California Community Choice Financing Authority

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

Via Teleconference at the Following Locations:

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

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

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 6/27/24 meeting minutes

5. Consider Approval of Resolutions 2024-2, 2024-3 and 2024-4 authorizing the issuance of up to three Clean Energy Project Revenue Bonds to finance the acquisition of a long-term supply of electricity for Clean Power Alliance (Discussion/Action):
   a. Resolution 2024-2: 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 $4,500,000,000 to Finance the Acquisition of Long-Term Supplies of Electricity for Clean Power Alliance of Southern California and Other Matters Relating Thereto.
   b. Resolution 2024-3: 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 $4,500,000,000 to Finance the Acquisition of Long-Term Supplies of Electricity for Clean Power Alliance of Southern California and Other Matters Relating Thereto.
   c. Resolution 2024-4: 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 $4,500,000,000 to Finance the Acquisition of Long-Term Supplies of Electricity for Clean Power Alliance of Southern California and Other Matters Relating Thereto.

6. Draft Outline of CCCFA Membership and New Deal Criteria: The Board will receive an update of proposed membership and new deal criteria (Discussion/Action)

7. Working Group Project List: The Board will receive an update on the Treasurer/Controller Working Group’s current and planned projects (Discussion/Action)

8. Board Member Announcements (Discussion)

9. Adjourn

Next CCCFA Board meeting is scheduled for August 22, 2024 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 (formally East Bay Community Energy),1999 Harrison St. Ste 2300, Oakland CA, 94612, during normal business hours.

Draft Minutes

California Community Choice Financing Authority (CCCFA)
Board of Directors Meeting
Thursday, June 27, 2024
1:00 P.M.

Via Teleconference at the Following Locations:

- Clean Power Alliance – 810 S. Grand, Ste 400, Los Angeles, CA 90017
- Ava Community Energy – 1999 Harrison Street, Suite 2300, Oakland, CA 94612
- Silicon Valley Clean Energy – 333 W. El Camino Real, Ste 330, Sunnyvale, CA 94087
- Central Coast Community Energy – Southern Office – 71 Zaca Lane, Suite 140, San Luis Obispo, CA 93401
- Marin Clean Energy - Pacific Energy Advisors - 1839 Iron Point Road, #120 Folsom, CA 95630

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Agenda

1. Call to Order & Roll Call
<u>**Present**</u>

Robert Shaw – Central Coast Community Energy (CCCE)
Monica Padilla – Silicon Valley Clean Energy (SVCE)
Vicken Kasarjian – Marin Clean Energy (MCE)
Ted Bardacke – Clean Power Alliance (CPA)
Howard Chang – Ava Community Energy (Ava)

Staff and Others:
Adrian Bankhead – Board Clerk
David Ruderman – General Counsel
Garth Salisbury – Treasurer/Controller
David McNeil – Clean Power Alliance
Amrit Singh – Silicon Valley Clean Energy
Dewayne Woods – Central Coast Community Energy
Zakary Liske – Silicon Valley Clean Energy
Niels Zellers – Ava Community Energy

2. Agenda Update and/or Changes

Chair Bardacke moved the Working Group Project List from Item C.2 to Item 6.

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.

Chair Bardacke opened the public comment period. There were no comments.

4. Consent Calendar (Discussion/Action)
C.1 Consider approval of 5/23/24 meeting minutes

Action: It was M/S/C (Shaw/Padilla) to approve the Consent Calendar. The motion carried 4/0/1/0:

Approval of Consent Calendar Vote:
CCCE – Yes
SVCE – Yes
MCE – Abstain
CPA – Yes
Ava – Yes

5. Consider Approval of Professional Services Agreement with Garth Salisbury to Provide Treasurer/Controller Services –

(Discussion/Action)

David Ruderman led the discussion of the Professional Services Agreement.

Member Kasarjian stated that Garth Salisbury should only use the official CCCFA email address for all communications and asked that Garth's personal email address be redacted from the contract. **David Ruderman** agreed to redact Mr. Salisbury's contact information from the contract for public inspection.

