



California Community Choice Financing Authority

**California Community Choice Financing Authority (CCCFA)
Board of Directors Meeting
Thursday, September 26, 2024
1:00 P.M.**

Via Teleconference at the Following Locations:

- Coast Community Energy – 70 Garden Court, Suite 300, Main Conference Room, Monterey, CA 93940
- Ava Community Energy – 1999 Harrison Street, Suite 2300, Oakland, CA 94612
- Clean Power Alliance – 801 S. Grand Ave., Ste. 400, Los Angeles, CA 90017
- Silicon Valley Clean Energy – 333 W. El Camino Real, Suite 330, Sunnyvale, CA 94087
- 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

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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 8/22/24 regular meeting minutes
5. Consider Approval of Resolution No. 2024-6: A 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 \$1,500,000,000 to Finance the Acquisition of a Long-Term Supply of Electricity for Peninsula Clean Energy Authority and Other Matters Relating Thereto (Discussion/Action)
6. The Board will consider calling additional special and/or regular board meetings to occur prior to the end of the calendar year 2024 (Discussion/Action)
7. Treasurer/Controller 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 October 24, 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.



California Community Choice Financing Authority

Draft Minutes

**California Community Choice Financing Authority (CCCFA)
Board of Directors Meeting
Thursday, August 22, 2024
1:00 P.M.**

Via Teleconference at the Following Locations:

- Central Coast Community Energy - 70 Garden Court, Suite 300, Main Conference Room - Monterey, CA 93940
- Ava Community Energy – 1999 Harrison Street, Suite 2300 Oakland, CA 94612
- Clean Power Alliance - 801 S. Grand Ave., Ste. 400. Los Angeles, CA 90017
- Pioneer Community Energy - 2510 Warren Dr., Suite B, Rocklin, CA 95677

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Agenda

1. Call to Order & Roll Call

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Present

Zakary Liske – Silicon Valley Clean Energy (SVCE)

Vicken Kasarjian – Marin Clean Energy (MCE)

Howard Chang – Ava Community Energy (Ava)

Ted Bardacke (Chair) – Clean Power Alliance (CPA)

Zakary Liske served as the alternate for Monica Padilla (SVCE)

Not Present

Robert Shaw – Central Coast Community Energy (CCCE)

Robert Shaw attended the meeting but was not included in the quorum.

Staff and Others:

Adrian Bankhead – Board Clerk

David Ruderman – General Counsel

Garth Salisbury – Treasurer/Controller

David McNeil – CFO and Treasurer - Clean Power Alliance and member of the Working Group

Nick Bijur – Chief Financial Officer – Peninsula Clean Energy

2. Agenda Update and/or Changes

No updates or changes were made 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.

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

4. Consent Calendar (Discussion/Action)

- a. Consider approval of 7/25/24 regular meeting minutes

Action: It was M/S/C (Kasarjian/Liske) to approve the Consent Calendar. The motion carried 4/0/0/0/1 (yes/no/abstain/recuse/absent):

Approval of Consent Calendar Vote:

CCCE – Not Present

SVCE – Yes

MCE – Yes

CPA – Yes

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Ava – Yes

5. Consider Approval of Resolution No. 2024-5: A Resolution of the Board of Directors of the California Community Choice Financing Authority approving Peninsula Clean Energy Authority as an Associate Member of CCCFA (Discussion/Action)

Chair Bardacke introduced the item, and **Garth Salisbury** provided background on Peninsula Clean Energy's (PCE's) interest in joining. **Nick Bijur**, CFO of PCE, detailed their process, which began over a year ago. PCE's board approved moving forward in April 2024, and they have since engaged PFM as financial advisor, Chapman and Cutler as legal counsel, and Goldman Sachs as prepaid supplier. Mr. Bijur explained that they are currently negotiating transaction documents and limited assignments with PPA counterparties, with plans to seek final board approval in late September. The potential transaction size is expected to be around \$1.2 billion, involving four PPAs.

