as defined in the Act) that are community choice aggregators that have implemented CCA programs (as such terms are defined in the California Public Utilities Code) have entered into a joint powers agreement (as amended, the “Agreement”) pursuant to which the California Community Choice Financing Authority (the “Issuer”) has been organized for the purpose, among other things, of entering into contracts and issuing bonds to assist its members in financing or refinancing energy prepayments;

WHEREAS, the Ava Community Energy Authority (“ACE”) is a Founding Member (as such term is defined in the Agreement) of the Issuer;

WHEREAS, the Issuer is authorized by its Agreement to purchase and sell electric energy and associated capacity and environmental attributes and to issue revenue bonds to finance or refinance the cost of such transactions, and is vested with all powers necessary to accomplish the purposes for which it was created;

WHEREAS, the Issuer has determined to purchase, from time to time, certain quantities of electricity from one or more limited liability companies established by J. Aron & Company LLC, a New York limited liability company (“J. Aron”) for such purpose (the “Energy Suppliers”) on a prepaid basis (the “Projects”) and to sell such electricity to ACE, as contemplated herein;

WHEREAS, the Issuer has determined to finance the costs of the Projects with the proceeds of its Clean Energy Project Revenue Bonds, to be issued in one or more series or subseries from time to time (collectively, the “Bonds”);

WHEREAS, the Issuer has determined to authorize the officers of the Issuer to take all necessary action to accomplish the purchase of the Projects on a prepaid basis, the sale of electricity to ACE and the issuance, sale and delivery of the Bonds;

WHEREAS, pursuant to one or more Trust Indentures (the “Indentures”), between the Issuer and U.S. Bank Trust Company, National Association, as trustee, or other trustee named therein (the “Trustee”), the Issuer will issue the Bonds for the purpose, among others, of financing the Projects;

WHEREAS, pursuant to one or more Bond Purchase Contracts, to be dated the date of sale of the related Bonds (the “Bond Purchase Contracts”), between Goldman Sachs & Co. LLC, as the sole underwriter or as representative of the underwriters (collectively, the “Underwriters”), and the Issuer, the Bonds will be sold to the Underwriters, and the proceeds of such sale will be used as set forth in the Indentures and the Bond Purchase Contracts to finance the Projects and to pay costs incurred in connection with the issuance of the Bonds;

WHEREAS, pursuant to one or more Master Power Supply Agreements (the “Master Power Supply Agreements”) between the Issuer and the related Energy Supplier, the Issuer will acquire one or more supplies of electricity from the related Energy Supplier;

WHEREAS, pursuant to one or more Clean Energy Purchase Contracts (the “Clean Energy Purchase Contracts”) between the Issuer and ACE, the Issuer will sell each such supply of electricity to ACE over a period of years; and

WHEREAS, pursuant to Section 5852.1 of the California Government Code, the Issuer has received certain representations and good faith estimates regarding any single issue of Bonds currently expected to be issued pursuant to this Resolution from PFM Financial Advisors LLC, which good faith estimates are attached hereto as Exhibit A;

WHEREAS, on the date hereof, the Board of Directors of the Issuer (the “Board of Directors”) is considering an additional resolution (the “Other Resolution”), authorizing the issuance of one or more series or subseries of the Issuer’s Clean Energy Project Revenue Bonds (the “Other Bonds”) for the purpose of financing the purchase, from time to time, of certain quantities of electricity from one or more suppliers and selling such quantities of electricity to ACE, as contemplated therein;

WHEREAS, there have been made available to the Board of Directors the following documents and agreements:

1. A proposed form of Indenture;
2. A proposed form of Master Power Supply Agreement;
3. A proposed form of Clean Energy Purchase Contract;
4. A proposed form of Limited Assignment Agreement (the “Limited Assignment Agreement”), among ACE, J. Aron, and certain sellers of electricity (collectively, the “PPA Sellers”) under one or more power purchase and sale agreements between ACE and the respective PPA Sellers (collectively, the “Assigned PPAs”);
5. A proposed form of one or more Re-Pricing Agreements (the “Re-Pricing Agreements”), between the related Energy Supplier and the Issuer;

6. Proposed forms of one or more ISDA Master Agreements, Schedules thereto and related Confirmations between the Issuer and one or more of BP Energy Company and/or Royal Bank of Canada (the “Commodity Swap Counterparties”) relating to one or more commodity swaps (the “Commodity Swap Agreements”);

7. A proposed form of one or more Custodial Agreements (the “Front-End Custodial Agreements”), among the Issuer, the Trustee, as trustee and custodian, and the related Commodity Swap Counterparty;

8. Proposed forms of one or more ISDA Master Agreements, Schedules thereto and related Confirmations between the Issuer and J. Aron, relating to one or more interest rate swaps (the “Interest Rate Swap Agreements”);

9. A proposed form of one or more Clean Energy Project Operational Services Agreements (the “Operational Services Agreements”) between the Issuer and ACE;

10. A proposed form of one or more official statements (the “Official Statements”) to be used by the Underwriters in connection with the offering and sale of the Bonds;

11. A proposed form of Bond Purchase Contract; and

12. An Intercreditor and Collateral Agency Agreement, dated as of February 12, 2018, by and among River City Bank, as collateral agent, the PPA Providers from time to time party thereto, and ACE (the “Intercreditor Agreement”).

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the California Community Choice Financing Authority, as follows:

Section 1. Pursuant to the Act and the Indenture, the Issuer is hereby authorized to issue its revenue bonds designated as the “California Community Choice Financing Authority Clean Energy Project Revenue Bonds” in an aggregate principal amount that, together with the aggregate principal amount of the Other Bonds issued pursuant to the Other Resolution, does not to exceed two billion five hundred million dollars (\$2,500,000,000), in one or more series or subseries from time to time, with such other name or names of the Bonds or series or subseries thereof as designated in the Indenture pursuant to which the Bonds are issued. The Bonds shall be issued and secured in accordance with the terms of, and shall be in the form or forms set forth in, the form of Indenture made available to the Board of Directors for this meeting. The Bonds shall be executed by the manual or facsimile signature of the Chair of the Issuer, the Vice Chair of the Issuer, the Treasurer/Controller of the Issuer, the Secretary of the Issuer or any other person or persons designated by the Board of Directors by resolution to act on behalf of the Issuer (each, including the designees thereof, an “Authorized Officer”), and

attested by the manual or facsimile signature of the Secretary of the Issuer or any other Authorized Officer.

Section 2. The proposed form of Indenture, as made available to the Board of Directors for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver one or more Indentures in substantially said form, with such changes and insertions therein (including any change of the funding recipient and any changes or insertions relating to a change of the funding recipient) as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The designation of the trustee, designation of the funding recipient, Indenture provisions relating to the funding recipient, dated date, maturity date or dates and provisions relating to the extension thereof, methods of determining interest rate or rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, tender provisions, terms of redemption and other terms of any Bonds shall be as provided in the Indenture pursuant to which such Bonds are issued, as finally executed.

Section 3. The proposed forms of Master Power Supply Agreement, Clean Energy Purchase Contract, Limited Assignment Agreement, Re-Pricing Agreement, Front-End Custodial Agreement, and Operational Services Agreement, each as made available to the Board of Directors for this meeting, are hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver one or more of any such agreements in substantially said forms, with such changes and insertions therein (including any change of the funding recipient and any changes or insertions relating to a change of the funding recipient) as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed preliminary form of Official Statement, as made available to the Board of Directors for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver one or more certificates deeming one or more preliminary forms of Official Statement final for purposes of Securities and Exchange Commission Rule 15c2-12 and to execute and deliver one or more Official Statements in substantially said form, with such changes and insertions therein (including any change of the funding recipient and any changes or insertions relating to a change of the funding recipient) as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Underwriters are hereby authorized to distribute the Official Statements in preliminary form to persons who may be interested in the purchase of the related Bonds, and to deliver the Official Statements in final form to the purchasers of the related Bonds, in each case with such changes as may be approved as aforesaid.

Section 5. The proposed form of Bond Purchase Contract, as made available to the Board of Directors for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and

deliver one or more Bond Purchase Contracts in substantially said form, with such changes and insertions therein (including any change of the funding recipient and any changes or insertions relating to a change of the funding recipient) as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided that the Underwriters' discount or compensation pursuant to any such Bond Purchase Contract shall not exceed 0.6% of the principal amount of the Bonds sold pursuant to such Bond Purchase Contract and total costs of issuance for the Bonds sold pursuant to any Bond Purchase Contract, including all underwriting, legal and consultant fees will not exceed 1.0% of the proceeds of such Bonds. For the purpose of the limitations contained in this Section, costs of issuance do not include any structuring charge payable by the Energy Suppliers to J. Aron or any costs ultimately paid with additional proceeds or rounding amounts (howsoever such proceeds or amounts are designated in any pricing schedules relating to the Bonds).

Section 6. The proposed form of Commodity Swap Agreement, as made available to the Board of Directors for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver one or more Commodity Swap Agreements in substantially said form, with such changes and insertions therein (including any change of the funding recipient and any changes or insertions relating to a change of the funding recipient) as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Board of Directors hereby finds and determines, pursuant to Section 5922 of the California Government Code, that due consideration has been given for the creditworthiness of the Commodity Swap Counterparties, and that the Commodity Swap Agreements are designed to reduce the amount or duration of rate, spread or similar risk and result in a lower cost of borrowing when used in combination with the issuance of the Bonds, including entering into the Master Power Supply Agreements and the Clean Energy Purchase Contracts, and, in particular, to reduce the rate, spread or similar risk between the variable payments to be made by ACE under the Clean Energy Purchase Contracts and the fixed payments to be made on the Bonds and under the Interest Rate Swap Agreements.

