

MINUTES

**California Alternative Energy and Advanced
Transportation Financing Authority
915 Capitol Mall, Room 587
Sacramento, California
May 17, 2016**

1. CALL TO ORDER & ROLL CALL

Alan Gordon, Chairperson, called the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA or the Authority) meeting to order at 10:32 a.m.

Members Present: Alan Gordon for John Chiang, State Treasurer
Anne Baker for Betty T. Yee, State Controller
Todd Jerue for Michael Cohen, Director,
Department of Finance
Kevin Barker for Robert B. Weisenmiller, Chair,
California Energy Commission
Hazel Miranda for Michael Picker, President,
Public Utilities Commission

Staff Present: Deana Carrillo, Executive Director

Quorum: The Chairperson declared a quorum.

2. MINUTES

Mr. Gordon asked if there were any questions or comments concerning the March 15, 2016 meeting minutes. There were none.

Mr. Gordon asked if there was a motion.

Mr. Jerue moved for approval of the minutes; upon a second from Ms. Baker, the minutes were approved.

The item was passed by the following vote:

Alan Gordon for the State Treasurer	Aye
Anne Baker for the State Controller	Aye
Todd Jerue for the Director of Finance	Aye
Kevin Barker for the California Energy Commission	Aye
Hazel Miranda for the Public Utilities Commission	Aye

3. EXECUTIVE DIRECTOR'S REPORT

Ms. Carrillo reported that on March 19, 2016, CAEATFA hosted its first public workshop concerning incorporating projects eligible under AB 199 within the Sales and Use Tax Exclusion (STE) Program. Staff has been working on regulatory modifications, and will have a second public workshop in the next few weeks. Proposed regulations will come before the Board over the summer.

Ms. Carrillo indicated that two pieces of legislation related to CAEATFA were moving through the legislative process. AB 2334, co-authored by Assemblymembers Mullin and Ting, will increase the cap of the STE program, include a roll-over provision for unawarded funds, and clarify that subcontractors may utilize the STE. It was passed by the Assembly Committee of Revenue and Taxation after an amendment to reduce the proposed award cap from 2017 through 2020 from \$350 to \$250 million per year. The bill was referred to the Committee on Appropriations. AB 1683, authored by Assemblymember Eggman, was intended to increase the cap of the program and include a roll-over provision for unawarded funds. The bill was amended by the Committee of Revenue and Taxation to remove the cap increase and add two additional, non-voting members appointed by the legislature to the Board. The bill was referred to the Committee on Appropriations.

Ms. Carrillo also reported that under the legislatively requested working group to identify criteria for a comparative assessment of energy efficiency financing programs in California, CAEATFA has been working with Lawrence Berkeley Livermore Labs in developing criteria. The working group met on April 27, 2016 and had a robust discussion. CAEATFA extended the public comment period for the proposed criteria, and staff is currently working on incorporating those comments into recommendations. CAEATFA anticipates bringing the report to the Board in the next few months for approval.

Ms. Carrillo stated that PACE program staff has been working on an audit plan for program participants and will be proposing regulatory changes over the summer to increase reporting.

Ms. Carrillo added that under the California Hub for Energy Efficiency Financing (CHEEF), staff has been working on launching the Residential Single Family Pilot while simultaneously working with stakeholders to build on infrastructure for On Bill Repayment. The infrastructure is in place to enroll a REEL Loan, and staff has begun to enroll contractors. CAEATFA is excited to see the program roll out over the summer months.

Ms. Carrillo reported that there is one new member of the CAEATFA team—Ed Day joined the CHEEF team with a background in commercial real estate. He will be working in the OnBill Repayment Program.

Ms. Carrillo then concluded her report.

4. BUSINESS ITEMS

A. REQUEST TO REVIEW ADMINISTRATIVE FEE FOR THE PROPERTY ASSESSED CLEAN ENERGY (PACE) LOSS RESERVE PROGRAM

Presented by: Alejandro Ruiz, Program Manager

Mr. Ruiz reported that in January 2015, the Board suspended the administrative fee requirement (of 0.25%) for the Property Assessed Clean Energy (PACE) Program after staff learned that the program would receive continuous funding through its existing budget authority to cover the costs of administering the program. However, the Board retained the ability to adjust the fee if funding availability changed by reviewing the fee in May of each year. Since existing funding has not changed, staff recommends adoption of a resolution maintaining the PACE Loss Reserve Program administrative fee of 0.00%.

Mr. Gordon asked if there was a motion.

Mr. Jerue moved for approval and there was a second by Ms. Baker.

Mr. Gordon stated there was a motion and a second and asked if there were any other questions or comments from the Board or public. There were none and the item was unanimously approved.

The item was passed by the following vote:

Alan Gordon for the State Treasurer	Aye
Anne Baker for the State Controller	Aye
Todd Jerue for the Director of Finance	Aye
Kevin Barker for the California Energy Commission	Aye
Hazel Miranda for the Public Utilities Commission	Aye

5. PUBLIC COMMENT

Mr. Gordon asked if there were any comments from the public. There were none.

6. ADJOURNMENT

There being no further business, public comments, or concerns, the meeting adjourned at 10:37 a.m.

Respectfully submitted,

Deana J. Carrillo
Executive Director