MINUTES

California Alternative Energy and Advanced Transportation Financing Authority
915 Capitol Mall, Room 587
Sacramento, California
November 16, 2021

1. CALL TO ORDER AND ROLL CALL

Fiona Ma, CPA, Chair, called the California Alternative Energy and Advanced Transportation Financing Authority ("CAEATFA" or the "Authority") meeting to order at 10:34 a.m.

Members Present:	Fiona Ma, CPA, State Treasurer Tony Sertich for Betty T. Yee, State Controller Gayle Miller for Keely Martin Bosler, Director, Department of Finance Ken Rider for David Hochschild, Chair, California Energy Commission Grant Mack for Marybel Batjer, President, Public Utilities Commission
Staff Present:	Derek Chernow, Executive Director
Quorum:	The Chair declared a quorum.

Due to the recommended precautions and public health recommendations resulting from the novel coronavirus (COVID-19), members of the Board were instructed by the Governor's Office that they may attend the meeting remotely, which is an exception to the usual requirement (Bagley-Keene Open Meeting Act – 1967) that they attend in person. CAEATFA staff ("Staff") has implemented additional social distancing measures, and participants have been asked to also participate remotely. Mr. Chernow attended the meeting in person. Ms. Ma, Mr. Sertich, Ms. Miller, Mr. Rider, and Mr. Mack all attended the meeting via internet conference line.

2. MINUTES

Ms. Ma asked if there were any questions or comments from the Board concerning the October 19, 2021, meeting minutes. There were none.

Ms. Miller moved for approval of the minutes, and there was a second by Mr. Sertich.

Ms. Ma stated there was a motion and a second and asked if there were any questions or comments from the public. There were none. Ms. Ma called for a vote.

The item was passed by the following vote:

Fiona Ma, CPA, State Treasurer	Aye
Tony Sertich for the State Controller	Aye
Gayle Miller for the Director of Finance	Aye
Ken Rider for the California Energy Commission	Aye
Grant Mack for the Public Utilities Commission	Aye

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Chernow gave his report, highlighting CAEATFA activity and news since the October 19, 2021, Board meeting, which included:

- Last month, the California Hub for Energy Efficiency Financing ("CHEEF") Program participated in a joint Investor Owned Utilities and CAEATFA statewide marketing, education and outreach workshop.
- Also last month, Kaylee D'Amico presented our GoGreen Home program at the American Council for an Energy Efficient Economy (ACEEE) "Energy as a Resource" virtual conference.
- This month, Ms. D'Amico presented at the Ag Business Growth and Recovery Workshop for several Central Valley farm bureaus.
- Last week, Traci Hukill participated in a webinar for Small Business Resources co-hosted by Treasurer Ma and Assemblymember Weber.
- Additionally, Ms. Hukill is joining Treasurer Ma, Sierra Business Council and Truckee Chamber of Commerce on a webinar for those wishing to access state savings programs and financing for small business.
- Mr. Chernow had the honor of serving on a panel for a workshop hosted by the California Energy Commission to solicit public input on the development of grant funding for in-state Zero-Emission Vehicles-related manufacturing, including completed ZEVs, ZEV batteries/parts/components, and ZEV recharging and fueling infrastructure equipment.
- Mr. Chernow also had the opportunity to tour rPlanet Earth in Vernon in LA County. rPlanet is a former recipient of a sales and use tax exclusion award that develops sustainable, recycled plastic products.

Mr. Chernow also reported:

- Susan Mills will be leaving CAEATFA to take a position at the California Energy Commission. Susan has worked with the Treasurer's office for the past nine years, including the last four years in our CHEEF program at CAEATFA. She will be missed.
- Bill Heberger was hired as CHEEF Program Manager over the GoGreen Home program after serving as an analyst for the CHEEF for over three years.
- Geoff Larson's position has changed from SSM I Specialist to SSM I Supervisor over the CHEEF Data and Compliance unit.