Member Chang asked for clarification on the term of the contract and the transition once Garth Salisbury starts at Sonoma Clean Power. **Chair Bardacke** explained that the PSA would continue until Sonoma Clean Power joins CCCFA and/or Mr. Salisbury's role is otherwise formalized. Mr. Salisbury confirmed that his employment contract with Sonoma allows him to continue as Treasurer/Controller.

Member Shaw spoke about the need for checks and balances in the Treasurer/Controller's scope of work. Specifically, he mentioned that Garth Salisbury, as both contractor and de facto general manager, should have clear separation in authorizing payments to avoid conflicts of interest. **Chair Bardacke** acknowledged the point and said that the structure of the Treasurer/Controller role, whether held by a board member or not, should be reconsidered for future clarity and efficiency.

Member Padilla asked if the Treasurer/Controller role should be rotated among members or remain with a dedicated individual. **Chair Bardacke** responded that the working group should prioritize establishing resilience and continuity in the role. **Member Padilla** asked the working group to consider this issue further.

Action: It was M/S/C (Padilla/Chang) to approve the Professional Services Agreement with Garth Salisbury for Treasurer/Controller Services. The motion carried 5/0/0/0:

Approval of Item 5 – Garth Salisbury PSA for Treasurer/Controller Services Vote:
CCCE – Yes
SVCE – Yes
MCE – Yes
CPA – Yes
Ava – Yes

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

Chair Bardacke stated that initially, the working group's project list was included in the board agenda as a consent item. Going forward, the item will be listed as a discussion item.

Regarding the Treasurer/Controller role, **Member Kasarjian** asked the working group to consider the future needs of the position, including expertise depth, cross-training, and workload management. **Member Shaw** asked for the working group to consider a professional Treasurer/Controller position with the necessary expertise and insurance backing.

Separately, **Member Shaw** recommended that the Board should plan for an in-person meeting to discuss the work plan and agency strategy.

Regarding the working group workload, **Alternate Member McNeil** stated that the working group is working to identify all immediate tasks and responsibilities, and planning for workloads over a two-three-year timeline. Going forward, he suggested that the working group should consider hiring more consultants or a general manager based on that itemized list of all tasks.

7. Board Member Announcements (Discussion)
Member Kasarjian congratulated **Member Chang** on becoming the CEO of Ava Community Energy.

8. Adjourned at 1:38pm.

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California Community Choice Financing Authority

Staff Report – Item 5

To:	Board of Directors
From:	Garth Salisbury, Treasurer/Controller
Date**:**	07/25/2024
Attachments**:**	Board Resolutions No. 2024-2, 2024-3, and 2024-4 authorizing the issuance of up to three Clean Energy Project Revenue Bonds to finance the acquisition of a long-term supply of electricity for Clean Power Alliance

RECOMMENDATION

By motion, adopt Resolutions No. 2024-2, 2024-3, and 2024-4 approving parameters under which up to a total of three energy prepayment transactions can be completed on behalf of the Clean Power Alliance of Southern California ("CPA") with either Goldman Sachs ("GS"), Morgan Stanley ("MS"), or Royal Bank of Canada ("RBC") as Underwriter & Prepaid Supplier; authorizing and/or approving documents or "form of" documents supporting the prepay transactions; and approving payments by CCCFA to service providers for issuance costs from prepay bond proceeds.

BACKGROUND

In October 2022, the Board authorized the issuance of CPA's first prepay bond; the bond was subsequently issued in February 2023 in the amount of $998.78 million and will provide energy cost savings of $66.5 million to CPA over the initial eight-year period of the bonds. In April 2023, the Board authorized the issuance of CPA's second prepay bond; the bond was subsequently issued in June 2023 in the amount of $958.29 million and will provide energy cost savings of $32.4 million to CPA over the initial five-year period of the bond. Through June 2024, CPA has realized savings of approximately $11.5 million in renewable energy costs from its first two prepay transactions.