Section 7. The proposed form of Interest Rate Swap Agreement, as made available to the Board of Directors for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver one or more Interest Rate Swap Agreements in substantially said form, with such changes and insertions therein (including any change of the funding recipient and any changes or insertions relating to a change of the funding recipient) as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Board of Directors hereby finds and determines, pursuant to Section 5922 of the California Government Code, that due consideration has been given for the creditworthiness of J. Aron, including the guarantee of the obligations of J. Aron under the Interest Rate Swap Agreements by The Goldman Sachs Group, Inc., and that the Interest Rate Swap Agreements are designed to reduce the amount or duration of rate, spread or similar risk when used in combination with the issuance of the Bonds and to enhance the relationship between risk and return with respect to the

electricity purchase program financed or refinanced with the proceeds of the Bonds, and, in particular, to reduce the rate, spread or similar risk between the fixed payments received under the Commodity Swap Agreements and the variable interest rate payments on one or more series of the Bonds.

Section 8. The Bonds, when executed as provided in Section 1, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee's Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the purchaser or purchasers thereof in accordance with written instructions executed on behalf of the Issuer by an Authorized Officer, which any Authorized Officer, acting alone, is authorized and directed, for and on behalf of the Issuer, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the purchaser or purchasers thereof, upon payment of the purchase price thereof.

Section 9. The Authorized Officers, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the Issuer, to execute and deliver any and all documents, including, without limitation, any tax certificates or agreements relating to the Bonds, any continuing disclosure certificates or agreements relating to the Bonds, any calculation agent agreements relating to the Bonds, any investment agreements relating to the Bonds or the investment of moneys in the funds and accounts under the Indentures, any letter agreements with J. Aron relating to the Limited Assignment Agreements, any letter agreement, joinder, consent, certificate, approval, amendment, or other documents or agreements relating to the Intercreditor Agreement, any rating agency fee memoranda of understanding, and any and all documents and certificates to be executed in connection with securing credit support, if any, for the Bonds, or investing proceeds of the Bonds or other moneys held under the Indentures, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Issuer has approved in this Resolution and to consummate by the Issuer the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given under or in accordance with such documents, the retaining of financial, legal or other consultants, as needed, the costs for which may be payable from proceeds of the Bonds as provided in Section 5 of this Resolution, the appointment of a director to the board of directors of each Energy Supplier, and the collection and spending of any administrative fees funded with proceeds of the Bonds and on an annual and ongoing basis as needed.

Section 10. All actions heretofore taken by the Authorized Officers with respect to the issuance of the Bonds are hereby ratified, confirmed and approved.

Section 11. The Board of Directors hereby approves the execution and delivery of all agreements, documents, certificates and instruments referred to herein with electronic signatures as may be permitted under the California Uniform Electronic Transactions Act and digital signatures as may be permitted under Section 16.5 of the California Government Code using DocuSign.

Section 12. Notwithstanding anything to the contrary contained in this Resolution or the Other Resolution, no more than two prepayment transactions shall be entered into by the Issuer pursuant to this Resolution and the Other Resolution and no Bonds shall be issued pursuant to this Resolution after June 30, 2027.

Section 13. This Resolution shall take effect immediately.

PASSED AND ADOPTED at a regular meeting of the CCCFA Board of Directors on this 25th day of June, 2026, by the following vote:

	YES	NO	ABSTAIN	ABSENT
Ted Bardacke				
Robert Shaw				
Vicken Kasarjian				
Monica Padilla				
Howard Chang				

CHAIR, CCCFA

Attest:

SECRETARY, CCCFA

EXHIBIT A

REQUIRED GOOD FAITH ESTIMATES PURSUANT TO GOVERNMENT CODE SECTION 5852.1

1. **Estimated Principal Amount of any Single Issue of Bonds.** The aggregate principal amount of any single issue of Bonds estimated to be sold: \$998,390,000.
2. **True Interest Cost.** As defined in Section 5852.1(a)(1)(A) of the Government Code: 4.195%.
3. **Finance Charge of any Single Issue of Bonds.** As defined in Section 5852.1(a)(1)(B) of the Government Code, the sum of all fees and charges paid to third parties (being costs of issuance of approximately \$1,150,143 plus estimated underwriters' compensation of \$4,690,708): \$5,840,851.
4. **Amount of Proceeds to be Received for any Single Issue of Bonds.** As described in Section 5852.1(a)(1)(C) of the Government Code, the proceeds to be received by the Issuer for sale of any single issue of Bonds, less the finance charge for such issue of Bonds described in (3) above and any reserves or capitalized interest paid or funded with proceeds of such issue of Bonds: \$1,012,932,011.
5. **Total Payment Amount for any Single Issue of Bonds.** As defined in Section 5852.1(a)(1)(D) of the Government Code, the total payment amount, being the sum of (a) all payments the borrower will make to pay debt service on any single issue of Bonds to final maturity, plus (b) the finance charge for such issue of Bonds described in (3) above not paid from proceeds of such issue of Bonds: \$1,442,108,490 to the initial final maturity date or initial Mandatory Purchase Date, as applicable, for such Bonds.



California Community Choice Financing Authority

Staff Report – Item 5B

Item 5B: Board of Directors

From: Garth Salisbury, Treasurer/Controller

Date: 06/25/2026

Attachments: Board Resolution No. 2026-12 authorizing the issuance of Clean Energy Project Revenue Bonds to finance the acquisition of long-term supplies of electricity for Ava Community Energy Authority

RECOMMENDATION

By motion, adopt Resolution No. 2026-12 authorizing the issuance of one or more series of Clean Energy Project Revenue Bonds (the “Bonds”) and approving parameters under which one or more energy prepayment transactions can be completed on behalf of Ava Community Energy Authority (“Ava”) with Morgan Stanley & Co. LLC as underwriter (the “Underwriter”) and one or more limited liability companies established by Morgan Stanley Capital Group Inc. (“MSCG”), as the energy suppliers (the “Energy Suppliers”); authorizing and/or approving documents or “form of” documents supporting the prepayment transactions; and approving payments by CCCFA to service providers for issuance costs from prepayment bond proceeds.

BACKGROUND

Ava has retained PFM Financial Advisors LLC (“PFM”) as Municipal Financial Advisor and Chapman and Cutler LLP (“Chapman”) as Project Participant Counsel to support Ava’s continued evaluation and preparation of one or more energy prepayment transactions.

On June 25, 2021, Ava and three other CCAs created and established CCCFA. Since that time, Ava has completed one joint prepayment transaction with another CCA and four other individual transactions through CCCFA totaling over \$5 billion.

On June 17, 2026, the Ava Board of Directors adopted a Resolution authorizing the completion of one or more energy prepayment transactions with the Underwriter and the Energy Suppliers, provided that the principal amount of the bonds issued for any single prepayment transaction shall not exceed \$1.25 billion, the underwriter's discount shall not exceed 0.6% and total cost of issuance shall not exceed 1.0% of the proceeds of the bonds.

In the current plan of finance, Ava plans to prepay energy purchased under one or more power purchase and sale agreements between Ava and certain sellers of electricity.

REQUESTED ACTION

The proposed Board Resolution encompasses the following approvals or authorizations relating to the execution of one or more prepayment transactions:

- Authorizes the issuance of the Bonds by CCCFA for the purpose of financing the purchase of certain quantities of electricity from the Energy Suppliers and selling such quantities of electricity to Ava;
- Authorizes CCCFA Officers to execute, or approve for distribution of, documents and "form of" documents supporting the prepayment transactions; and
- Confirms receipt by CCCFA of certain representations and good faith estimates from PFM regarding the Bonds;

The proposed Board Resolution is substantially similar to the Resolutions approved by the Board to support previous prepayment transactions by other CCAs.

Good Faith Estimates for Prepayment Transaction

Pursuant to Government Code Section 5852.1, PFM has provided CCCFA with the following required good faith estimates for any single prepayment transaction contemplated herein:

- An aggregate principal amount of \$998,390,000 for the Bonds estimated to be sold;
- A True Interest Cost of 4.195%;
- A sum of all fees and charges paid to third parties (being costs of issuance of approximately \$1,150,143 plus estimated underwriters' compensation of \$4,690,708) totaling \$5,840,851;
- Proceeds to be received by CCCFA for the sale of the related Bonds, less the finance charge for the related Bonds and any reserves or capitalized interest paid or funded with proceeds of the related Bonds, of \$1,012,932,011; and
- A total payment amount, being the sum of all payments the borrower will make to pay debt service on the related Bonds to final maturity, plus the finance charge for the related Bonds described above not paid from proceeds of the related Bonds, of \$1,442,108,490 to the initial final maturity date or initial Mandatory Purchase Date, as applicable, for such Bonds.

Prepayment Documents

The proposed Board Resolution authorizes Authorized Officers of CCCFA to execute and deliver the following documents and document forms supporting each prepayment transaction:

- A proposed form of Trust Indenture, between CCCFA and U.S. Bank Trust Company, National Association ("U.S. Bank"), as Trustee, or other trustee named therein;
- A proposed form of Prepaid Energy Sales Agreement, between CCCFA and the related Energy Supplier;
- A proposed form of Power Supply Contract, between CCCFA and Ava;
- A proposed form of Limited Assignment Agreement (the "Limited Assignment Agreement"), among Ava, MSCG or the related Energy Supplier, and certain sellers of electricity (collectively, the "PPA Sellers") under one or more power

purchase and sale agreement(s) between Ava and the respective PPA Sellers (collectively, the “Assigned PPAs”);

- A proposed form one or more Re-Pricing Agreements (the “Re-Pricing Agreements”) between the related Energy Supplier and CCCFA;
- Proposed forms of one or more ISDA Master Agreements, Schedules thereto and related Confirmations between CCCFA and Natixis (the “Commodity Swap Counterparty”) relating to one or more commodity swaps (the “Commodity Swap Agreements”);
- A proposed form of one or more Custodial Agreements (the “Front-End Custodial Agreements”) among CCCFA, U.S. Bank, as Trustee and Custodian, and the Commodity Swap Counterparty;
- A proposed form of one or more Prepaid Energy Project Administration Agreements (the “Project Administration Agreements”) between CCCFA and Ava;
- Proposed forms of one or more ISDA Master Agreements, Schedules thereto and related Confirmations between CCCFA and MSCG, relating to one or more investment swaps (the “Investment Swap Agreements”);
- A proposed form of one or more Assignment Agreements (the “Assignment Agreements”), by and among CCCFA, U.S. Bank, and MSCG, relating to the Investment Swap Agreements;
- A proposed form of one or more Official Statements (the “Official Statements”) to be used by the Underwriter in connection with the offering and sale of the related Bonds;
- A proposed form of Bond Purchase Contract, between the Underwriter and CCCFA; and
- An Intercreditor and Collateral Agency Agreement, dated as of February 12, 2018, by and among River City Bank, as collateral agent, the PPA Providers from time to time party thereto, and Ava (the “Intercreditor Agreement”).