Mr. Chernow continued his report:

- Under the authority given to the Executive Director in Section 10031(m) of the Sales and Use Tax Exclusion Program's regulations, Mr. Chernow has designated activities associated with the development, exploration and production of lithium within California's Lithium Valley as Emerging Strategic Industries.
- Staff believes Lithium Valley has a potentially significant impact on our State's environmental and economic goals:
    - Lithium is a critical component for domestic production of batteries for the growing electric vehicle and energy storage sectors.
    - Staff believes this will spur the growth of geothermal production, which is a renewable energy source.
    - Additionally, Lithium Valley is located in the Salton Sea area, which faces higher than average unemployment.
- This action is in line with Presidential, Gubernatorial, Legislative and Agency activities, and Mr. Chernow noted that California's Lithium Valley Commission is meeting tomorrow.
- This is the first time a list of Emerging Strategic Industries has been developed, and the decision was not taken lightly. A lot of thought and diligence went in to the decision.
- When the STE Program's proposed emergency regulations become effective for the 2022 calendar year applications, companies engaged in these designated industries will receive 75 points in the competitive criteria scoring.
- Staff will take the time to appropriately evaluate the effectiveness and efficacy of the Emerging Strategic Industries designation to ascertain if CAEATFA needs to put in "guardrails" in the future.
- Staff has already been sharing information about the STE Program with interested firms engaged in– or thinking of engaging – in lithium-related manufacturing in California.
- This designation will be posted on CAEATFA's website and shared on the listserv.

Mr. Chernow then concluded his report. Ms. Ma asked if there were any questions or comments from the Board.

Mr. Rider thanked Mr. Chernow for participating in the Energy Commission proceedings and shared that David Hochschild, Chair, California Energy Commission, is extremely supportive of the list of Emerging Strategic Industries. Lithium batteries are important to growing California's economy and the state reaching zero carbon emissions—not just for the decarbonization of the transportation sector but also clean energy and energy storage.

Mr. Grant also voiced his support for the designation of lithium ion and Lithium Valley as Emerging Strategic Industries. He also stated he is supportive of looking at other industries, such as offshore wind, green hydrogen production, and long-duration energy storage.

Ms. Ma noted her concern that 75 points could place these projects ahead of all other applicants and asked Mr. Chernow how many companies he thinks might apply under the Emerging Strategic Industry designation given that the program is limited to awarding $100 million in sales and use tax exclusion.

Mr. Chernow replied by stating that these industries are capital-intensive and, therefore, there are not many companies in these industries, but there are several companies looking into it and Staff anticipates some growth in this sector in California. Mr. Chernow also noted that Staff will evaluate how the designation impacts overall scoring and the pool of applicants.

Ms. Ma asked if the list of Emerging Strategic Industries is a one-year designation.

Mr. Chernow stated that the designation is currently open-ended, but Staff intends to reevaluate after the next round of applications and come back to the Board with Staff's assessment.

Ms. Ma asked if her understanding is correct that the list of Emerging Strategic Industries is not something that goes into the program's regulations and that the Executive Director can remove a designation. Mr. Chernow stated that this is correct and noted that the first round of applications for the 2022 calendar year should open up in December, which will provide real-time feedback as to how the designation has impacted companies in the Emerging Strategic Industries and other applicants.

Ms. Ma asked if there were any other questions from the Board. There were none. Ms. Ma asked if there were any questions or comments from the public.

Alex Tran, Managing Partner, California Incentives Group, stated that he was curious as to how the number of 75 points was determined given that other competitive criteria points are the same as calculated in the application scoring. Mr. Tran also wanted to know how the list itself was determined given that the definition of Emerging Strategic Industry is broad, but the list of designated industries is narrow, and how other industries can reach out to get on the list. Mr. Tran also expressed interest in expanding the program's $100 million statutory cap and concern over the historical performance of previously approved applicants in the designated industries.