In May 2024, the CPA Board approved service contracts with Municipal Capital Markets ("MCM") and Chapman & Cutler ("Chapman") to support the preparation of one to three additional CPA prepay transactions. CPA staff subsequently prepared transaction contracts with three prospective Underwriter & Prepaid Suppliers:

- GS (Underwriter) and J. Aron & Company (Prepaid Supplier)
- MS (Underwriter) and Morgan Stanley Capital Group (Prepaid Supplier)
- RBC (Underwriter and Prepaid Supplier)

In July 2024, the CPA Board adopted three Resolutions authorizing the completion of up to three energy prepay transactions with either GS, MS, or RBC, provided that no more than three transactions will be executed in total and the principal amount of each individual transaction shall not exceed $1.5 billion (with a combined principal amount for the three transactions not to exceed $4.5 billion).

REQUESTED ACTION

The proposed Board Resolutions encompass the following approvals or authorizations relating to the execution of the prepay transactions:

- Authorizes the issuance of prepay bonds by CCCFA for the purpose of financing the purchase of certain quantities of electricity from GS, MS, and/or RBC, and selling such quantities of electricity to CPA;
- CCCFA Officers to execute, or approve for distribution, documents and "form of" documents supporting the prepay transactions; and
- Confirms receipt by CCCFA of certain representations and good faith estimates from MCM regarding any single issue of prepay bonds;

The proposed Board Resolutions are substantially similar to the Resolutions approved by the Board in October 2022 and April 2023 to support each of CPA's first two prepay transactions. However, while in prior CCCFA prepay transactions, CCA staff have sought

CCCFA authorization to issue one bond with one predefined Underwriter & Prepaid Supplier (GS), CPA staff are instead seeking CCCFA authorization to issue up to a total of three bonds with any of the three named Underwriters & Prepaid Suppliers. Authorizing multiple transactions with three Underwriters & Prepaid Suppliers for CPA's next prepays is intended to:

- Enable CPA to rapidly transact based on favorable market conditions
- Ensure that CPA receives the best available pricing and terms from the most experienced and well-regarded Underwriters & Prepaid Suppliers in the market.

Good Faith Estimates for Prepay Transactions

Pursuant to Government Code Section 5852.1, MCM has provided CCCFA with the following required good faith estimates for each individual prepay transaction contemplated herein:

- An aggregate principal amount of $1,500,000,000 for any single issue of Bonds estimated to be sold;
- A True Interest Cost of 5.50%;
- A sum of all fees and charges paid to third parties (being costs of issuance of approximately $3,000,000 plus estimated underwriters' compensation of $7,500,000) of $10,500,000;
- Proceeds to be received by CCCFA for sale of any single issue of Bonds, less the finance charge for such issuance of Bonds and any reserves of capitalized interest paid or funded with proceeds of such issue of Bonds, of $1,450,000,000; and
- A total payment amount, being the sum of all payments the borrower will make to pay debt service on any single issue of Bonds to final maturity, plus the finance charge for such issue of Bonds described above not paid from proceeds of such issue of Bonds, of $2,150,000,000 to the Mandatory Purchase Date.

Prepay Documents

Each of the Resolutions authorizes Authorized Officer(s) of CCCFA to execute and deliver the following documents and document forms supporting prepay transactions with each of GS, MS, and RBC:

- A proposed form of Trust Indenture;
- A proposed form of Master Power Supply Agreement;
- A proposed form of Clean Energy Purchase Contract;
- A proposed form of Limited Assignment Agreement, among CPA, [Energy Supplier], and certain sellers of electricity (collectively, the “PPA Sellers”) under one or more power purchase and sale agreements between CPA and the respective PPA Sellers (collectively, the “Assigned PPAs”);
- A proposed form of PPA Custodial Agreement among CCCFA, CPA, [Prepaid Supplier], and U.S. Bank Trust Company, National Association (“US Bank”), as custodian, or other custodian named therein, relating to payments to be made with respect to the Assigned PPAs;
- A proposed form of one or more 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 [Commodity Swap Counterparties] relating to one or more commodity swaps (the “Commodity Swap Agreements”);
- A proposed form of one or more Custodial Agreements, among CCCFA, US 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 [Energy Supplier], 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 CPA;
- 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; and
- A proposed form of Bond Purchase Contract.

