



## Board of Directors Regular Meeting Agenda

Wharfinger Building, Bay Room (downstairs)  
1 Marina Way, Eureka, CA 95501

Thursday, October 23 2025  
3:30 PM

### Meeting Information

#### Meeting Reports and Comments

Pursuant to Government Code section 54957.5, all writings or documents relating to any item on this agenda which have been provided to a majority of the Board, including those received less than 72 hours prior to the Committee's meeting, will be made available to the public at [redwoodenergy.org](http://redwoodenergy.org).

Speakers wishing to distribute materials to the Board at the meeting must provide 13 copies to the Board Clerk.

#### How to Participate

**This is a hybrid in-person and virtual meeting.** As a courtesy, the public may participate remotely through the Zoom platform. RCEA cannot guarantee uninterrupted teleconference access. When technical difficulties arise, the meeting will continue unless otherwise required by law, such as when a Board member attends the meeting remotely pursuant to certain Brown Act provisions. The only way to guarantee that the Board receives your comment is to attend the meeting in person or submit your comment in writing before the meeting.

**To participate in the meeting online**, go to <https://us02web.zoom.us/j/81972368051>.

**To participate by phone**, call (669) 900-6833 or (253) 215-8782. Enter webinar ID: 819 7236 8051.

**To speak during the public comment periods**, raise your hand in the online Zoom webinar, or press star (\*) 9 on your phone to raise your hand. Staff will ask you to unmute your phone or computer when it is your turn. You will have 3 minutes to speak.

**Email written comments** to [PublicComment@redwoodenergy.org](mailto:PublicComment@redwoodenergy.org). Identify the agenda item number in the subject line. Comments will be included in the meeting record but not read aloud during the meeting.

#### Accessibility

**Need help with accessibility?** Any member of the public needing special accommodation to participate in this meeting or access the meeting materials should email [LTaketa@redwoodenergy.org](mailto:LTaketa@redwoodenergy.org) or call (707) 269-1700 at least 3 business days before the meeting. Assistive listening devices are available.

## Open Session (Call to Order)

### 1. Roll Call | Remote Director Participation

- 1.1. Approve teleconference participation request for this meeting by Director pursuant to Brown Act revisions of AB 2449 due to an emergency circumstance to be briefly described.

### 2. Reports from Member Entities

### 3. Oral & Written Communications

*This time is provided for people to address the Board or submit written communications on matters not on the agenda. At the conclusion of all oral communications, the Board may respond to statements. Any request that requires Board action will be set by the Board for a future agenda or referred to staff.*

### 4. Consent Calendar

*All matters in the Consent Calendar section are considered routine by the Board and are enacted in one motion. There is no separate discussion of any of these items; if discussion is required, that item is removed from the Consent Calendar and considered separately. At the end of the reading of the Consent Calendar, Board members or members of the public can request that an item be removed for separate discussion.*

- 4.1. Approve Minutes of September 25, 2025.
- 4.2. Accept Disbursement Report for August 2025, and Financial Reports for This Fiscal Year Through August 2025.
- 4.3. Receive Federal Activity Report.
- 4.4. Receive Regulatory and Legislative Platform Engagement Report.

### 5. Items Removed from Consent Calendar

*Items removed from the Consent Calendar section will be heard under this section.*

## Community Choice Energy (CCE) Business (None.)

### 6. Old Business

- 6.1. CADEMO Central California Offshore Wind Project Loan Term Modifications

Authorize the ad hoc Board CADEMO Loan Subcommittee to approve revised terms of the Loan Agreement with the CADEMO Corporation (originally executed on July 22, 2025), terms which must continue to ensure to the maximum extent practicable, refundability and security of RCEA funds, and may include revisions to the vehicle for transfer and deposit of funds, duration of loan agreement, and other minor changes that do not impact the refundability or security of the loan.

Authorize the Executive Director to execute the final, revised, agreement with the CADEMO Corporation.\*

\*Note: This staff report was not available at agenda publication time and will be made available by 5 p.m. on Tuesday, October 21 at [www.RedwoodEnergy.org](http://www.RedwoodEnergy.org) and at RCEA offices, 633 Third Street, Eureka, CA, 95501.

## 7. New Business

### 7.1. Hatchery Road Solar and Storage Power Purchase Agreement

Approve Resolution 2025-6 Approving the Form of and Authorizing Execution of the Power Purchase Agreement with RPCA Solar 5 LLC.

## 8. Staff Reports

### 8.1. Executive Director's Report

## 9. Future Agenda Items

*Any request that requires Board action will be set by the Board for a future agenda or referred to staff.*

## 10. Closed Session

10.1. Conference with Legal Counsel - Pending Litigation Pursuant to Government Code Section 54956.9, Electric Rule 30 (CPUC A.24-11-007).

10.2. Real Property Negotiations Pursuant to Government Code § 54956.8 in re: APN 001-135-007; RCEA negotiator: Executive Director; Owner's negotiating party: Wells Commercial; Under negotiation: price and terms.

10.3. Public Employee Performance Evaluation, pursuant to Government Code § 54957: Executive Director.

## 11. Reconvene to Open Session

## 12. Closed Session Report

## 13. Adjournment

## Next Regular Meeting

Monday, November 24, 2025 | 3:30 PM

Wharfinger Building Bay Room (downstairs), 1 Marina Way, Eureka, CA 95501  
Online and phone participation is available via Zoom.