Mr. Sertich stated that he agreed with Ms. Ma's comments that the scoring needs to be equitable and that a designation as an Emerging Strategic Industries should not automatically mean an applicant will receive an award. Mr. Sertich concluded by saying that he thinks it is great that the program incentivizes Lithium Valley projects and that CAEATFA needs to ensure there is a balance in the long run.

Mr. Chernow noted that these concerns will be a part of Staff's evaluation process.

Ms. Ma asked if there were any other questions or comments from the Board members. There were none.

4. BUSINESS ITEMS

A. REPORT FROM TESLA, INC., ON STATUS OF STE AWARD PROJECT PURSUANT TO RESOLUTION NO. 19-SM008 (INFORMATIONAL ITEM)

Staff introduced Erin Bradley, Associate General Counsel, Tax Incentives, Tesla, Inc, and

Rob McCafferty, Director of EHS, Tesla, Inc, both of whom joined via internet conference line.

Ms. Bradley began Tesla, Inc.'s ("Tesla") report by giving an update on production and delivery of its electric vehicles. She stated that in the third quarter of 2021, Tesla produced 228,882 of its Model 3 and Model Y electric vehicles and 8,941 of its Model S and Model X vehicles for the quarter. Tesla delivered 232,025 of its Model 3 and Model Y vehicles in the second quarter, and 9,275 of its Model S and Model X vehicles.

Ms. Bradley also reported that Tesla broke ground on its Megafactory, a new battery storage manufacturing facility in Lathrop, California. Ms. Bradley stated that Megapack represents massive energy storage that can transform the way utilities operate the grid in a cleaner, more reliable way. Global demand for Megapack is far outstripping supply and, within a few short years, Tesla hopes to be producing 40GWh at this facility to help meet this demand. Much of this demand is coming from California utilities like PG&E, with whom Tesla partnered to build the 183 MW Moss Landing storage project, which is expected to save PG&E ratepayers over $100M over the life of the project.

Mr. McCafferty reported that Tesla continues to hold vaccination clinics on-site at Fremont, including for COVID booster shots. Tesla has vaccinated over 10,000 associates and continues to make sure everyone has access to vaccines free of charge. Moreover, Tesla continues to provide 16 hours of vaccine sick pay for associates. Many of Tesla's COVID-19 precautions remain in place.

Mr. McCafferty continued his report, noting that Tesla's "Take Charge" program provides an easy way for associates to provide, anonymously, if desired, ideas and identify or help correct hazards proactively, before incidents can occur. Since the full roll out of the program at Fremont, Tesla has received over 30,000 suggestions and approximately 70% have been reviewed. Employees receive email feedback on the resolution of non- anonymous suggestions. Tesla believes that as the number of employees engaged in the safety process and actively looking to identify and reduce risks goes up, injuries will continue to decrease.

Mr. McCafferty also reported that Tesla has recently formed a dedicated EHS training team focused primarily on hands-on training for critical safety programs. Tesla has implemented a model for workplace health that takes a more holistic approach to injury management and employee health. By balancing the need for services most efficiently provided in-house with direct access to medical expertise in the local community, this approach ensures employees receive the right level of medical expertise, clinical quality, and reliable care. The objective is to better meet the needs and experience of Tesla's employees and operations. Tesla will also use this experience as a model for similar Tesla facilities around the world.

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none.

B. REPORT FROM SUGAR VALLEY ENERGY, LLC, ON STATUS OF PROJECT AND CONSIDERATION OF WHETHER TO TERMINATE A SALES AND USE TAX EXCLUSION AWARD PURSUANT TO NOVEMBER 19, 2019, RESOLUTION APPROVING A TIME EXTENSION OF THE INITIAL TERM FOR THE MASTER REGULATORY AGREEMENT

Presented by Xee Moua, Program Analyst

Staff introduced David Rubenstein, President/CEO, Sugar Valley Energy, LLC; Ian Parker, Managing Director, RBC Capital Markets; Dan Consie, VP Strategic Initiatives, IHI Power Services Corp ("IHI"); and Peter C. Brinzey, VP Business Development, MasTec Power Corp. ("MasTec").