FISCAL IMPACT

Upon the successful closing of each prepay bond transaction, the total costs of issuance will be paid by CCCFA out of bond proceeds. In the event a prepay bond transaction is not successfully completed, CPA will make payments to Moody’s and the Second Party Opinion provider as described in the Ratings Fee Memoranda of Understanding between CCCFA and CPA.

ATTACHMENTS

A. Resolution 2024-2 (GS)
B. Resolution 2024-3 (MS)
C. Resolution 2024-4 (RBS)

RESOLUTION NO. R-2024-2

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 $4,500,000,000 TO FINANCE THE ACQUISITION OF LONG-TERM SUPPLIES OF ELECTRICITY FOR CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA 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, Clean Power Alliance of Southern California (“CPA”) 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 Aron Energy Prepay 41 LLC and/or one or more other 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 CPA, 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 from time to time 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 Projects on a prepaid basis, the sale of electricity to CPA 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 CPA, the Issuer will sell each such supply of electricity to CPA 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 Municipal Capital Markets Group, Inc., which good faith estimates are attached hereto as Exhibit A;

WHEREAS, on the date hereof, the Board of Directors of the Issuer is considering two additional resolutions (the "Other Resolutions"), each 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 electricty from one or more suppliers and selling such quantities of electricity to CPA, as contemplated therein;

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 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, among CPA, J. Aron, and certain sellers of electricity (collectively, the "PPA Sellers") under one or more power purchase and sale agreements between CPA and the respective PPA Sellers (collectively, the "Assigned PPAs");

5. A proposed form of Consolidated, Amended and Restated Custodial Agreement (the "PPA Payment Custodial Agreement") among the Issuer, CPA, J. Aron, 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 one or more Re-Pricing Agreements (the "Re-Pricing Agreements"), between the related Energy Supplier and the Issuer;

7. 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");

8. 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;

9. 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");

10. A proposed form of one or more Clean Energy Project Operational Services Agreements (the "Operational Services Agreements") between the Issuer and CPA;

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; and

12. 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 that, together with the aggregate principal amount of the Other Bonds issued pursuant to the Other Resolutions, does not to exceed four billion five hundred million dollars ($4,500,000,000), from time to time, in one or more series or subseries, with such other name or names of the Bonds or series 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 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, dated date, maturity date or dates, 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, PPA Payment Custodial 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 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 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 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 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 fee 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 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 CPA 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 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 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 boards of directors of the Energy Suppliers, 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 shall take effect immediately.

PASSED AND ADOPTED at a regular meeting of the CCCFA Board of Directors on this 25th day of July, 2024, 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: $1,500,000,000.

2. **True Interest Cost.** As defined in Section 5852.1(a)(1)(A) of the Government Code: 5.50%.

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 $3,000,000 plus estimated underwriters' compensation of $7,500,000): $10,500,000.

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: $1,450,000,000.

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: $2,150,000,000 to the Mandatory Purchase Date.

RESOLUTION NO. R-2024-3

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 $4,500,000,000 TO FINANCE THE ACQUISITION OF LONG-TERM SUPPLIES OF ELECTRICITY FOR CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA 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, Clean Power Alliance of Southern California (“CPA”) 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 and generally anticipated to be named using the format “Energy Prepay [__] LLC” (the “Energy Suppliers”) on a prepaid basis (the “Projects”) and to sell such electricity to CPA, 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 from time to time 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 Projects on a prepaid basis, the sale of electricity to CPA 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 CPA, the Issuer will sell each such supply of electricity to CPA 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 Municipal Capital Markets Group, Inc., which good faith estimates are attached hereto as Exhibit A;

WHEREAS, on the date hereof, the Board of Directors of the Issuer is considering two additional resolutions (the "Other Resolutions"), each 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 electricty from one or more suppliers and selling such quantities of electricity to CPA, as contemplated therein;

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 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, among CPA, 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 CPA and the respective PPA Sellers (collectively, the "Assigned PPAs");