FISCAL IMPACT

Upon the successful closing of a prepayment bond transaction, the total costs of issuance will be paid by CCCFA out of Bond proceeds including a \$20,000 “New Deal

Fee” to be paid to CCCFA. In the event a prepayment bond transaction is not successfully completed, Ava will make payments to Moody’s and the Second Party Opinion provider as described in the ratings fee Memoranda of Understanding between CCCFA, Ava and Morgan Stanley.

RESOLUTION NO. 2026-12

RESOLUTION OF THE CALIFORNIA COMMUNITY CHOICE FINANCING AUTHORITY AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF CLEAN ENERGY PROJECT REVENUE BONDS FROM TIME TO TIME IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$2,500,000,000 TO FINANCE THE ACQUISITION OF LONG-TERM SUPPLIES OF ELECTRICITY FOR THE AVA COMMUNITY ENERGY AUTHORITY AND OTHER MATTERS RELATING THERETO

WHEREAS, pursuant to the provisions of 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”), a number of California public agencies (as defined in the Act) that are community choice aggregators that have implemented CCA programs (as such terms are defined in the California Public Utilities Code) have entered into a joint powers agreement (as amended, the “Agreement”) pursuant to which the California Community Choice Financing Authority (the “Issuer”) has been organized for the purpose, among other things, of entering into contracts and issuing bonds to assist its members in financing or refinancing energy prepayments;

WHEREAS, the Ava Community Energy Authority (“ACE”) is a Founding Member (as such term is defined in the Agreement) of the Issuer;

WHEREAS, the Issuer is authorized by its Agreement to purchase and sell electric energy and associated capacity and environmental attributes and to issue revenue bonds to finance or refinance the cost of such transactions, and is vested with all powers necessary to accomplish the purposes for which it was created;

WHEREAS, the Issuer has determined to purchase, from time to time, certain quantities of electricity from one or more limited liability companies established by Morgan Stanley Capital Group Inc., a Delaware corporation (“MSCG”) for such purpose (the “Energy Suppliers”) on a prepaid basis (the “Projects”) and to sell such electricity to ACE, as contemplated herein;

WHEREAS, the Issuer has determined to finance the costs of the Projects with the proceeds of its Clean Energy Project Revenue Bonds, to be issued in one or more series or subseries from time to time (collectively, the “Bonds”);

WHEREAS, the Issuer has determined to authorize the officers of the Issuer to take all necessary action to accomplish the purchase of the Projects on a prepaid basis, the sale of electricity to ACE and the issuance, sale and delivery of the Bonds;

WHEREAS, pursuant to one or more Trust Indentures (the “Indentures”), between the Issuer and U.S. Bank Trust Company, National Association, as trustee, or other trustee named therein (the “Trustee”), the Issuer will issue the Bonds for the purpose, among others, of financing the Projects;

WHEREAS, pursuant to one or more Bond Purchase Contracts, to be dated the date of sale of the related Bonds (the “Bond Purchase Contracts”), between Morgan Stanley & Co. LLC, as the sole underwriter or as representative of the underwriters (collectively, the “Underwriters”), and the Issuer, the Bonds will be sold to the Underwriters, and the proceeds of such sale will be used as set forth in the Indentures and the Bond Purchase Contracts to finance the Projects and to pay costs incurred in connection with the issuance of the Bonds;

WHEREAS, pursuant to one or more Prepaid Energy Sales Agreements (the “Prepaid Energy Sales Agreements”) between the Issuer and the related Energy Supplier, the Issuer will acquire one or more supplies of electricity from the related Energy Supplier;

WHEREAS, pursuant to one or more Power Supply Contracts (the “Power Supply Contracts”) between the Issuer and ACE, the Issuer will sell each such supply of electricity to ACE over a period of years; and

WHEREAS, pursuant to Section 5852.1 of the California Government Code, the Issuer has received certain representations and good faith estimates regarding any single issue of Bonds currently expected to be issued pursuant to this Resolution from PFM Financial Advisors LLC, which good faith estimates are attached hereto as Exhibit A;

WHEREAS, on the date hereof, the Board of Directors of the Issuer (the “Board of Directors”) is considering an additional resolution (the “Other Resolution”), authorizing the issuance of one or more series or subseries of the Issuer’s Clean Energy Project Revenue Bonds (the “Other Bonds”) for the purpose of financing the purchase, from time to time, of certain quantities of electricity from one or more suppliers and selling such quantities of electricity to ACE, as contemplated therein;

WHEREAS, there have been made available to the Board of Directors the following documents and agreements:

1. A proposed form of Indenture;
2. A proposed form of Prepaid Energy Sales Agreement;
3. A proposed form of Power Supply Contract;
4. A proposed form of Limited Assignment Agreement (the “Limited Assignment Agreement”), among ACE, MSCG or the related Energy Supplier, and certain sellers of electricity (collectively, the “PPA Sellers”) under one or more power purchase and sale agreements between ACE and the respective PPA Sellers (collectively, the “Assigned PPAs”);
5. A proposed form of one or more Re-Pricing Agreements (the “Re-Pricing Agreements”), between the related Energy Supplier and the Issuer;

6. Proposed forms of one or more ISDA Master Agreements, Schedules thereto and related Confirmations between the Issuer and Natixis (the “Commodity Swap Counterparty”) relating to one or more commodity swaps (the “Commodity Swap Agreements”);

7. A proposed form of one or more Custodial Agreements (the “Front-End Custodial Agreements”), among the Issuer, the Trustee, as trustee and custodian, and the Commodity Swap Counterparty;

8. A proposed form of one or more Prepaid Energy Project Administration Agreements (the “Project Administration Agreements”) between the Issuer and ACE;

9. Proposed forms of one or more ISDA Master Agreements, Schedules thereto and related Confirmations between the Issuer and MSCG, relating to one or more investment swaps (the “Investment Swap Agreements”);

10. A proposed form of one or more Assignment Agreements (the “Assignment Agreements”), by and among the Issuer, the Trustee, and MSCG, relating to the Investment Swap Agreements;

11. A proposed form of one or more official statements (the “Official Statements”) to be used by the Underwriters in connection with the offering and sale of the Bonds;

12. A proposed form of Bond Purchase Contract; and

13. An Intercreditor and Collateral Agency Agreement, dated as of February 12, 2018, by and among River City Bank, as collateral agent, the PPA Providers from time to time party thereto, and ACE (the “Intercreditor Agreement”).

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the California Community Choice Financing Authority, as follows:

Section 1. Pursuant to the Act and the Indenture, the Issuer is hereby authorized to issue its revenue bonds designated as the “California Community Choice Financing Authority Clean Energy Project Revenue Bonds” in an aggregate principal amount that, together with the aggregate principal amount of the Other Bonds issued pursuant to the Other Resolution, does not to exceed two billion five hundred million dollars (\$2,500,000,000), in one or more series or subseries from time to time, with such other name or names of the Bonds or series or subseries thereof as designated in the Indenture pursuant to which the Bonds are issued. The Bonds shall be issued and secured in accordance with the terms of, and shall be in the form or forms set forth in, the form of Indenture made available to the Board of Directors for this meeting. The Bonds shall be executed by the manual or facsimile signature of the Chair of the Issuer, the Vice Chair of the Issuer, the Treasurer/Controller of the Issuer, the Secretary of the Issuer or any

other person or persons designated by the Board of Directors by resolution to act on behalf of the Issuer (each, including the designees thereof, an “Authorized Officer”), and attested by the manual or facsimile signature of the Secretary of the Issuer or any other Authorized Officer.

Section 2. The proposed form of Indenture, as made available to the Board of Directors for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver one or more Indentures in substantially said form, with such changes and insertions therein (including any change of the funding recipient and any changes or insertions relating to a change of the funding recipient) as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The designation of the trustee, designation of the funding recipient, Indenture provisions relating to the funding recipient, dated date, maturity date or dates and provisions relating to the extension thereof, methods of determining interest rate or rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, tender provisions, terms of redemption and other terms of any Bonds shall be as provided in the Indenture pursuant to which such Bonds are issued, as finally executed.

Section 3. The proposed forms of Prepaid Energy Sales Agreement, Power Supply Contract, Limited Assignment Agreement, Re-Pricing Agreement, Front-End Custodial Agreement, Project Administration Agreement, and Assignment Agreement, each as made available to the Board of Directors for this meeting, are hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver one or more of any such agreements in substantially said forms, with such changes and insertions therein (including any change of the funding recipient and any changes or insertions relating to a change of the funding recipient) as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed preliminary form of Official Statement, as made available to the Board of Directors for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver one or more certificates deeming one or more preliminary forms of Official Statement final for purposes of Securities and Exchange Commission Rule 15c2-12 and to execute and deliver one or more Official Statements in substantially said form, with such changes and insertions therein (including any change of the funding recipient and any changes or insertions relating to a change of the funding recipient) as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Underwriters are hereby authorized to distribute the Official Statements in preliminary form to persons who may be interested in the purchase of the related Bonds, and to deliver the Official Statements in final form to the purchasers of the related Bonds, in each case with such changes as may be approved as aforesaid.