Staff recommended that the Board approve a resolution to terminate the sales and use tax exclusion award for Sugar Valley Energy, LLC, (the "Applicant") pursuant to the Applicant's November 19, 2019, Resolution Approving a Time Extension of the Initial Term for the Master Regulatory Agreement.

On December 17, 2013, the CAEATFA Board approved a sales and use tax exclusion for Sugar Valley Energy, LLC, (formerly California Ethanol and Power Imperial Valley 1, LLC ("CE&P")) for the purchase of up to $444,811,275 in Qualified Property for an estimated sales and use tax exclusion value of $37,230,704 to construct a facility that will convert sugarcane and sweet sorghum into low-carbon, fuel-grade ethanol, bio-methane and electricity (the "Project").

On November 15, 2016, the CAEATFA Board approved the Applicant for a three-year extension of the initial term of the Regulatory Agreement (until December 17, 2019) to accommodate a new effort to finance and develop the Project after the Applicant's original Brazilian-based financing and engineering teams experienced setbacks due to a decline in the Brazilian economy.

On November 19, 2019, the CAEATFA Board approved the Applicant for an additional four-year extension of the initial term of the Regulatory Agreement (until December 17, 2023) to accommodate delays in obtaining an Engineering, Procurement, and Construction ("EPC") firm that would meet the Applicant's budget and securing project financing required to construct the production facility. The approved resolution requires the Applicant to provide annual reports to the Board on the status of the Project during the initial term of the Regulatory Agreement, and provides that at the two-year report, the Board may determine whether to terminate the award.

At the time the Application was approved in December 2013, the Applicant stated Project financing was expected to close around March 2014, with construction beginning in the second quarter of 2014 for a period of 24 months. In November 2016, the Applicant stated it intended to close on financing by mid-2017 followed by a 24-month construction timeline. In November 2019, the Applicant stated it intended to close on financing by the first quarter of 2020 followed by a 31-month construction timeline. However, in its November 2020 report to the Board, the Applicant stated it intended to close on financing by the first quarter of 2021 followed by a 30-month construction timeline. As of October 2021, the Applicant shared it intends to close on financing by the first quarter of 2022 followed by a 36-month construction timeline.

Staff recognizes that the Applicant has made some progress by executing its EPC contract with Mastec Power Corporation on October 1, 2021, and that the COVID-19 pandemic has affected project timelines for many previously approved Applicants. However, the Applicant has not made any Qualified Property purchases since being approved almost eight years ago, and there is no certainty as to whether financing will close by the first quarter of 2022. Because the Applicant still has not secured financing and the estimated timeframe to complete the Project continues to grow, Project purchases likely will extend beyond the current 10-year initial term, and the Applicant likely will require another initial term extension. Given the significant timeline delays and removal of sweet sorghum as a portion of the feedstock from the Project, it is likely the Application values that were used to determine the estimated benefits of the Project and Application score are no longer accurate.

Based on this information, Staff recommended that the Board terminate the STE award at this time. The Applicant is welcome to reapply when the Project is ready to proceed.

Mr. Rubenstein made a report on the progress of the Project. He reported that the Applicant has made positive updates on the status of the Project and that he believes the Applicant did not make clear to Staff how far the company has come in the past year. Mr. Rubenstein provided some background information on the Project, explaining that the Project is the first of its kind in the United States because of the requirements to meet California clean water and clean air regulations. Mr. Rubenstein stated that the Project is a model that can be used to make renewable jet fuel and renewable diesel in the future.

Mr. Rubenstein also reported that the Project is a large undertaking, involving a 160-acre property, and will convert crops into low carbon biofuel or ethanol. Mr. Rubenstein stated that the fuel is 85% less carbon-intensive than corn ethanol and less than half compared to Brazilian-imported sugarcane ethanol. The Project's biogas will be converted to fuel, some of which will be used to fuel the Applicant's vehicles, or used to generate electricity.

