

# CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION

## SOLAR ENERGY: PUBLIC FINANCING OPTIONS FOR CALIFORNIA'S LOCAL GOVERNMENTS

October 8-9, 2009  
Oakland Marriott  
Oakland, California

Local governments in California continue to experiment with different kinds of debt instruments to finance the acquisition and installation of solar energy technology. Which of these instruments is best for your agency? In this seminar, public and private industry leaders describe their experiments: What successes can be replicated? What worked? What didn't?

### AGENDA

#### THURSDAY, OCTOBER 8, 2009

- 8:00 AM**            **Registration/Distribution of Seminar Materials**
- 8:30 AM**            **Seminar Welcome and Opening Remarks**  
*Speaker:            John Decker, Executive Director  
                         California Debt and Investment Advisory Commission*
- 8:45 AM**            **Legal Framework**  
The speaker discusses the legal framework for public financing program of solar energy.  
*Speaker:            Sam Sperry, Counsel, Meyers Nave*
- 9:30 AM**            **Critical Issues**  
This session identifies critical issues a public agency must address when planning a public financing program for solar energy.  
*Speaker:            Sam Sperry, Counsel, Meyers Nave  
                         Kathy Larocque, Deputy County Counsel, Sonoma County*
- 10:15 AM**            Break
- 10:30 AM**            **AB 811 Contractual Assessments**  
Assembly Bill 811, chaptered in July 2009, gives cities and counties authority to create contractual assessment programs in which property owners can seek public financing for energy efficiency improvements. Under the assessment, property owners would enter a "loan" contract with a local government and pay it back as an item on their property-tax bills that the assessment would be passed from one owner to the next if the property is sold during the course of repayment of the loan. The City of Palm Desert was the first to use the AB 811 program. It committed \$2.5 million to the program. In this session, the principal actors in the Palm Desert deal detail their successes and challenges.  
*Moderator:        John Decker  
Speakers:         Trisha Ortiz, Attorney, Richards, Watson & Gershon  
                         Diana Chuang, Attorney, Richards, Watson & Gershon  
                         Jim Ferguson Council Member, City of Palm Desert*
- 12:00 PM**            **Lunch for All Participants and Speakers**
- 1:15 PM**            **Mello-Roos Financing**

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The City of Berkeley's FIRST (Financing Initiative for Renewable and Solar Technology) program uses Mello-Roos financing to issue 20-year debt for the installation of solar systems on residential and commercial buildings. Principals in the FIRST program answer the question: To what extent can FIRST be replicated?

*Moderator: Chris Lynch, Jones Hall*

*Speakers: Craig Hill, Financial Advisor, Northcross, Hill & Ach, Inc.  
Gail Feldman, Sustainable Energy Programs Manager,  
City of Berkeley*

**2:30 PM Break**

**2:45 PM Public-Private Partnerships (P3s) and Solar Energy**

Under a P3, a solar system is installed on public agency property by a private partner at no cost to the public agency. In return, the public agency enters into a long-term fixed-cost power purchase agreement. The public agency benefits by securing power costs over a 15- to 25-year period at or below current retail rates and increases use of renewable energy sources.

*Moderator: Angel Hernandez, Research Specialist, CDIAC*

*Speakers: Steve Adamo, Director of School Construction,  
San Jose Unified School District  
Phil Henderson, Associate, Orbach, Huff and Suarez, LLP.  
Bruce Dickinson, Regional Sales Director, Chevron Energy Solutions,*

**3:45 PM Break**

**4:00 PM Clean Renewable Energy Bonds (CREBs) and Qualified Energy Conservation Bonds (QECBs)**

This session discusses the use of CREBs and QECBs to finance solar energy systems. These tax credit bonds offer public finance options to public agencies.

**CREBs.** The California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) issued \$20 million in CREBs for Caltrans to outfit its buildings with photovoltaic solar panels

**QECBs.** With allocations already announced, panelists will explore the use of QECBs for public agency projects.

*Moderator: Jan McFarland, Executive Director, CAEATFA*

*Panel: John Wang, Partner, Orrick  
Neal E. Skiver, Senior Vice President, Banc of America Public Capital Corp  
Misti Armstrong, Program Manager, California Debt Limit Allocation Committee (CDLAC)*

**5:00 PM Adjourn**

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**FRIDAY, OCTOBER 9, 2009**

- 8:30 AM**            **Roundtable discussion - Is solar a viable option for my community?**  
This panel will debate the advantages and disadvantages of solar energy investment for both California's communities. Panel members can discuss how to determine if solar is a viable option for their community. The panel will discuss any hurdles as well as the benefits of solar on their constituencies.  
*Speakers:*            *Steph Stoppenhagen, Program Manager CH2M Hill,*  
                              *Cal Broomhead, Director of Energy & Climate Programs, San*  
                              *Francisco Department of the Environment*  
                              *Cisco DeVries, President, Renewable Funding*
- 10:00 AM**            **Break**
- 10:15 AM**            **Hot Topics in Solar Energy**  
This panel will discuss new issues, programs and financing opportunities pertaining to solar projects directed at public agencies. Potential topics include President Obama's proposal to double production of alternative energy in the next three years and improve energy efficiency for millions of homes as part of his economic stimulus plan.  
*Speakers:*            *Jan McFarland, Executive Director, CAEATFA*  
                              *Tim Seufert, Director, NBS*
- 11:30 AM**            **Adjourn**