Action: It was M/S/C (Chang/Kasarjian) to approve Resolution No. 2024-5. The motion carried 4/0/0/0/1 (yes/no/abstain/recuse/absent):

Approval of Resolution No. 2024-5 Vote:

CCCE – Not Present

SVCE – Yes

MCE – Yes

CPA – Yes

Ava – Yes

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

Chair Bardacke introduced the item and invited board members to ask questions about the working group's project list.

Vicken Kasarjian asked about updates on new documents and processes, particularly in light of recent staff reassignments. **Garth Salisbury** addressed this, focusing on the template prepaid documents (item #1e in new business). Mr. Salisbury explained that while no specific standardization effort had been made, Clean Power Alliance's recent work has significantly advanced the establishment of documents for known prepaid suppliers in renewable energy transactions.

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The discussion then moved to best practices for measuring and comparing savings. **David McNeil** reported that the Working Group had not reached a consensus on this matter. **Chair Bardacke** added that CPA had made progress internally on evaluating proposals and suggested that this experience could be shared with the working group to aid in standardization efforts.

Chair Bardacke noted Item 2B, the Time and Task Assessment, as a priority that he has asked the Working Group to focus on. He mentioned its importance for an upcoming special in-person meeting scheduled before the CalCCA board retreat on October 1st.

7. Board Member Announcements (Discussion)

Chair Bardacke opened this item by announcing that CPA had gone to market on August 16, 2024. **David McNeil** provided a recap of CPA's recent market activity:

- CPA obtained authorization to transact with three major banks at the July CCCFA board meeting.
- They ran a pricing RFO at the end of July and selected Goldman Sachs.
- The bond par value issued was over \$1.5 billion, with proceeds of \$1.6 billion.
- The offering was oversubscribed with \$2.4 billion in orders.
- While final savings numbers weren't available, the total savings for the 8-year initial period was estimated at \$92-95 million, representing an estimated 13% savings.
- CPA plans on issuing another pricing RFO in the coming weeks and will likely do another transaction in mid to late September, 2024.

Vicken Kasarjian asked about the possibility of setting an end time for meetings. **Chair Bardacke** responded that the intention is to keep meetings to no longer than an hour, although some exceptions may occur for significant deals.

8. **Chair Bardacke** adjourned the meeting at 1:33.

Next CCCFA Board meeting is scheduled for September 26, 2024 at 1:00 pm

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



California Community Choice Financing Authority

Staff Report – Item 5

Item 5: Board of Directors

From: Garth Salisbury, Treasurer/Controller

Date: 09/26/2024

Attachments: Board Resolution No. 2024-6 authorizing the issuance of Clean Energy Project Revenue Bonds to finance the acquisition of a long-term supply of electricity for Peninsula Clean Energy.

RECOMMENDATION

By motion, adopt Resolution No. 2024-6 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 Peninsula Clean Energy (“PCE”) with Goldman Sachs & Co. LLC as underwriter (the “Underwriter”) and Aron Energy Prepay 43 LLC as the energy supplier (the “Energy Supplier”); authorizing and/or approving documents or “form of” documents supporting the prepay transaction; and approving payments by CCCFA to service providers for issuance costs from prepay bond proceeds.

BACKGROUND

In April 2024, the PCE Board approved contracts with PFM Financial Advisors LLC (“PFM”) as Municipal Financial Advisor and Chapman & Cutler (“Chapman”) as Energy Counsel to support PCE’s continued evaluation and preparation of a prepay transaction.

In April 2024, the PCE Board also approved joining CCCFA as an Associate Member.

In August 2024, the CCCFA Board approved PCE's Associate Membership.

The PCE Board will meet September 26th at 6:30PM and is expected to adopt a Resolution authorizing the completion of an energy prepay transaction with the Underwriter and the Energy Supplier, provided that the principal amount of the transaction shall not exceed \$1.5 billion.

REQUESTED ACTION

The proposed Board Resolution encompasses the following approvals or authorizations relating to the execution of the prepay 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 PCE;
- Authorizes CCCFA Officers to execute, or approve for distribution of, documents and "form of" documents supporting the prepay transaction; 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 prepay transactions by other CCAs.