5. A proposed form of one or more Custodial Agreements (the "PPA Payment Custodial Agreements") among the Issuer, CPA, MSCG, the related Energy Supplier, if applicable, 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 one or more Re-Pricing Agreements (the "Re-Pricing Agreements"), between the related Energy Supplier and the Issuer;

7. 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, Natixis and/or Royal Bank of Canada (the "Commodity Swap Counterparties") relating to one or more commodity swaps (the "Commodity Swap Agreements");

8. 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;

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

10. 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 (collectively, the "Investment Swap Agreements");

11. 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;

12. 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; 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 that, together with the aggregate principal amount of the Other Bonds issued pursuant to the Other Resolutions, does not to exceed four billion five hundred million dollars ($4,500,000,000), from time to time, in one or more series or subseries, with such other name or names of the Bonds or series 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 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, dated date, maturity date or dates, 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, PPA Payment Custodial Agreement, Re-Pricing Agreement, Front-End Custodial Agreement, Operational Services 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 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 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 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 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 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 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 CPA 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 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 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 boards of directors of the Energy Suppliers, 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 shall take effect immediately.

PASSED AND ADOPTED at a regular meeting of the CCCFA Board of Directors on this 25th day of July, 2024, 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: $1,500,000,000.

2. **True Interest Cost.** As defined in Section 5852.1(a)(1)(A) of the Government Code: 5.50%.

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 $3,000,000 plus estimated underwriters' compensation of $7,500,000: $10,500,000.

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: $1,450,000,000.

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: $2,150,000,000 to the Mandatory Purchase Date.

RESOLUTION NO. R-2024-4

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 $4,500,000,000 TO FINANCE THE ACQUISITION OF LONG-TERM SUPPLIES OF ELECTRICITY FOR CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA 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, Clean Power Alliance of Southern California (“CPA”) 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 Royal Bank of Canada (the “Energy Supplier”) on a prepaid basis (the “Projects”) and to sell such electricity to CPA, 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 from time to time 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 Projects on a prepaid basis, the sale of electricity to CPA 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

RBC Capital Markets, 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 Purchase and Sale Agreements (the "Prepaid Energy Purchase and Sale Agreements") between the Issuer and the Energy Supplier, the Issuer will acquire one or more supplies 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 CPA, the Issuer will sell each such supply of electricity to CPA 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 Municipal Capital Markets Group, Inc., which good faith estimates are attached hereto as Exhibit A;

WHEREAS, on the date hereof, the Board of Directors of the Issuer is considering two additional resolutions (the "Other Resolutions"), each 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 electricty from one or more suppliers and selling such quantities of electricity to CPA, as contemplated therein;

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 Indenture;

2. A proposed form of Prepaid Energy Purchase and Sale Agreement;

3. A proposed form of Clean Energy Purchase Contract;

4. A proposed form of Limited Assignment Agreement, among CPA, the Energy Supplier, and certain sellers of electricity (collectively, the "PPA Sellers") under one or more power purchase and sale agreements between CPA and the respective PPA Sellers (collectively, the "Assigned PPAs");

5. A proposed form of one or more Custodial Agreements (the "PPA Payment Custodial Agreements") among the Issuer, CPA, the Energy Supplier, 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 one or more Re-pricing Agreements (the "Re-pricing Agreements"), between the Energy Supplier and the Issuer;

7. A proposed form of one or more Calculation Agent Agreements (the "Calculation Agent Agreements") among the Energy Supplier, the Issuer and the Trustee;

8. A proposed form of one or more Funding and Assignment Agreements (the "Funding and Assignment Agreements") among the Energy Supplier, the Issuer and the Trustee;

9. A proposed form of one or more Settlement Agreements (the "Settlement Agreements") among the Trustee, the Issuer and the Energy Supplier;

10. 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 JPMorgan Chase Bank, N.A. (the "Commodity Swap Counterparties") relating to one or more commodity swaps (the "Commodity Swap Agreements");

11. 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;

12. Proposed forms of one or more ISDA Master Agreements, Schedules thereto and related Confirmations between the Issuer and the Energy Supplier, relating to one or more interest rate swaps (the "Interest Rate Swap Agreements");