Section 5. The proposed form of Bond Purchase Contract, as made available to the Board of Directors for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver one or more Bond Purchase Contracts in substantially said form, with such changes and insertions therein (including any change of the funding recipient and any changes or insertions relating to a change of the funding recipient) as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided that the Underwriters' discount or compensation pursuant to any such Bond Purchase Contract shall not exceed 0.6% of the principal amount of the Bonds sold pursuant to such Bond Purchase Contract and total costs of issuance for the Bonds sold pursuant to any Bond Purchase Contract, including all underwriting, legal and consultant fees will not exceed 1.0% of the proceeds of such Bonds. For the purpose of the limitations contained in this Section, costs of issuance do not include any costs ultimately paid with additional proceeds or rounding amounts (howsoever such proceeds or amounts are designated in any pricing schedules relating to the Bonds).

Section 6. The proposed form of Commodity Swap Agreement, as made available to the Board of Directors for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver one or more Commodity Swap Agreements in substantially said form, with such changes and insertions therein (including any change of the funding recipient and any changes or insertions relating to a change of the funding recipient) as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Board of Directors hereby finds and determines, pursuant to Section 5922 of the California Government Code, that due consideration has been given for the creditworthiness of the Commodity Swap Counterparty, and that the Commodity Swap Agreements are designed to reduce the amount or duration of rate, spread or similar risk and result in a lower cost of borrowing when used in combination with the issuance of the Bonds, including entering into the Prepaid Energy Sales Agreements and the Power Supply Contracts, and, in particular, to reduce the rate, spread or similar risk between the variable payments to be made by ACE under the Power Supply Contracts and the fixed payments to be made on the Bonds.

Section 7. The proposed form of Investment Swap Agreement, as made available to the Board of Directors for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver one or more Investment Swap Agreements in substantially said form, with such changes and insertions therein (including any change of the funding recipient and any changes or insertions relating to a change of the funding recipient) as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Board of Directors hereby finds and determines, pursuant to Section 5922 of the California Government Code, that due consideration has been given for the creditworthiness of MSCG, including the guarantee of the obligations of MSCG under the Investment Swap Agreements by Morgan Stanley, a Delaware corporation, and that the Investment Swap Agreements are designed to reduce the amount

or duration of rate, spread or similar risk when used in combination with the issuance of the Bonds and to enhance the relationship between risk and return with respect to the electricity purchase program financed or refinanced with the proceeds of the Bonds, and, in particular, with respect to the investment of funds on deposit in the Debt Service Accounts under the Indentures.

Section 8. The Bonds, when executed as provided in Section 1, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee's Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the purchaser or purchasers thereof in accordance with written instructions executed on behalf of the Issuer by an Authorized Officer, which any Authorized Officer, acting alone, is authorized and directed, for and on behalf of the Issuer, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the purchaser or purchasers thereof, upon payment of the purchase price thereof.

Section 9. The Authorized Officers, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the Issuer, to execute and deliver any and all documents, including, without limitation, any tax certificates or agreements relating to the Bonds, any continuing disclosure certificates or agreements relating to the Bonds, any calculation agent agreements relating to the Bonds, any investment agreements relating to the Bonds or the investment of moneys in the funds and accounts under the Indentures, any letter agreements relating to the Limited Assignment Agreements, any letter agreement, joinder, consent, certificate, approval, amendment, or other documents or agreements relating to the Intercreditor Agreement, any rating agency fee memoranda of understanding, and any and all documents and certificates to be executed in connection with securing credit support, if any, for the Bonds, or investing proceeds of the Bonds or other moneys held under the Indentures, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Issuer has approved in this Resolution and to consummate by the Issuer the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given under or in accordance with such documents, the retaining of financial, legal or other consultants, as needed, the costs for which may be payable from proceeds of the Bonds as provided in Section 5 of this Resolution, the appointment of a director to the board of directors of each Energy Supplier, and the collection and spending of any administrative fees funded with proceeds of the Bonds and on an annual and ongoing basis as needed.

Section 10. All actions heretofore taken by the Authorized Officers with respect to the issuance of the Bonds are hereby ratified, confirmed and approved.

Section 11. The Board of Directors hereby approves the execution and delivery of all agreements, documents, certificates and instruments referred to herein with electronic signatures as may be permitted under the California Uniform Electronic

Transactions Act and digital signatures as may be permitted under Section 16.5 of the California Government Code using DocuSign.

Section 12. Notwithstanding anything to the contrary contained in this Resolution or the Other Resolution, no more than two prepayment transactions shall be entered into by the Issuer pursuant to this Resolution and the Other Resolution and no Bonds shall be issued pursuant to this Resolution after June 30, 2027.

Section 13. This Resolution shall take effect immediately.

PASSED AND ADOPTED at a regular meeting of the CCCFA Board of Directors on this 25th day of June, 2026, by the following vote:

	YES	NO	ABSTAIN	ABSENT
Ted Bardacke				
Robert Shaw				
Vicken Kasarjian				
Monica Padilla				
Howard Chang				

CHAIR, CCCFA

Attest:

SECRETARY, CCCFA

EXHIBIT A

REQUIRED GOOD FAITH ESTIMATES PURSUANT TO GOVERNMENT CODE SECTION 5852.1

1. **Estimated Principal Amount of any Single Issue of Bonds.** The aggregate principal amount of any single issue of Bonds estimated to be sold: \$998,390,000.
2. **True Interest Cost.** As defined in Section 5852.1(a)(1)(A) of the Government Code: 4.195%.
3. **Finance Charge of any Single Issue of Bonds.** As defined in Section 5852.1(a)(1)(B) of the Government Code, the sum of all fees and charges paid to third parties (being costs of issuance of approximately \$1,150,143 plus estimated underwriters' compensation of \$4,690,708): \$5,840,851.
4. **Amount of Proceeds to be Received for any Single Issue of Bonds.** As described in Section 5852.1(a)(1)(C) of the Government Code, the proceeds to be received by the Issuer for sale of any single issue of Bonds, less the finance charge for such issue of Bonds described in (3) above and any reserves or capitalized interest paid or funded with proceeds of such issue of Bonds: \$1,012,932,011.
5. **Total Payment Amount for any Single Issue of Bonds.** As defined in Section 5852.1(a)(1)(D) of the Government Code, the total payment amount, being the sum of (a) all payments the borrower will make to pay debt service on any single issue of Bonds to final maturity, plus (b) the finance charge for such issue of Bonds described in (3) above not paid from proceeds of such issue of Bonds: \$1,442,108,490 to the initial final maturity date or initial Mandatory Purchase Date, as applicable, for such Bonds.



California Community Choice Financing Authority

Staff Report – Item 6

Item 6: Board of Directors

From: Garth Salisbury, Treasurer/Controller

Date: June 25, 2026

Attachments: Board Resolution No. 2026-13 authorizing the issuance of Clean Energy Project Revenue Bonds to finance the acquisition of a long-term supply of electricity for Desert Community Energy and Redwood Coast Energy Authority

RECOMMENDATION

By motion, adopt Resolution No. 2026-13 authorizing the issuance of one or more series of Clean Energy Project Revenue Bonds (the “Bonds”) and approving parameters under which an energy prepayment transaction can be completed on behalf of Desert Community Energy and Redwood Coast Energy Authority (“the Joint CCAs”) with Goldman Sachs & Co. LLC as underwriter (the “Underwriter”) and Aron Energy Prepay 70 LLC as the energy supplier (the “Energy Supplier”); authorizing and/or approving documents or “form of” documents supporting the prepayment transaction; and approving payments by CCCFA to service providers for issuance costs from prepayment bond proceeds.

BACKGROUND

The Joint CCAs have retained MG Advisory Corp. (“MG”) as Municipal Financial Advisor and Chapman and Cutler LLP (“Chapman”) as Project Participant Counsel to support the Joint CCAs’ continued evaluation and preparation of an energy prepayment transaction.

In March 2026, the Boards of Directors of Desert Community Energy and Redwood Coast Energy Authority each approved of their respective CCAs joining CCCFA as Associate Members. In April 2026, the CCCFA Board of Directors in turn approved of the Joint CCAs joining CCCFA, each as an Associate Member. The Desert Community Energy Board of Directors met on June 24, 2026 and adopted a Resolution authorizing the completion of an energy prepay transaction with the Underwriter and Energy Supplier. The Redwood Coast Energy Authority will similarly be asked to adopt such a resolution at their June 25, 2026 meeting. The Joint CCAs' resolutions stipulated that the principal amount of the transaction shall not exceed \$900 million, the minimum energy price discount for the initial reset period shall not be less than 8.00% of the fixed cash flows or equivalent \$ per MWh, and the issuance cost of the bonds (including the underwriter's discount) shall not be greater than 1.00% of the proceeds of the bonds.

In the current plan of finance, the Joint CCAs plan to prepay for energy supplied by J. Aron & Co. LLC ("J. Aron") to the Energy Supplier, which will include energy (and related energy storage) assigned by the Joint CCAs to J. Aron under one or more power purchase and sale agreements between the Joint CCAs and certain sellers of electricity.

REQUESTED ACTION

The proposed Board Resolution encompasses the following approvals or authorizations relating to the execution of the prepayment transaction:

- Authorizes the issuance of the Bonds by CCCFA for the purpose of financing the purchase of certain quantities of electricity from the Energy Supplier and selling such quantities of electricity to the Joint CCAs;
- Authorizes CCCFA Officers to execute, or approve for distribution of, documents and "form of" documents supporting the prepayment transaction; and
- Confirms receipt by CCCFA of certain representations and good faith estimates from MG regarding the Bonds;

The proposed Board Resolution is substantially similar to the Resolutions approved by the Board to support previous prepayment transactions by other CCAs.