The Board of Directors of PCE 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 Bonds will not be issued, and no documents referenced in the proposed Board Resolution will be executed and delivered by CCCFA, until the PCE Board of Directors authorizes the execution and delivery of the Clean Energy Purchase Contract and other necessary documents and "form of" documents to support the prepay transaction.

Good Faith Estimates for Prepay Transactions

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

- An aggregate principal amount of \$1,084,365,000 for the Bonds estimated to be sold;
- A True Interest Cost of 3.92%;
- A sum of all fees and charges paid to third parties (being costs of issuance of approximately \$1,500,000 plus estimated underwriters' compensation of \$5,244,747) totaling \$6,744,747;
- Proceeds to be received by CCCFA for the sale of the Bonds, less the finance charge for the Bonds and any reserves of capitalized interest paid or funded with proceeds of the Bonds, of \$1,069,638,282; 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 \$1,518,855,680 to the Mandatory Purchase Date.

Prepay Documents

The proposed Board Resolution authorizes Authorized Officers of CCCFA to execute and deliver the following documents and document forms supporting the prepay 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 Energy Supplier;
- A proposed form of Clean Energy Purchase Contract, between CCCFA and PCE;
- A proposed form of Limited Assignment Agreement, among PCE, the Energy Supplier, J. Aron & Company LLC ("J. Aron"), and certain sellers of electricity (collectively, the "PPA Sellers") under one or more power purchase and sale agreement between PCE and the respective PPA Sellers (collectively, the "Assigned PPAs");

- A proposed form of Consolidated PPA Custodial Agreement, among CCCFA, PCE, the Energy Supplier, 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 Re-Pricing Agreement between the Energy Supplier and CCCFA;
- Proposed forms of ISDA Master Agreement, Schedule thereto and related Confirmation 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, among CCCFA, US Bank, as trustee and custodian, and the Commodity Swap Counterparty;
- Proposed forms of ISDA Master Agreement, Schedule thereto and related Confirmation between CCCFA and J. Aron (including a guarantee from The Goldman Sachs Group, Inc.), relating to one or more interest rate swaps (the “Interest Rate Swap Agreements”);
- A proposed form of a Clean Energy Project Operational Services Agreement between CCCFA and PCE;
- A proposed form of official statement (the “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 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, PCE will make payments to Moody’s and the Second Party Opinion provider as described in the Ratings Fee Memoranda of Understanding between CCCFA and PCE.

ATTACHMENT

Resolution No 2024-6 – 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 \$1,500,000,000 to Finance the Acquisition of a Long-Term Supply of Electricity for Peninsula Clean Energy Authority and Other Matters Relating Thereto

RESOLUTION NO. 2024-6

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 \$1,500,000,000 TO FINANCE THE ACQUISITION OF A LONG-TERM SUPPLY OF ELECTRICITY FOR PENINSULA CLEAN 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, Peninsula Clean Energy Authority ("PCE") 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 43 LLC (the "Energy Supplier") on a prepaid basis (the "Project") and to sell such electricity to PCE, 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 PCE 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 a Master Power Supply Agreement (the "Master Power Supply Agreement") between the Issuer and the Energy Supplier, the Issuer will acquire a supply of electricity from the Energy Supplier;

WHEREAS, pursuant to a Clean Energy Purchase Contract (the "Clean Energy Purchase Contract") between the Issuer and PCE, the Issuer will sell such supply of electricity to PCE 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 PFM Financial Advisors LLC, 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. A proposed form of the Master Power Supply Agreement;
3. A proposed form of the Clean Energy Purchase Contract;
4. A proposed form of Limited Assignment Agreement, among PCE, 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 PCE and the respective PPA Sellers (collectively, the "Assigned PPAs");
5. A proposed form of Consolidated PPA Custodial Agreement (the "PPA Custodial Agreement") among the Issuer, PCE, 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 Re-Pricing Agreement (the “Re-Pricing Agreement”), between the Energy Supplier and the Issuer;

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

8. 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;

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 Clean Energy Project Operational Services Agreement (the “Operational Services Agreement”) between the Issuer and PCE;

11. 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

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 not to exceed one billion five hundred million dollars (\$1,500,000,000), 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 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 the Bonds shall be as provided in the Indenture, as finally executed.