13. A proposed form of one or more Clean Energy Project Operational Services Agreements (the "Operational Services Agreements") between the Issuer and CPA;

14. 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; and

15. 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 that, together with the aggregate principal amount of the Other Bonds issued pursuant to the Other Resolutions, does not to exceed four billion five hundred million dollars ($4,500,000,000), from time to time, in one or more series or subseries, with such other name or names of the Bonds or series 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 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, dated date, maturity date or dates, 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 Purchase and Sale Agreement, Clean Energy Purchase Contract, Limited Assignment Agreement, PPA Payment Custodial Agreement, Re-pricing Agreement, Calculation Agent Agreement, Funding and Assignment Agreement, Settlement 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 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 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 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 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 0.53% of the proceeds 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 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 Prepaid Energy Purchase and Sale 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 CPA 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 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 Energy Supplier 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 other calculation or interest rate determination 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 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, 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 shall take effect immediately.

PASSED AND ADOPTED at a regular meeting of the CCCFA Board of Directors on this 25th day of July, 2024, 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: $1,500,000,000.

2. **True Interest Cost.** As defined in Section 5852.1(a)(1)(A) of the Government Code: 5.50%.

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 $3,000,000 plus estimated underwriters' compensation of $7,500,000): $10,500,000.

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: $1,450,000,000.

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: $2,150,000,000 to the Mandatory Purchase Date.

Outline of CCCFA Membership Criteria

To be eligible to become an Associate Member of CCCFA, one must:

1. Comply with all requirements for associate membership under CCCFA's JPA, including:

    a. Be a current CCA that is actively serving load in California as required under the CCCFA JPA.

    b. File a resolution of the applicant's legislative body approving CCCFA's JPA and requesting associate membership.[1]

    c. Receive approval by a majority of CCCFA's Board in attendance as required under the CCCFA JPA.

    d. File an executed counterpart to the CCCFA JPA with the Board clerk.

    e. Pay the new member fee and agree to pay ongoing costs for share of CCCFA planning costs, any prepay transaction fee, or any other future fees agreed upon by the Board.

2. Complete the required onboarding process as detailed by CCCFA.[2]

To be eligible to become a Founding Member of CCCFA, one must:

1. Be an Associate Member of CCCFA.

2. Comply with all requirements for founding membership under CCCFA's JPA, including:

    a. File a resolution of the applicant's legislative body approving CCCFA's JPA and requesting founding membership.

    b. Receive approval of two-thirds of the entire CCCFA board as stated in JPA.

    c. File an executed counterpart to the CCCFA JPA with the Board clerk.

    d. Pay the new member fee (if 3.b below applies) and agree to pay ongoing costs for share of CCCFA planning costs, any prepay transaction fee, or any other future fees agreed upon by the Board.

3. Have either:

    a. received energy deliveries through a CCCFA prepay transaction for a minimum of one year, or

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[1] CCCFA recommends use of its model resolution for applicants.

[2] Onboarding documents currently being prepared under contract with Chapman and Cutler.

b. employ a Director/Manager-level staff member with at least one year's direct oversight of prepay issuances and prepay operations while employed by a Founding Member CCA.

4. Be in good standing in all compliance related obligations related to the energy prepay transaction, including but not limited to ongoing disclosures, arbitrage rebate reporting and payments, eligible energy deliveries and/or remediation.

5. Designate a CCA full-time employee (at Director/Manager level or above) to serve in the CCCFA Treasurer/Controller working group as an active participant for one year and commit to continued future contributions in the working group.

6. Be current on all CCCFA associated fees and other energy prepay related fees and payments.

7. Must comply with any other transactional requirements as set forth and required by CCCFA.

Outline of Prepay Transaction Criteria

To be eligible to for approval of a member's first prepay issuance through CCCFA, a member must:

1. Use an underwriter that has previously executed an electricity prepay issuance for a CCA in California

2. Utilize legal counsel to provide advice related to several issues, including but not limited to bonds, tax, disclosures, energy prepay buyer, and energy procurement. Tax counsel, disclosure counsel, and energy prepay buyer counsel must have prior experience with electricity prepay transactions. All legal counsel must be licensed to practice law in California.