Mr. Rubenstein continued his report by stating that the Project is a billion dollar undertaking that will require skilled labor to build the facility and will create jobs in Imperial Valley. The Project has been developed by a hard-working team. Mr. Rubenstein stated that no major institutions were interested in developing the Project with the Applicant. Therefore, $30 million of investment is from friends and family, and the Project has also received assistance from local and state sources.

Mr. Rubenstein also stated that he believes the Project can serve as a model for others. There are already preliminary plans for a second project and interested parties have reached out for the blueprint for similar types of projects. Mr. Brinzey provided background on MasTec, its role in the Projects as the EPC contractor, its interest in the Project, and the status of the Project. The company will do the design, procurement, and construction for the Project. Mr. Brinzey noted that it is a significant project in Imperial County and is fully permitted. The Applicant and MasTec executed the EPC agreement on October 1, 2021, and Mr. Brinzey explained the process to draft the contract took over a year with over 50 people working full-time to complete the agreement. Mr. Brinzey also reported that as part of the contracting process, MasTec vetted the technologies and required union-labor participation. Under the agreement, MasTec provides a performance guarantee, fully backing the Project.

Mr. Parker provided an update on the financing schedule. He reported that the Applicant is raising a billion dollars of capital for the Project and required a fully executed EPC agreement, which was completed last month, before financing could close. Mr. Parker stated the Applicant has $90 million coming with a biomass alternative fuel tax credit, and anticipates another $50 million in tax credit equity, which reduces the amount of debt that needs to be raised.

Mr. Parker also reported that the Applicant formally launched its fundraising at the beginning of November 2021 to 26 investors, and the Applicant has entered into nondisclosure agreements with about half of those investors. Two investors are interested in moving into the memorandum of understanding phase to provide the common equity required for the financing, and Mr. Parker anticipates closing equity financing at the end of January.
Mr. Parker explained that under the EPC agreement, the Applicant must begin limited construction in January, which does not require that bond financing be done because of the anticipated money from equity partners. Mr. Parker also reported that the Applicant has an application before the California Debt Limit Allocation Committee.

Mr. Consie provided additional background on IHI and its role in the Project. He reported that IHI is responsible for the asset management and operations and maintenance for the Project. He explained this role includes managing commercial issues with Project, such as contracts and fuel off-takes, and providing 100 full-time employees assigned to the Project for operations and maintenance. Mr. Consie also explained that the Project is a carbon-neutral baseload project. IHI is excited by the Project and sees it as a model for future projects in California and the rest of the county. He concluded his report by explaining that IHI is ready to move forward with the Project.

Mr. Rubenstein then brought examples of all of the contracts that have been executed to get the Project moving forward. He reported that the Project will have one of the largest green bond offerings in North America. Mr. Rubenstein concluded by explaining that the Applicant is not requesting an extension of the award and that he believes they did not inform staff well enough on the status of the Project when the Applicant provided its most recent report. He also noted that if the award is terminated at this time, there will be difficulties with moving forward because the Applicant is in the middle of securing financing.

Ms. Ma thanked the Applicant representatives, and inquired of Staff as to whether any equipment has been purchased. Mr. Rubenstein responded that the goal is to have financing settled and move forward with a limited notice to proceed in early 2022, at which time detailed engineering work and the procurement process would begin. Mr. Brinzey added that as part of the EPC vetting process, there has been a concerted effort to vet all the major potential suppliers of power generation, water treatment and distillation equipment and negotiate favorable terms, particularly around inflation.

Ms. Ma asked about the purchasing timeline for the $440 million in total estimated equipment purchases under the STE award. Mr. Rubenstein stated that the Applicant would be procuring with a lump sum, turnkey payment of 10-20% of the total amount of equipment capital committed beginning in January. He continued that purchases would be done quickly to avoid issues with price changes and jeopardize financing.

Ms. Ma asked if other Board members had any questions. Mr. Rider noted that this is the fifth time the Applicant has report to the Board they were just about ready to make purchases, and asked for assurance as to why this time, now eight years after initial Project approval, is different. Mr. Rider stated the Applicant told the Board in November 2020 that they would be ready to make purchases in early 2021, and asked if any actual orders had been placed, groundbreaking or any activity begun.