Section 3. The proposed forms of the Master Power Supply Agreement, the Clean Energy Purchase Contract, the Limited Assignment Agreement, the PPA Custodial 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 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 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 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 fee 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 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 Agreement and the Clean Energy Purchase Contract, and, in particular, to reduce the rate, spread or similar risk between the variable payments to be made by PCE under the Clean Energy Purchase Contract 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 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. Notwithstanding anything to the contrary in this Resolution, the Bonds shall not be issued, and no documents referenced in this

Resolution may be executed and delivered until the Board of Directors of PCE has authorized the execution and delivery of the Clean Energy Purchase Contract by PCE in connection with the issuance of the Bonds.

Section 13. This Resolution shall take effect immediately.

PASSED AND ADOPTED at a regular meeting of the CCCFA Board of Directors on this 26th day of September, 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.** The aggregate principal amount of Bonds estimated to be sold: \$1,084,365,000.
2. **True Interest Cost.** As defined in Section 5852.1(a)(1)(A) of the Government Code: 3.92%.
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 \$1,500,000 plus estimated underwriters' compensation of \$5,244,747): \$6,744,747.
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: \$1,069,638,282.
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: \$1,518,855,680 to the Mandatory Purchase Date.



California Community Choice Financing Authority

Staff Report – Item 6

Item 6: Resolution No. 2024-7: Resolution of the Board of Directors of the California Community Choice Financing Authority Calling and Establishing an Additional Regular Meeting(s) for Calendar Year 2024

From: Garth Salisbury, Treasurer/Controller

Date: 9/26/2024

Attachment: CCCFA Resolution 2024-7;

RECOMMENDATION

Staff recommends that the CCCFA Board of Directors:

1. Call a special meeting during the week of October 7th, 2024 (proposed date: Thursday, October 10th) to consider new membership requests and address other business unrelated to the consideration and approval of bond issuance.
2. Call a regular meeting during the week of November 11th, 2024 (proposed date: Thursday, November 14th) to consider approval of bond issuances and other CCCFA business matters.
3. Poll Board members at the September 26, 2024 meeting to establish dates and times that will ensure a quorum for both the special and regular meetings.

BACKGROUND

Several CCAs are working to complete their prepayment transactions by the end of the year, including Peninsula Clean Energy, Sonoma Clean Power, San Jose Clean Energy, San Diego Clean Power, and possibly Valley Clean Energy. This has led to a high volume of prepayment transactions expected during the fall, resulting in potential delays or “traffic jams” in processing.

CCAs that intend to finalize these transactions must navigate both their own board approval processes and CCCFA's approval requirements under its Joint Powers Agreement (JPA) rules. The current steps for processing CCA transactions with CCCFA are as follows:

1. CCA Board approves a resolution to join CCCFA.
2. CCCFA Board considers adding the CCA to the JPA at a regular Board meeting.
3. CCA passes a parameters resolution for the transaction.
4. CCCFA Board approves the bond issuance and necessary documentation at a regularly scheduled meeting.
5. Price and close bonds.

In recent discussions, CCCFA agreed to consider reversing steps 3 and 4, allowing CCCFA to approve transactions on a contingency basis before CCA action, thus expediting the process. However, despite these efforts, there is limited time to complete all transactions this fall.

ANALYSIS & DISCUSSION

To address the volume of prepayment transactions and sequencing challenges between CCCFA and CCA Board approvals, staff has confirmed with CCCFA General Counsel and Orrick, Herrington & Sutcliffe that:

1. CCCFA may approve new members at a special meeting.
2. CCCFA may set additional regular meetings for the remainder of the year by Board resolution, either at a regularly scheduled or special meeting.