The Board of Directors of Redwood Coast Energy Authority is expected to meet the evening of this CCCFA Board meeting and approve the execution and delivery of the Clean Energy Purchase Contract and other necessary documents and “form of” documents supporting the prepay transaction. Pursuant to Section 12 of the proposed Board Resolution, the proposed Board Resolution is contingent upon the Board of Directors of Redwood Coast Energy Authority authorizing the execution and delivery of the Clean Energy Purchase Contract by Redwood Coast Energy Authority in connection with the issuance of the Bonds at a meeting of the Board of Directors of Redwood Coast Energy Authority that commences no later than the same calendar day that the proposed Board Resolution is passed and adopted by the CCCFA Board and is not continued to a later calendar day. In the event the Board of Directors of Redwood Coast Energy Authority does not provide such authorization at the meeting of the Board of Directors of Redwood Coast Energy Authority described in the immediately preceding sentence, then the proposed Board Resolution will be null and void, the Bonds will not be issued pursuant to the proposed Board Resolution, and no documents referenced in the proposed Board Resolution may be executed and delivered pursuant to the proposed Board Resolution.

Good Faith Estimates for Prepayment Transaction

Pursuant to Government Code Section 5852.1, MG has provided CCCFA with the following required good faith estimates for the prepayment transaction contemplated herein:

- An aggregate principal amount of \$800,000,000 for the Bonds estimated to be sold;
- A True Interest Cost of 5.0%;
- A sum of all fees and charges paid to third parties (being costs of issuance of approximately \$1,750,000 plus estimated underwriters’ compensation of \$4,250,000) totaling \$6,000,000;
- Proceeds to be received by CCCFA for the sale of the Bonds, less the finance charge for the Bonds and any reserves or capitalized interest paid or funded with proceeds of the Bonds, of \$850,000,000; and

- A total payment amount, being the sum of all payments the borrower will make to pay debt service on the Bonds to final maturity, plus the finance charge for the Bonds described above not paid from proceeds of the Bonds, of \$1,200,000,000 to the initial final maturity date or Mandatory Purchase Date, as applicable.

Prepayment Documents

The proposed Board Resolution authorizes Authorized Officers of CCCFA to execute and deliver the following documents and document forms supporting the prepayment transaction:

- A proposed form of Trust Indenture, between CCCFA and U.S. Bank Trust Company, National Association (“U.S. Bank”), as Trustee, or other trustee named therein;
- Proposed forms of one or more Master Power Supply Agreements, between CCCFA and the Energy Supplier;
- Proposed forms of one or more Clean Energy Purchase Contracts, among CCCFA and the Joint CCAs;
- A proposed form of Limited Assignment Agreement, among the Joint CCAs, J. Aron, and certain sellers of electricity (collectively, the “PPA Sellers”) under one or more power purchase and sale agreement(s) between the Joint CCAs and the respective PPA Sellers (collectively, the “Assigned PPAs”);
- A proposed form of Consolidated, Amended and Restated PPA Custodial Agreement, among CCCFA, the Joint CCAs, J. Aron, and U.S. Bank, as custodian, or other custodian named therein, relating to payments to be made with respect to the Assigned PPAs;
- A proposed form of Pricing Agreement between the Energy Supplier and CCCFA;
- A proposed form of Re-Pricing Agreement between the Energy Supplier and CCCFA;
- Proposed forms of ISDA Master Agreement, Schedule thereto and one or more related Confirmations between CCCFA and BP Energy Company (the “Commodity Swap Counterparty”) relating to a commodity swap (the “Commodity Swap Agreement”);

- A proposed form of Custodial Agreement (the “Front-End Custodial Agreement”) among CCCFA, U.S. Bank, as Trustee and Custodian, and the Commodity Swap Counterparty;
- Proposed forms of one or more ISDA Master Agreements, Schedules thereto and related Confirmations between CCCFA and J. Aron, relating to one or more interest rate swaps (the “Interest Rate Swap Agreements”);
- A proposed form of Clean Energy Project Operational Services Agreement (the “Operational Services Agreement”) among CCCFA and the Joint CCAs;
- A proposed form of Official Statement to be used by the Underwriter in connection with the offering and sale of the Bonds; and
- A proposed form of Bond Purchase Contract, between the Underwriter and CCCFA.

FISCAL IMPACT

Upon the successful closing of the prepayment bond transaction, the total costs of issuance will be paid by CCCFA out of Bond proceeds including a “New Deal” fee in the amount of \$20,000 to be paid to CCCFA. In the event the prepayment bond transaction is not successfully completed, the Joint CCAs will make a payment to Moody’s Investors Service and the Second Party Opinion provider as described in the ratings fee Memoranda of Understanding among CCCFA and the Joint CCAs.

RESOLUTION NO. 2026-13

RESOLUTION OF THE CALIFORNIA COMMUNITY CHOICE FINANCING AUTHORITY AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF CLEAN ENERGY PROJECT REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$900,000,000 TO FINANCE THE ACQUISITION OF A LONG-TERM SUPPLY OF ELECTRICITY FOR DESERT COMMUNITY ENERGY AND REDWOOD COAST ENERGY AUTHORITY AND OTHER MATTERS RELATING THERETO

WHEREAS, pursuant to the provisions of 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”), a number of California public agencies (as defined in the Act) that are community choice aggregators that have implemented CCA programs (as such terms are defined in the California Public Utilities Code) have entered into a joint powers agreement (as amended, the “Agreement”) pursuant to which the California Community Choice Financing Authority (the “Issuer”) has been organized for the purpose, among other things, of entering into contracts and issuing bonds to assist its members in financing or refinancing energy prepayments;

WHEREAS, Desert Community Energy (“DCE”) is an Associate Member (as such term is defined in the Agreement) of the Issuer;

WHEREAS, Redwood Coast Energy Authority (“RCEA” and, together with DCE, the “Project Participants”) is an Associate Member (as such term is defined in the Agreement) of the Issuer;

WHEREAS, the Issuer is authorized by its Agreement to purchase and sell electric energy and associated capacity and environmental attributes and to issue revenue bonds to finance or refinance the cost of such transactions, and is vested with all powers necessary to accomplish the purposes for which it was created;

WHEREAS, the Issuer has determined to purchase certain quantities of electricity from Aron Energy Prepay 70 LLC (the “Energy Supplier”) on a prepaid basis (the “Project”) and to sell such electricity to the Project Participants, as contemplated herein;

WHEREAS, the Issuer has determined to finance the costs of the Project with the proceeds of its Clean Energy Project Revenue Bonds, to be issued in one or more series or subseries (collectively, the “Bonds”);

WHEREAS, the Issuer has determined to authorize the officers of the Issuer to take all necessary action to accomplish the purchase of the Project on a prepaid basis, the sale of electricity to the Project Participants and the issuance, sale and delivery of the Bonds;

WHEREAS, pursuant to a Trust Indenture (the “Indenture”), between the Issuer and U.S. Bank Trust Company, National Association, as trustee, or other trustee named therein (the “Trustee”), the Issuer will issue the Bonds for the purpose, among others, of financing the Project;

WHEREAS, pursuant to a Bond Purchase Contract, to be dated the date of sale of the Bonds (the “Bond Purchase Contract”), between Goldman Sachs & Co. LLC, as the sole underwriter or as representative of the underwriters (collectively, the “Underwriters”), and the Issuer, the Bonds will be sold to the Underwriters, and the proceeds of such sale will be used as set forth in the Indenture and the Bond Purchase Contract to finance the Project and to pay costs incurred in connection with the issuance of the Bonds;

WHEREAS, pursuant to one or more Master Power Supply Agreements (the “Master Power Supply Agreements”) between the Issuer and the Energy Supplier, the Issuer will acquire a supply of electricity from the Energy Supplier;

WHEREAS, pursuant to one or more Clean Energy Purchase Contracts (the “Clean Energy Purchase Contracts”) between the Issuer and the Project Participants, the Issuer will sell such supply of electricity to the Project Participants over a period of years; and

WHEREAS, pursuant to Section 5852.1 of the California Government Code, the Issuer has received certain representations and good faith estimates from MG Advisory Corp., which good faith estimates are attached hereto as Exhibit A;

WHEREAS, there have been made available to the Board of Directors of the Issuer (the “Board of Directors”) the following documents and agreements:

1. A proposed form of the Indenture;
2. Proposed forms of the Master Power Supply Agreements;
3. Proposed forms of the Clean Energy Purchase Contracts;
4. Proposed forms of one or more Limited Assignment Agreements, among the related Project Participant, J. Aron & Company LLC, a New York limited liability company (“J. Aron”), and certain sellers of electricity (collectively, the “PPA Sellers”) under one or more power purchase and sale agreements between the related Project Participant and the respective PPA Sellers (collectively, the “Assigned PPAs”);
5. Proposed forms of one or more PPA Custodial Agreements (the “PPA Custodial Agreements”) among the related Project Participant, J. Aron, the Issuer and U.S. Bank Trust Company, National Association, as custodian, or other custodian named therein, relating to payments to be made with respect to the Assigned PPAs;

6. A proposed form of Pricing Agreement (the “Pricing Agreement”), between the Energy Supplier and the Issuer;

7. A proposed form of Re-Pricing Agreement (the “Re-Pricing Agreement”), between the Energy Supplier and the Issuer;

8. Proposed forms of ISDA Master Agreement, the Schedule thereto and one or more related Confirmations between the Issuer and BP Energy Company (the “Commodity Swap Counterparty”) relating to a commodity swap (the “Commodity Swap Agreement”);

9. A proposed form of Custodial Agreement (the “Front-End Custodial Agreement”), among the Issuer, the Trustee, as trustee and custodian, and the Commodity Swap Counterparty;

10. Proposed forms of ISDA Master Agreement, the Schedule thereto and related Confirmations between the Issuer and J. Aron, relating to one or more interest rate swaps (the “Interest Rate Swap Agreements”);

11. A proposed form of Clean Energy Project Operational Services Agreement (the “Operational Services Agreement”) between the Issuer and the Project Participants;

12. A proposed form of official statement (the “Official Statement”) to be used by the Underwriters in connection with the offering and sale of the Bonds; and

13. A proposed form of Bond Purchase Contract.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the California Community Choice Financing Authority, as follows:

Section 1. Pursuant to the Act and the Indenture, the Issuer is hereby authorized to issue its revenue bonds designated as the “California Community Choice Financing Authority Clean Energy Project Revenue Bonds” in an aggregate principal amount not to exceed nine hundred million dollars (\$900,000,000), in one or more series or subseries, with such other name or names of the Bonds or series or subseries thereof as designated in the Indenture pursuant to which the Bonds are issued. The Bonds shall be issued and secured in accordance with the terms of, and shall be in the form or forms set forth in, the form of the Indenture made available to the Board of Directors for this meeting. The Bonds shall be executed by the manual or facsimile signature of the Chair of the Issuer, the Vice Chair of the Issuer, the Treasurer/Controller of the Issuer, the Secretary of the Issuer or any other person or persons designated by the Board of Directors by resolution to act on behalf of the Issuer (each, including the designees thereof, an “Authorized Officer”), and attested by the manual or facsimile signature of the Secretary of the Issuer or any other Authorized Officer.