Mr. Parker stated that construction on the site had started in late December 2020 to preserve the investor tax credit; in early 2021 the four-year timeline was extended so the Applicant no longer needed to pursue construction, but it had. Mr. Parker continued that when the Applicant first applied, the company was not ready, although it had an equity commitment that subsequently fell through. Mr. Parker stated that he had insisted the Applicant needed a fully executed EPC agreement to secure financing, and he is now confident that purchasing will begin by the end of January 2022. Pricing will be held fixed until the end of March, and if financing is not secured, the Applicant will have to reopen negotiations with MasTec for price escalation. Mr. Parker stated that the Applicant is ready, and had begun marketing to investors two weeks earlier.

Mr. Rider reiterated his question to be more specific, noting that the Applicant's report the previous year was similar, and asked for assistance to understand what had happened. Mr. Rubenstein responded that at that point, the Applicant was still negotiating the EPC agreement, which took longer than expected, and the COVID-19 pandemic had also slowed this process by halting travel when negotiating with foreign parties. Mr. Rubenstein stated that the EPC agreement is now in place with a feasibility study, and the Applicant continues to push forward. Mr. Rider thanked the representatives for their responses.

Mr. Mack inquired of Staff for clarification as to whether termination of the current Regulatory Agreement would preclude the Applicant from returning to submit a new Application. Mr. Mack explained the reason for his question was that according to the report, some components of the Project have changed, such as the feedstock, which might affect scoring. Ms. Moua confirmed that the Applicant is welcome to reapply in 2022. Mr. Mack thanked Staff for the response. Mr. Rubenstein added that the Applicant would anticipate an improved score due to the lower carbon intensity of the pure sugar feedstock, and that having only a single feedstock had also simplified design and engineering of the facility.

Mr. Mack asked if any other major project changes had occurred over the last ten years that might change criteria for Project scoring. Mr. Rubenstein responded that the Applicant is now able to reduce the carbon intensity of the fuel; for instance, by switching from using diesel to using renewable natural gas to bring feedstock into the facility, one million gallons per year of diesel fuel displacement should reduce the carbon intensity score by three to five points. Mr. Mack thanked Mr. Rubenstein for the response.

Ms. Ma asked if there were any further questions from Board members. Mr. Sertich noted concerns similar to other Board members about the similarity to prior reports, and stated that as Program priorities and scoring have changed to some extent since the award eight years ago, it could make sense to reapply and compete under the current criteria. Mr. Sertich asked about the remaining significant hurdles to closing within the first quarter of 2022.

Mr. Rubenstein replied that the Applicant is very confident; with all agreements now completed and feedstock in place, all the Applicant needs is the equity participation of $125 million, for which they have already received verbal commitments from a private equity firm—the bonds will then go out. Mr. Rubenstein asked the Board to recognize that the Applicant will have to complete purchases over time, before the end of 2023, and that it could delay financing to have to reapply for the STE.

Ms. Miller explained that this Program, similar to others under the Treasurer's oversight, usually seeks shovel-ready projects; and there is an opportunity cost to keep an award going. She continued that this is not an isolated place for the state to be investing, and there is a reason companies are held accountable to timelines. Ms. Miller stated there is no negative judgment in a recommendation to come back when a project is ready, but leaves the resources for companies that are ready and allow the state to move forward.

Mr. Rubenstein stated he understood, and respectfully appreciated Ms. Miller's explanation. He continued that his understanding is that this previous award could not be re-awarded, but if the Applicant reapplied for the 2022 STE allocation it would be competing with or potentially taking from another project. Ms. Miller inquired how the Board should respond to another project that could not be allowed to wait for eight years. Mr. Rubenstein stated his wish that this had not taken so long, but that it is a large project with many stakeholders and moving parts, and the Applicant did not foresee all the issues. He continued that the Applicant had tried to bring other voices to add support, and believes the Project is ready to move forward.