3. Employ the services of an MSRB-accredited Municipal Financial Advisor that has previously advised on electricity prepay issuance in California.

4. Prepare the following materials for Board consideration:

   a. Staff report that summarizes the transaction in addition to the documents the Board must approve.

   b. Redlines of changes to a template prepay documents provided by CCCFA to identify significant changes for Board.

5. Receive approval by a majority of CCCFA's Board in attendance as required under the CCCFA JPA.

6. Pay the transaction fee or any other future fees agreed upon by the Board.

7. Comply with all applicable legal requirements before debt issuance and maintain such compliance throughout the life of the prepay transaction.

To be eligible to for approval of a member's second or any subsequent prepay issuance through CCCFA, a member must:

1. Utilize legal counsel to provide advice related to several issues, including but not limited to bonds, tax, disclosures, energy prepay buyer, and energy procurement. All legal counsel must be licensed to practice law in California.

2. Employ the services of an MSRB-accredited Municipal Financial Advisor.

3. Comply with requirements 4 through 7 appliable to approval of a member's first prepay issuance through CCCFA.

California Community Choice Financing Authority

Staff Report – Item 7

Item 7: CCCFA Treasurer/Controller's Working Group Project List Report

From: Garth Salisbury, Treasurer/Controller
David J. Ruderman, General Counsel

Date: 7/25/2024

1. New Business

a. CPA prepay transactions – GS/MS/RBC – For July Board meeting.

b. Peninsula Clean Energy seeking associate membership and preparing prepay transaction. Targeting August/September.

c. Valley Clean Energy inquired about membership.

2. Old Business

a. New member/transaction criteria—WG to provide feedback and take to Board for discussion/direction/possible action (Zellers)

b. CCCFA time assessment (McNeil)
   i. McNeil/Bankhead created share doc to identify all activities undertaken by Treasurer/Controller and WG
   ii. Once we have a list we can ensure the work is spread equitably across WG members and hire outside help as needed.
   iii. The Board will find this document useful for budget and other reasons
   iv. The result will inform the amount of funding needed from new deals and/or new members:
      (1) Transaction fee versus monthly/quarterly fee based on prepayment flows or deal size.

c. CCA prepay savings measurement (McNeil)
   i. WG is researching a "best practice" methodology to measure and compare savings on different prepay transactions on an apples to apples basis.
   ii. Discuss alternative savings metrics, e.g., dollar per megawatt hour, etc.

d. CCCFA Joint Contracting (McNeil)
   i. WG is exploring the cost/benefit/feasibility of CCCFA issuing an RFP and creating a pool of qualified respondents to provide underwriting / prepay supplier and/or funding recipient services.
   ii. Awaiting CPA's experience with current transaction—see above.

e. New Member On-Boarding Packet (Salisbury)
   i. Doug Bird under contract with CCCFA to prepare on-boarding packet. Garth to speak with Doug's associates.

f. Insurance (McNeil)
   i. No update. Will contact broker for other insurance product options.

3. Information/Tracking List

a. Change to annual remediation/true-up of "bad sales" for Morgan Stanley deals—SVCE and Ava—Amendments completed. No action required (Salisbury)

b. San Jose Clean Energy associate membership—executed JPA, still waiting for new member payment. (Salisbury)

c. No update re Petition for Declaratory Order filed with FERC by Energy Southeast, and Southeast Energy Authority (Ruderman)

d. Distribution list protocol and consistency (Zellers?)
   i. Bankhead to follow-up on a few outstanding deals and work with IT (Jelar) to update

e. CCCFA Website Updates (Bankhead/Lamb Consulting)

f. Preparation of records and email retention policy (Ruderman)
   i. Work in progress to prepare draft for WG consideration

g. Treasurer/Controller increased CCA staff reimbursement rate for work done on behalf of CCCFA from $119/hr to $150/hr.

BOARD OPTIONS

Board discretion.

FISCAL IMPACT

N/A

RECOMMENDED MOTION

None. Information only.