Section 2. The proposed form of the Indenture, as made available to the Board of Directors for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver the Indenture in substantially said form, with such changes and insertions therein (including any change of the funding recipient and any changes or insertions relating to a change of the funding recipient) as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The designation of the trustee, the designation of the funding recipient, Indenture provisions relating to the funding recipient, dated date, maturity date or dates and provisions relating to the extension thereof, methods of determining interest rate or rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, tender provisions, terms of redemption and other terms of the Bonds shall be as provided in the Indenture, as finally executed.

Section 3. The proposed forms of the Master Power Supply Agreements, the Clean Energy Purchase Contracts, the Limited Assignment Agreements, the PPA Custodial Agreements, the Pricing Agreement, the Re-Pricing Agreement, the Front-End Custodial Agreement, and the Operational Services Agreement, each as made available to the Board of Directors for this meeting, are hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver such agreements in substantially said forms, with such changes and insertions therein (including any change of the funding recipient and any changes or insertions relating to a change of the funding recipient) as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed preliminary form of the Official Statement, as made available to the Board of Directors for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver a certificate deeming the preliminary form of the Official Statement final for purposes of Securities and Exchange Commission Rule 15c2-12 and to execute and deliver the Official Statement in substantially said form, with such changes and insertions therein (including any change of the funding recipient and any changes or insertions relating to a change of the funding recipient) as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Underwriters are hereby authorized to distribute the Official Statement in preliminary form to persons who may be interested in the purchase of the Bonds, and to deliver the Official Statement in final form to the purchasers of the Bonds, in each case with such changes as may be approved as aforesaid.

Section 5. The proposed form of the Bond Purchase Contract, as made available to the Board of Directors for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver the Bond Purchase Contract in substantially said form, with such changes and insertions therein (including any change of the funding recipient and any changes or insertions relating to a change of the funding recipient) as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the

execution and delivery thereof; provided that the Underwriters' discount or compensation pursuant to such Bond Purchase Contract shall not exceed 0.6% of the principal amount of the Bonds and total costs of issuance for the Bonds, including all underwriting, legal and consultant fees will not exceed 1.0% of the proceeds of the Bonds. For the purpose of the limitations contained in this Section, costs of issuance do not include any structuring charge payable by the Energy Supplier to J. Aron or any costs ultimately paid with additional proceeds or rounding amounts (howsoever such proceeds or amounts are designated in any pricing schedules relating to the Bonds).

Section 6. The proposed form of the Commodity Swap Agreement, as made available to the Board of Directors for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver the Commodity Swap Agreement in substantially said form, with such changes and insertions therein (including any change of the funding recipient and any changes or insertions relating to a change of the funding recipient) as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Board of Directors hereby finds and determines, pursuant to Section 5922 of the California Government Code, that due consideration has been given for the creditworthiness of the Commodity Swap Counterparty, and that the Commodity Swap Agreement is designed to reduce the amount or duration of rate, spread or similar risk and result in a lower cost of borrowing when used in combination with the issuance of the Bonds, including entering into the Master Power Supply Agreements and the Clean Energy Purchase Contracts, and, in particular, to reduce the rate, spread or similar risk between the variable payments to be made by the Project Participants under the Clean Energy Purchase Contracts and the fixed payments to be made on the Bonds and under the Interest Rate Swap Agreements.

Section 7. The proposed form of Interest Rate Swap Agreement, as made available to the Board of Directors for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver one or more Interest Rate Swap Agreements in substantially said form, with such changes and insertions therein (including any change of the funding recipient and any changes or insertions relating to a change of the funding recipient) as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Board of Directors hereby finds and determines, pursuant to Section 5922 of the California Government Code, that due consideration has been given for the creditworthiness of J. Aron, including the guarantee of the obligations of J. Aron under the Interest Rate Swap Agreements by The Goldman Sachs Group, Inc., and that the Interest Rate Swap Agreements are designed to reduce the amount or duration of rate, spread or similar risk when used in combination with the issuance of the Bonds and to enhance the relationship between risk and return with respect to the electricity purchase program financed or refinanced with the proceeds of the Bonds, and, in particular, to reduce the rate, spread or similar risk between the fixed payments received under the Commodity Swap Agreement and the variable interest rate payments on one or more series of the Bonds.

Section 8. The Bonds, when executed as provided in Section 1, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee's Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the purchaser or purchasers thereof in accordance with written instructions executed on behalf of the Issuer by an Authorized Officer, which any Authorized Officer, acting alone, is authorized and directed, for and on behalf of the Issuer, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the purchaser or purchasers thereof, upon payment of the purchase price thereof.

Section 9. The Authorized Officers, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the Issuer, to execute and deliver any and all documents, including, without limitation, any tax certificates or agreements relating to the Bonds, any continuing disclosure certificates or agreements relating to the Bonds, any calculation agent agreements relating to the Bonds, any investment agreements relating to the Bonds or the investment of moneys in the funds and accounts under the Indenture, any letter agreement with J. Aron relating to the Limited Assignment Agreements, any rating agency fee memoranda of understanding, and any and all documents and certificates to be executed in connection with securing credit support, if any, for the Bonds, or investing proceeds of the Bonds or other moneys held under the Indenture, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Issuer has approved in this Resolution and to consummate by the Issuer the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given under or in accordance with such documents, the retaining of financial, legal or other consultants, as needed, the costs for which may be payable from proceeds of the Bonds as provided in Section 5 of this Resolution, the appointment of a director to the board of directors of the Energy Supplier, and the collection and spending of any administrative fees funded with proceeds of the Bonds and on an annual and ongoing basis as needed.

Section 10. All actions heretofore taken by the Authorized Officers with respect to the issuance of the Bonds are hereby ratified, confirmed and approved.

Section 11. The Board of Directors hereby approves the execution and delivery of all agreements, documents, certificates and instruments referred to herein with electronic signatures as may be permitted under the California Uniform Electronic Transactions Act and digital signatures as may be permitted under Section 16.5 of the California Government Code using DocuSign.

Section 12. This Resolution is contingent upon the Board of Directors of RCEA authorizing the execution and delivery of a Clean Energy Purchase Contract by RCEA in connection with the issuance of the Bonds at a meeting of the Board of Directors of RCEA that commences no later than the same calendar day that this Resolution has been passed and adopted by the Board of Directors of the Issuer and is not continued to a later calendar day. In the event the Board of Directors of RCEA does not

provide such authorization at the meeting of the Board of Directors of RCEA described in the immediately preceding sentence, then this Resolution shall be null and void, the Bonds shall not be issued pursuant to this Resolution, and no documents referenced in this Resolution may be executed and delivered pursuant to this Resolution.

Section 13. This Resolution shall take effect immediately.

PASSED AND ADOPTED at a regular meeting of the CCCFA Board of Directors on this 25th day of June, 2026, by the following vote:

	YES	NO	ABSTAIN	ABSENT
Ted Bardacke				
Robert Shaw				
Vicken Kasarjian				
Monica Padilla				
Howard Chang				

CHAIR, CCCFA

Attest:

SECRETARY, CCCFA

EXHIBIT A

REQUIRED GOOD FAITH ESTIMATES PURSUANT TO GOVERNMENT CODE SECTION 5852.1

1. **Estimated Principal Amount.** The aggregate principal amount of Bonds estimated to be sold: \$800,000,000.
2. **True Interest Cost.** As defined in Section 5852.1(a)(1)(A) of the Government Code: 5.00%.
3. **Finance Charge.** As defined in Section 5852.1(a)(1)(B) of the Government Code, the sum of all fees and charges paid to third parties (being costs of issuance of approximately \$1,750,000 plus estimated underwriters' compensation of \$4,250,000): \$6,000,000.
4. **Amount of Proceeds to be Received.** As described in Section 5852.1(a)(1)(C) of the Government Code, the proceeds to be received by the Issuer for sale of the Bonds, less the finance charge for the Bonds described in (3) above and any reserves or capitalized interest paid or funded with proceeds of the Bonds: \$850,000,000.
5. **Total Payment Amount.** As defined in Section 5852.1(a)(1)(D) of the Government Code, the total payment amount, being the sum of (a) all payments the borrower will make to pay debt service on the Bonds to final maturity, plus (b) the finance charge for the Bonds described in (3) above not paid from proceeds of the Bonds: \$1,200,000,000 to the initial final maturity date or initial Mandatory Purchase Date, as applicable, for the Bonds.



California Community Choice Financing Authority

Staff Report – Item 7

Item 7: CCCFA Fees – Revenue Options

From: Patty J. Kong, Finance Consultant

Date: 6/25/2026

Attachment: Cost Allocation Scenarios

RECOMMENDATION

1. Receive presentation on CCCFA fees and revenue options; and
2. Provide feedback on revenue options and policy considerations.