To meet the demands of upcoming transactions, staff proposes the following:

1. **Special Meeting in Early October:**
Staff recommends calling a special meeting the week of October 7th (tentatively October 10th) to consider new membership requests from CCAs and address any other non-bond-related matters. This would allow CCCFA to onboard new members in time for subsequent bond issuance approvals.
2. **Regular Meeting in November:**
Staff recommends scheduling a regular meeting during the week of November 11th (tentatively November 14th) to consider bond issuance approvals and address other pressing CCCFA business.
3. **Polling for Availability:**
To ensure quorum and adequate participation, staff suggests polling Board members at the September 26th meeting to finalize dates and times for both the special and regular meetings.

FISCAL IMPACT

None.

RECOMMENDED MOTION

Given the urgency of the pending transactions and the need for timely CCCFA action, staff recommends the Board move to adopt Resolution No. 2024-7.

ATTACHMENTS:

- A. Resolution No. 2024-7 – Resolution of the Board of Directors of the California Community Choice Financing Authority Calling and Establishing an Additional Regular Meeting(s) for Calendar Year 2024

RESOLUTION NO. 2024-7

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CALIFORNIA COMMUNITY CHOICE FINANCING AUTHORITY CALLING AND ESTABLISHING AN ADDITIONAL REGULAR MEETING(S) FOR CALENDAR YEAR 2024

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

WHEREAS, Section 5.01 of the CCCFA Joint Powers Agreement provides that the date, hour and place of each regular meeting shall be fixed by resolution of the Board and Section 3.1 of the CCCFA Bylaws further provides that the Board of Directors may, by resolution, provide for the holding of regular meetings at more frequent intervals;

WHEREAS, the CCCFA Board of Directors adopted Resolution 2021-1 on June 25, 2021 establishing the fourth Thursday of each month from January through October, and the first Thursday of December, as the regular meeting dates of the Authority; and

WHEREAS, due to the need to conduct additional business, consider the timely applications for membership by other community choice aggregators, and potentially authorize one or more Prepayment Projects, as defined in the Authority’s Joint Powers Agreement, before the end of calendar year 2024, the Board desires to establish additional regular meeting dates by resolution and ensure adequate special meetings may occur.

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

1. The Board of Directors establishes November [14], 2024 at 1:00 pm as a regular meeting of the Authority.
2. Pursuant to the Authority’s Joint Powers Agreement, Bylaws, and the Chair’s inherent authority, the Chair is hereby authorized to call one or more special meetings in calendar year 2024 for the purposes described in the recitals above.
3. Nothing in this Resolution 2024-7 shall amend Resolution 2021-1, which remains in full force and effect.

The foregoing Resolution was adopted at a regular meeting of CCCFA’s Board of Directors, held on the on the 26th day of September, 2024 by the following vote:

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

CHAIR, CCCFA

Attest:

SECRETARY, 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: 9/26/2024

1. **New Business**

- a. Peninsula Clean Energy seeking new transaction approval in September
 - i. Met with PCE staff to discuss transaction, provide direction re Staff Report and supporting documents
- b. Other potential new members: Sonoma Clean Power and San Diego Community Power
- c. Special Board Meeting possibility: Considering calling special meeting to possibly admit new members in early October and set another "regular meeting" in either mid -November and/or December to accommodate new deals.
- d. Review of Founding member MOUs with CCCFA regarding use of member staff time—working group due diligence to ensure MOUs properly executed and on file.

2. **Old Business**

- a. CCCFA task and time assessment for CCCFA day-to-day activities (McNeil)
 - i. Salisbury—nearing completion.
- b. New Member On-Boarding Packet (Salisbury)
 - i. Doug Bird has provided draft; Salisbury/Ruderman to review.
- c. Insurance (McNeil)
 - i. Renewing insurance policy and explore additional insurance product options other than D&O, e.g., cyber, etc.

- d. Other potential new members: Valley Clean Energy
- e. CPA to update distribution list email addresses for Series 2024B.

BOARD OPTIONS

Board discretion.

FISCAL IMPACT

N/A

RECOMMENDED MOTION

None. Information only.