

MINUTES

**California Alternative Energy and Advanced
Transportation Financing Authority
915 Capitol Mall, Room 587
Sacramento, California
May 19, 2015**

1. CALL TO ORDER & ROLL CALL

Alan Gordon, Chairperson, called the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA or Authority) meeting to order at 10:38 a.m.

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

Members Absent: Robert B. Weisenmiller, Chair,
California Energy Commission

Staff Present: Terri Mack, Treasury Program Manager II

Quorum: The Chairperson declared a quorum.

2. MINUTES

Mr. Gordon asked if there were any questions or comments concerning the April 21, 2015, meeting minutes. There were none.

Mr. Gordon asked if there was a motion.

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

The item was passed by the following vote:

Alan Gordon for the State Treasurer	Aye
Anne Baker for the State Controller	Aye
Eraina Ortega for the Director of Finance	Aye
Robert B. Weisenmiller for the California Energy Commission	Absent

Nick Chaset for the Public Utilities Commission

Aye

3. EXECUTIVE DIRECTOR'S REPORT

Ms. Mack began her report with program updates. She stated that CAEATFA Staff has been working on further implementing the California Hub for Energy Efficiency Financing. The Department of General Services has approved CAEATFA's contract with Concord to serve as a master servicer. Staff is now working to facilitate coordination between CAEATFA, Concord, and the Investor Owned Utilities (IOUs) to launch the Residential Energy Efficiency Loan Assistance Program (REEL Program) and build the foundation of the On-Bill Repayment program. The REEL Program will be the first of the pilot programs that CAEATFA will launch in collaboration with the California Public Utilities Commission and the IOUs. In addition, the Staff in the Sales and Use Tax Exclusion Program has been working to identify ways to both streamline the application process and grow outreach efforts. CAEATFA will bring recommendations to the Board for consideration in future meetings. Additionally, Staff is going through the process of amending CAEATFA's legal agreements with applicants to reflect the change of statute effective 2013. This statute eliminated the conveyance and reconveyance process and will provide a more streamlined and consistent experience for the awardees.

Ms. Mack concluded her report by stating that there were no legislative updates and no actions were taken under the Executive Director's delegated authority.

4. BUSINESS ITEMS

A. DISCUSSION AND CONSIDERATION OF APPLICATIONS FOR SALES AND USE TAX EXCLUSION

1. Weber Metals, Inc.
Presented by: Ashley Bonnett, Analyst

Staff introduced Justin Owen, Director of Finance, and Paul Arnold, Financial Analyst.

Ms. Bonnett stated that Weber Metals, Inc. (Weber Metals) is requesting approval of over \$167 million worth of Qualified Property to install a new 60,000 ton hydraulic-forging press at its forging facility located in Paramount. The proposed Project would employ advanced material such as newly developed European aerospace alloys to produce larger aerospace components with enhanced performance and longevity, reduced weight, and increased vehicle fuel efficiency. Weber Metals anticipates that the Project's design and use of innovative technologies and processes will enable more efficient operations, thereby reducing the facility's environmental impact, including energy consumption, water use, and air pollution, while nearly doubling production capacity.

Ms. Bonnett stated that Staff recommends approval of a resolution for Weber Metals' purchase of Qualified Property in an amount not to exceed \$167,661,606

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anticipated to result in an approximate sales and use tax exclusion value of \$14,117,107.

Kevin Barker for Robert B. Weisenmiller, Chair, California Energy Commission is now present.

Discussion ensued regarding the background of Weber Metals and an explanation of a storm water lawsuit against Weber Metals.

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

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 approved.

The item was passed by the following vote:

Alan Gordon for the State Treasurer	Aye
Anne Baker for the State Controller	Aye
Eraina Ortega for the Director of Finance	Aye
Kevin Barker for the California Energy Commission	Aye
Nick Chaset for the Public Utilities Commission	Aye

B. REQUEST TO AMEND STE RESOLUTION 15-SM003 TO CHANGE THE PARTICIPATING PARTY FROM SILEVO, INC. TO SILEVO, LLC.

Presented by: James Shimp, Analyst

Mr. Shimp stated that On February 17, 2015, the board approved a Sales and Use Tax Exclusion for Silevo, Inc. The amount of Qualified Property approved was a little over \$106 million, which represented an exclusion just under \$9 million. On April 21, 2015, CAEATFA staff received a notification from the applicant stating that they had merged with Sunflower Acquisition, LLC. Both companies are subsidiaries of SolarCity Incorporated, and the merger had been expected as part of SolarCity's acquisition of Silevo in June of 2014. Under the terms of the merger, the surviving entity's name was amended to Silevo, LLC. The proposed change in participating party does not reflect a material change in the scope or nature of the originally approved project.

Mr. Shimp stated that Staff recommends approval of a resolution to change the participating party from Silevo, Inc. to Silevo, LLC thus allowing the proposed project to proceed as intended, and the state to receive the estimated benefits outlined in the original application.

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

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 approved.

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The item was passed by the following vote:

Alan Gordon for the State Treasurer	Aye
Anne Baker for the State Controller	Aye
Eraina Ortega for the Director of Finance	Aye
Kevin Barker for the California Energy Commission	Aye
Nick Chaset 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 10:48 a.m.

Respectfully submitted,

Deana J. Carrillo
Executive Director