BACKGROUND

The California Community Choice Financing Authority (CCCFA) was established in 2021 with the goal to reduce the cost of power purchases for member community choice aggregators (CCAs) through the issuance of prepayment bonds.

As CCCFA moves into its fifth year of operations, CCCFA's revenue sources and fee structure for long-term sustainability is being evaluated. CCCFA receives member contributions in the form of new member fees, prepayment transaction fees and member cash calls, when necessary, to support its ongoing operations. This staff report focuses specifically on member contribution revenues.

The purpose of this report is to review CCCFA member contribution revenues, present potential modifications to existing fees, and outline possible new fee structures and revenue methodologies for Board consideration.

Moving forward, key developments may affect the organization's resources. First, growth in new membership—historically a primary revenue driver—is anticipated to slow as the majority of large CCAs have become members. Second, prepayment transactions may slow as CCAs prepay their power purchase agreements (PPAs). However, existing deals are expected to begin repricing in the second half of 2027, which will require additional time and resources.

The Board may wish to engage in a series of discussions on revenue matters before providing formal direction. This discussion is intended to serve as an introduction.

DISCUSSION & ANALYSIS

Budget and Revenue Requirements

CCCFA has been designed to operate as a lean organization with low operational costs. The organization has no full-time employees and only recently hired a part-time general manager. The budget for 2026 is \$833,250 and consists primarily of costs for professional services to operate the organization and insurance costs. A cash call of \$365,800 was required to fund current year operations. It is anticipated with the addition of the general manager and support staff, the budget should remain fairly stable over the next few years. A high level of the current year budget is as follows:

2026 Budget

Est. Avail Beg Balance	<u>\$419,100</u>
Revenues:	
Other Revenues	215,000
Cash Call	<u>365,800</u>
Total Revenues	<u>580,800</u>
Expenses:	
Operational	182,500
Professional Services	575,000
Contingency	<u>75,750</u>
Total Expenses	<u>833,250</u>
Est. Ending Balance	<u>\$166,650</u>

It is anticipated that the full budget will not be spent each year and member contribution “cash calls” will be more consistently required. With the beginning available balance and other revenues, a \$365,800 cash call was needed for the current year. It is anticipated that cash calls for the next couple of years will be in the \$300,000 range, possibly increasing to \$500,000 once the available balance is reduced to the 20% reserve requirement.

Current Fee Structure

CCCFA currently receives member contribution revenues from three sources:

1. **New membership fee** of \$50,000 paid by each new member to CCCFA (adopted on March 11, 2022).
2. **Prepayment transaction fee** of \$20,000 paid for each bond issue for which CCCFA provides conduit financing (adopted on December 16, 2022).
3. **Cash Call** is done as needed when it is anticipated during the budget process that additional funds will be needed to support CCCFA operating expenses for the coming year. The cash call is authorized under CCCFA's Joint Powers Agreement.

Potential Modifications

1. **New membership fee:** No modification is proposed because it is anticipated that future new members may be limited.
2. **Prepayment transaction fee:** This fee has not been increased since its adoption and could be considered for an increase. Since the adoption of the fee, CCCFA has experienced increased staff costs and inflationary impacts. As a result, the fee is recommended to be increased to \$25,000.

Multiple-CCA member transaction (New)

Staff also recommends a fee structure apply to transactions involving multiple member CCAs. Although these transactions have historically been uncommon, they may become more frequent if CCA members pursue joint financings. The past joint financing of Ava and Silicon Valley Clean Energy (SVCE) and potential joint financing of the newest members, Desert Community Energy (DCE) and Redwood Coast Energy Authority (RCEA) are examples.

While multiple-CCA transactions may not require proportionally double or triple the work, they generally require more staff coordination and administrative effort than single-agency transactions. To address this additional workload, it is

recommended CCCFA adopt a tiered fee structure based on the number of participating members in a transaction, as follows:

Number of Member participants	Proposed Fee Per Member Participant
1	\$25,000
2	\$18,000
3	\$15,000
4+	\$12,000

If a multiple-CCA fee is adopted, it is recommended to be applied on a prospective basis for transactions CCCFA authorizes after adoption. The current \$20,000 fee would apply to the proposed DCE/RCEA transaction.

Repricing Fee (New): It is also recommended that CCCFA establish a repricing (or “roll”) fee. Each bond issue is for a 30 year period, however, the initial period for the transaction will generally range between 5 to 10 years requiring a repricing of the transaction at the end of the initial period. The first repricing that will need to occur is the 2021A bonds that was set for 6 years and has a repricing period maturing December 1, 2027. There are two more transactions that will be repricing in 2028.

It is unknown at this time if repricings will require more or less staff effort than an initial financing. However, they will involve administrative and legal work by CCCFA staff. A meeting to gain more information on the repricing process is scheduled for July. A repricing fee per repricing is recommended to be established once additional information is obtained.

- Cash Calls:** Each CCCFA member is required to pay an equal share of the general and administrative (G&A) costs, as determined by the Board, associated with running the operations of CCCFA to cover expenses such as insurance, audits, staff time, and accounting fees. With the maturity of CCCFA, the budget is more defined and established.

In the past, Cash Calls have been required each year with the exception of 2021 and 2025 and was \$365,800 for the current year. This resulted in an equal share contribution of \$33,255 for each agency (11 at the time of the cash call). For this year, CCCFA hired MRG to incorporate a part time General Manager position and additional staff support. As CCCFA is maturing as an organization, it is anticipated that expenses will become more stable over the next few years.

Since it will likely become more common to require cash calls on an annual basis, it is recommended to review options that could replace the current ad hoc cash call “equal share” methodology. This could provide a more stable revenue source and allow CCCFA members to budget any necessary contributions, as applicable.

A potential substitution for the annual cash call methodology would be to include a small fee in the monthly transaction cash flows. This approach would eliminate the need for cash calls and potentially allow for reducing or eliminating the Prepayment transaction fee (see below)

However, if the existing ad hoc cash call were to continue, the methodology for assessing the cash call could be modified as follows:

- Based on par amount of bonds outstanding
- Based on number of bonds outstanding
- Hybrid with combination of a flat amount and transaction component

There is justification for any of the above methods. There are benefits to all members for the continued operations of CCCFA. Whether a bond transaction is \$0.5 billion or \$1.5 billion, the staff time is similar, and the prepayment transaction fee is generated to cover the staff time associated with each transaction. Allocating a portion of the cash call based on each agency's number of outstanding bonds would align costs with the benefits received from CCCFA conduit financings. The Working Group supported a method that weighted the cost allocation based on the benefits received by each agency.

Based on a budget of approximately \$800,000, it is anticipated with other revenue and cash on hand the annual cash call could range in the \$300,000 to \$500,000 range. Based on a \$300,000 allocation, the allocations based on the different methodologies can be seen in attachment 1. A summary is as follows:

Method	Min amount	Max amount
Equal Allocation	\$21,429	\$21,429
# of Transactions	\$10,000	\$60,000
Par Amount of Bonds	\$ -0-	\$70,795
Hybrid/# of Trans	\$10,714	\$40,714
Hybrid/Par Amount	\$10,714	\$46,112

Under any of the methods, applying a \$300,000 cash call would not result in an increase of more than \$50,000 to any one member. However, there is a benefit

to all members for the continued operations of CCCFA, therefore, staff proposes a hybrid method, where each member shares a flat rate of the allocation, with the balance allocated based on the number of bond transactions. A 50/50 allocation between equal shares and the number of transactions is recommended. This would more evenly distribute the cash call, with a component that members contribute proportionately based on the benefit they receive.

Cash Call Alternatives

Alternatives to replace the current cash call are as follows:

- Annual membership dues: this is a common and acceptable way for JPAs to collect necessary funding. Annual membership dues could be established with the intent it would be maintained at a certain level for several years. The methodologies to assess the annual membership fee could be the same as above:
 - Across the board
 - A tiered structure based on the size of the CCCFA member
 - Based on outstanding par value
 - Based on number of outstanding bonds
 - Hybrid of flat amount and transactions (50/50)

Establishing a predictable annual revenue source may provide greater financial stability and improve budgeting for both CCCFA and its members. An annual revenue source would be easier to forecast and budget. Also, many of CCCFA's members have a different fiscal year than CCCFA. Some members have requested greater predictability regarding future operating cost contributions for budgeting purposes. The fee could be adjusted periodically as needed to ensure sufficient revenues for the operations of CCCFA.

- Build a fee into the swap/or other prepayment agreement
 - CCCFA is a party to all of the agreements
 - Cash flows anticipate the fees to the parties
 - CCCFA would collect fees based on each outstanding agreement

Under this approach, fees could be incorporated directly into transaction cash flows through future prepayment agreements and potentially repricings. This would reduce the need for separate member assessments, provide CCCFA with a more predictable revenue source, and allocate costs based on the benefit received by each member. Because amending existing documents may be difficult, if selected,

implementation is recommended on a prospective basis, with a hybrid approach used during the transition.

CCCFA's existing fee structure has supported operations during its initial years; however, increasing organizational activity and evolving administrative needs warrant consideration of updated revenue methodologies. Staff seeks Board discussion and direction regarding potential adjustments to transaction fees, repricing fees, and long-term operating revenue sources.

Revenue Options Summary

A table summarizing the current and proposed fee structure is as follows:

Revenue Category	Current Status	Proposed Changes
New Membership fee	\$50,000 per new membership	No Proposed Change
Prepayment Transaction fee Multiple-CCA fee	\$20,000 per new deal	\$25,000 Proposed reflects additional staff costs and inflation 2 agencies \$18,000 each 3 agencies \$15,000 each 4+agencies \$12,000 each
Repricing Fee	None	Proposed new fee per repricing TBD
Cash Call	Amount determined as needed	
Option 1:		Status Quo – Divided equally among all members
Option 1A:		Change in Methodology: Based on # of outstanding par amount of debt or # of transactions

Revenue Category	Current Status	Proposed Changes
Option 1B:		Hybrid of 50% flat equal share allocation and 50% based on number of transactions outstanding
Option 2:	None	Replace with an annual membership fee: A) across the board B1 based on outstanding par amount of debt outstanding B2) based on number of transactions outstanding B3) hybrid 50/50 equal share/transactions outstanding
Option 3:	None	Create a new fee and build it into the swap /prepayment agreements.