Ms. Ma asked if there were any other comments from the Board or any members of the public. There were not.

Ms. Ma asked Staff to clarify if the award is terminated, the STE cannot be reallocated. Ms. Moua confirmed that is correct, and CAEATFA cannot reallocate the STE award. Mr. Sertich asked if there were savings beyond to the State budget, and no opportunity cost, attached to terminating the award, and asked for Staff's recommendation.

Ms. Moua stated that Staff's recommendation is to terminate the award for consistency with the timely purchasing requirements for other Applicants.

Ms. Miller explained that CAEATFA had changed the Program regulations for this specific issue. She stated that while we recognize that the Applicant was awarded before these requirements were in place, the integrity of the Program is compromised when Applicants are not consistently held accountable. Ms. Miller continued that while she is sympathetic to the Applicant, and the award cannot be reallocated, the Board has strongly upheld that the money allocated needs to be used promptly. Mr. Sertich thanked Ms. Miller and stated he understands the opportunity cost.

Mr. Mack moved for approval, and Ms. Ma clarified that this motion was to terminate the Regulatory Agreement for the Applicant. There was a second by Ms. Miller. Ms. Ma stated there was a motion and a second and asked if there were any questions or comments from the Board or the public. There were none. Ms. Ma called for a vote.

The item was approved by the following vote:

Fiona Ma, CPA, State Treasurer	Aye
Tony Sertich for the State Controller	Aye
Gayle Miller for the Director of Finance	Aye
Ken Rider for the California Energy Commission	Aye
Grant Mack for the Public Utilities Commission	Aye

C. REQUEST TO APPROVE READOPTION OF EMERGENCY REGULATIONS FOR THE COMMERCIAL ENERGY EFFICIENCY FINANCING PROGRAM (ARTICLE 6 (COMMENCING WITH SECTION 10092.1) OF DIVISION 13 OF TITLE 4 OF THE CALIFORNIA CODE OF REGULATIONS) INITIALLY EFFECTIVE ON JULY 19, 2021

Presented by Susan Mills, Program Specialist

Staff recommends approval of a resolution to readopt the emergency regulations for the Commercial Energy Efficiency Financing Program, previously referred to as the Small Business Financing Program, and now known publically as the GoGreen Business Energy Financing Program (“GoGreen Business”).

GoGreen Business is part of the California Hub for Energy Efficiency Financing program authorized by the California Public Utilities Commission, which CAEATFA administers. GoGreen Business, launched in July 2019, is a financing program that offers a credit enhancement to third-party private lenders to finance energy efficiency improvements for small businesses.

The readoption of emergency regulations does not include any modifications to the initial emergency regulations that were approved by the Board on June 15, 2021, and became effective on July 19, 2021. The readoption is necessary for the emergency regulations to remain in effect until the regular rulemaking process is complete. Upon approval, Staff will proceed with the rulemaking process and submit the readoption to the Office of Administrative Law for approval. The emergency regulations will be in effect for an additional 90 days with the option for a second readoption prior to submitting the regular rulemaking certificate of compliance.

Ms. Miller moved for approval and Mr. Grant seconded the motion.

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none.

Ms. Ma thanked Ms. Mills for her service in the State Treasurer’s Office and wished her all the best at the Energy Commission.

Ms. Ma stated there was a motion and a second and called for a vote.

The item was approved by the following vote:

Fiona Ma, CPA, State Treasurer	Aye
Tony Sertich for the State Controller	Aye
Gayle Miller for the Director of Finance	Aye
Ken Rider for the California Energy Commission	Aye
Grant Mack for the Public Utilities Commission	Aye

5. PUBLIC COMMENT

Ms. Ma asked if there were any comments from the public, and there were none.

6. ADJOURNMENT

There being no further business, public comments, or concerns, the meeting adjourned at 11:52 a.m.

Respectfully submitted,

Derek Chernow
Executive Director