FISCAL IMPACT

As CCCFA is maturing as an organization, current revenue sources could be changing. New membership fees are anticipated to decline as there are relatively fewer CCA's of a size that would benefit from CCCFA membership. New prepayment transactions could also slow as members prepay their existing power purchase agreements. However, repricing transactions will begin in 2027 and continue into the future.

Expenses are expected to stabilize over the next few years, and it is recommended that a recurring annual revenue source replace the current cash call process. A predictable revenue structure would benefit both CCCFA and its members by allowing members to better forecast and budget future dues. One alternative would eliminate direct member contributions and instead generate revenues for CCCFA through the cash flows of prepaid bond transactions.

CCCFA Cost Allocation Scenarios

As of 6/25/26

			Scenario 1 - by Txn Count		Scenario 2 - by Par \$ Issued		Scenario 3 - Even Allocation		Scenario 4 - Hybrid Allocation	
Offtaker	Transaction Count ¹	Aggregate Par Issuance ¹	As % of CCCFA Transaction Count	Allocable Expense	As % of Aggregate Par Issuance	Allocable Expense	Equal Share Allocation	Allocable Expense	As % of CCCFA Transaction Count	As % of Aggregate Par Issuance
3CE	1	\$ 647,750,000	3.4%	\$10,345	2.3%	\$6,954	7.1%	\$21,429	\$15,887	\$14,191
AVA	4.5	\$ 4,511,500,000	15.5%	\$46,552	16.1%	\$48,433	7.1%	\$21,429	\$33,990	\$34,931
CPA	6	\$ 6,887,910,000	20.7%	\$62,069	24.6%	\$73,944	7.1%	\$21,429	\$41,749	\$47,686
MCE	3	\$ 2,703,545,000	10.3%	\$31,034	9.7%	\$29,024	7.1%	\$21,429	\$26,232	\$25,226
PCE	2	\$ 1,995,060,000	6.9%	\$20,690	7.1%	\$21,418	7.1%	\$21,429	\$21,059	\$21,423
Pioneer CE	2	\$ 1,656,710,000	6.9%	\$20,690	5.9%	\$17,785	7.1%	\$21,429	\$21,059	\$19,607
SCPA	1	\$ 775,590,000	3.4%	\$10,345	2.8%	\$8,326	7.1%	\$21,429	\$15,887	\$14,877
SDCP	3	\$ 2,693,400,000	10.3%	\$31,034	9.6%	\$28,915	7.1%	\$21,429	\$26,232	\$25,172
SJCP	1	\$ 1,245,685,000	3.4%	\$10,345	4.5%	\$13,373	7.1%	\$21,429	\$15,887	\$17,401
SVCE	3.5	\$ 3,405,030,000	12.1%	\$36,207	12.2%	\$36,554	7.1%	\$21,429	\$28,818	\$28,991
Valley Clean Energy	1	\$ 493,345,000	3.4%	\$10,345	1.8%	\$5,296	7.1%	\$21,429	\$15,887	\$13,362
RCEA	0	\$ -	0.0%	\$0	0.0%	\$0	7.1%	\$21,429	\$10,714	\$10,714
DCE	0	\$ -	0.0%	\$0	0.0%	\$0	7.1%	\$21,429	\$10,714	\$10,714
OCPA	1	\$ 929,440,000	3.4%	\$10,345	3.3%	\$9,978	7.1%	\$21,429	\$15,887	\$15,703
29 \$ 27,944,965,000			100.0%	\$300,000	100.0%	\$300,000	100.0%	\$300,000	\$300,000	\$300,000

¹ Assumes 50%/50% allocation between Ava & SVCE for Series 2021B transaction.

² Assumes 50%/50% allocation between equal share and transaction count.



CCCFA Fees - Revenue Options Item 7

Board Meeting June 25, 2026

Recommendation

- Receive presentation on CCCFA fees and revenue options; and
- Provide feedback on revenue options and policy considerations



California Community Choice
Financing Authority

Background

- CCCFA established in 2021
- 5th year of operations
- Review revenue structure for long term sustainability
- Member contributions
 - New member fees
 - Prepayment transaction fees
 - Cash call



California Community Choice
Financing Authority

Current Fee Structure

- New Membership fee of \$50,000 paid by each new member
- Prepayment Transaction Fee of \$20,000 is paid for each bond issue that CCCFA provides conduit financing
- Cash Call is as needed and allocated equally among all members



California Community Choice
Financing Authority

Budget and Revenue Requirements

- Beginning available balance of \$419,100
 - Other Revenues estimated at \$215,000
 - Cash Call of \$365,800
 - Total operating Expenses of approximately \$833,000
- Reserve requirement of \$166,650
- Future cash calls estimated in the \$300,000 to \$500,000 range



California Community Choice
Financing Authority

Potential Modifications

- New membership fee (No change)
- Prepayment transaction fee
 - Multiple CCAs transaction fee (New)
 - Repricing fee (New)
- Cash calls
 - Allocation methodology
 - Annual membership dues
 - Build into bond issuance



California Community Choice
Financing Authority

Revenue Options Summary

Revenue Category	Current Status	Proposed Changes
New Membership Fee	\$50,000 per new membership	No Proposed Change
Prepayment Transaction Fee (multiple CCAs)	\$20,000 per prepayment transaction	\$25,000 Proposed reflects additional staff costs and inflation 2 agencies \$18,000 each 3 agencies \$15,000 each 4+ agencies \$12,000 each
Repricing Fee	None	TBD

Revenue Options Summary-Continued

Revenue Category	Current Status	Proposed Changes
Cash Call	Determined as needed	
Option 1:		Status Quo – Equal distribution
Option 1A:		Change in Methodology: A) across the board B1) par amount of debt B2) number of transactions B3) Hybrid
Option 2:	None	Annual membership fee: A) across the board B1) par amount of debt B2) number of transactions B3) Hybrid
Option 3:	None	New fee built into the swap/prepayment agreements



Fiscal Impact

- CCCFA is maturing as an organization
- Current revenue sources could be changing
 - New membership fees are anticipated to decline
 - Prepayment transactions could also slow, as members prepay existing power purchase agreements
- Reset-Repricing transactions to commence in 2027
- Expenses expected to stabilize



California Community Choice
Financing Authority

Recommendation

- Receive presentation on CCCFA fees and revenue options
- Provide feedback on revenue options and policy consideration



California Community Choice
Financing Authority

Next Steps

- Board to provide feedback
- Staff to return with modifications



California Community Choice
Financing Authority



Staff Report – Item 8

Item 8: Board of Directors

From: Steve Rymer, General Manager

Date: June 25, 2026

Subject: CCCFA Working Group Update and Status Report

OVERVIEW

The CCCFA Working Group met on June 8, 2026, to review recent transactional activity, discuss items anticipated for upcoming Board meetings, and address ongoing organizational and governance matters. This report summarizes key developments since the prior meeting and highlights matters that will require future Board consideration.

RECENT ACTIVITY AND ANNOUNCEMENTS

Nick Bijur was welcomed to the Working Group; he serves as the Chief Financial Officer of Peninsula Clean Energy.

Pioneer Community Energy's prepay bond that was authorized at the May Board meeting priced on June 4 and closed June 18.

The contract with Debbie Lamb Consulting was also extended for two years under the Treasurer-Controller's signing authority. This contract is for maintaining the CCCFA website.

ITEMS FOR JUNE BOARD MEETING**RCEA and DCE Joint Bond Issuance**

Garth shared that the authorization of a joint RCEA and DCE prepay bond is on track for the Board's consideration at its June meeting.

AVA Bond Issuance – Two Deals

Garth shared that the authorization of two AVA prepay bonds is on track for the Board's consideration at its June meeting.

CCCFA Governing Member Model Update

Steve provided an update on the governance model process. In May, the Board selected the Governing Member model and directed staff to initiate amendments to the JPA to reflect this governance shift. As an initial step, staff are developing a detailed redlined draft of the proposed changes, which will be circulated to all CCCFA members in late June for review. Any Member feedback will be compiled and presented alongside the proposed amendments at the August Board meeting to inform further refinement and potential adoption; an outline of the key components of the new governing structure was provided in the Working Group agenda.

Revenue Analysis and Options Discussion

The Board is scheduled to hold its initial discussion on CCCFA's revenue sources in June. The Working Group was invited to provide any additional input or feedback to help inform that discussion. A high-level overview was provided on the key points that will be discussed with the Board. The June Board meeting is intended to be an introductory discussion.

Amendments to Early Goldman Sachs Deals

Garth and David provided details on the requested amendments to nine previous deals. More detailed information will be included in the Board agenda report.

UPCOMING BOARD ITEMS**July 2026 Board Meeting**

Second quarterly cash report will be shared at the July Board meeting

Revenue Analysis and Options Discussion (continued)

Trustee Replacement Status. Trustee replacement has been completed, and Ava and SVCE are now working with the new trustees.

Maher Side-Letter Preparation. In progress.

Onboarding Packet Updates. In progress.

Annual Rebate Request

Following up on the discussion at the CalCCA Conference, members were reminded to submit requests for their annual rebates, as these amounts can be significant. Appreciation was extended to Kate and Jeb for raising this reminder.

CCCFA DEAL SUMMARY STATISTICS – To Date

<u>Issues</u>	<u>Par Amount</u>	<u>Annual Savings</u>	<u>30yr Est. Savings</u>
30	\$28.19 Billion	\$188.19 Million	\$5.7 Billion

FISCAL IMPACT

There is no fiscal impact associated with this report.

RECOMMENDED MOTION

Information only.