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**STAFF REPORT**  
**Agenda Item # 1.1**

AGENDA DATE:	October 23, 2025
TO:	RCEA Board of Directors
FROM:	Eileen Verbeck, Deputy Executive Director
SUBJECT:	Member Teleconference Participation

**BACKGROUND**

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Since emergency Brown Act meeting law changes went into effect in 2020 due to the COVID-19 public health emergency, the RCEA Board of Directors, Community Advisory Committee (CAC) and the subcommittees of those bodies met online with no physical, public meeting location. Governor Newsom signed AB 361 into law in September 2021, which allowed these bodies to continue meeting completely virtually without publishing each member's participation location while the COVID state of emergency continued and state or local officials recommended social distancing measures or the RCEA Board determined that meeting in person posed health and safety risks.

The COVID-19 State of Emergency ended on February 28, 2023, and RCEA Board and CAC meetings returned to meeting in-person at a physical location, with allowances under existing Brown Act rules or new AB 2449 Brown Act rules should a Board or CAC member need to participate from a remote location for certain reasons. If another state of emergency is declared, these bodies may be able to return to completely remote meetings.

**SUMMARY**

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RCEA Board Directors may attend up to two meetings per year from a remote location without making the location accessible to the public for the following reasons:

1. "Just cause"
  - a. To provide childcare or caregiving need to a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner;
  - b. Due to a contagious illness that prevents the member from attending in-person;
  - c. Due to a need related to a physical or mental disability as defined in Government Code sections 12926 and 12926.1 not otherwise accommodated; and
  - d. Due to travel while on official business of the legislative body or another state or local agency.
2. "Emergency circumstance" due to a physical or family medical emergency that prevents the member from attending in person.

If a Board Director would like to attend the meeting remotely due to an emergency circumstance, the Board will take action by majority vote to approve the Director's remote participation. A vote is not necessary for a request to attend remotely for just cause. A brief

description, protecting the Director's (or Director's family member's) medical privacy, needs to be provided in both cases.

The remotely participating Board Director needs to publicly disclose at the meeting before any action (vote) is taken, whether anyone 18 years of age or older is present in the room at the remote location with the Director, and the general nature of the individual's relationship with the Director.

If the Board Director anticipates needing to participate remotely for more than 2 meetings per year, staff recommends arranging for a publicly and ADA accessible space with visual and audio meeting capabilities from which to participate.

Staff asks to be notified one-week in advance, if possible, of remote meeting attendance so the Director's publicly and ADA accessible remote meeting address can be published in the agenda, if required per Brown Act open meeting laws.

### **Current Remote Participation Requests**

As of the writing of this staff report, there have been no remote director participation for "just cause" or "emergency circumstances" requests.

### **RECOMMENDED ACTION (if needed)**

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Approve teleconference participation request for this meeting by Director pursuant to Brown Act revisions of AB 2449 due to an emergency circumstance to be briefly described.



## Board of Directors Draft Meeting Minutes

Wharfinger Building, Great Room (upstairs)  
1 Marina Way, Eureka, CA 95501

Thursday, September 25 2025  
3:30 PM

### Attendance

#### Present

Natalie Arroyo	Scott Bauer, Chair	Carlos Diaz
Michael Gerace	Skip Jorgensen	Heidi Moore-Guynup, Alt. Dir.
Elise Scafani	Sarah Schaefer	Jack Tuttle
Tom Wheeler, Alt. Dir.	Frank Wilson	

#### Absent

Jason Ramos	Sheri Woo, Vice Chair
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#### Staff and Others Present

Name	Title
Lori Biondini	Business Planning & Finance Director
Elizabeth Burks	Executive Director
Faith Carlson	Regulatory & Legislative Policy Manager
Nancy Diamond	RCEA Legal Counsel
Jodi Dobson	Baker Tilly US, LLP, Principal, Energy & Utilities
Richard Engel	Power Resources Director
Jocelyn Gwynn	Senior Power Resources Manager
Lori Taketa	Board Clerk
Ryan Theiler	Baker Tilly US, LLP, Senior Manager, Energy & Utilities Division
Eileen Verbeck	Deputy Executive Director

## Open Session

Chair Bauer called a meeting of the Board of Directors of the Redwood Coast Energy Authority to order at the above location and date at 3:33 p.m. Notice of this meeting was posted on September 19, 2025.

### Oral & Written Communications

Member of the public Jan Kraepelian expressed support for local wind power development with no construction activity on local Tribe sacred days. Mr. Kraepelian also supports rail development, stating that it produces lower emissions than other transportation modes. Chair Bauer closed the public comment period.

### Consent Calendar

- 4.1. Approve Minutes of August 28, 2025, Board Meeting.
- 4.2. Accept Disbursements Report for July 2025, and Financial Reports for This Fiscal Year Through July 2025.
- 4.3. Hold Regular RCEA Board Meetings Beginning October 23, 2025, at Wharfinger Building Downstairs Bay Room, 1 Marina Way, Eureka, at 3:30 p.m.
- 4.4. Award Software Development and Support Services Agreement to Frontier Energy to Perform Database Development and Implementation Services for the Northern Rural Energy Network for a Not-to-Exceed Value of \$855,500 and Authorize the Executive Director to Execute All Applicable Documents.

No items were removed from the Consent Calendar.

**M/S: Arroyo, Schaefer: Approve Consent Calendar Items.**

**The motion passed with a unanimous roll call vote. Ayes: Arroyo, Bauer, Diaz, Gerace, Jorgensen, Moore-Guynup, Scafani, Schaefer, Tuttle, Wheeler, Wilson. Noes: None. Absent: None. Abstain: None.**

### Old Business

- 6.1. Financial Audit for Fiscal Years Ending June 30, 2025 & 2024

Business Planning and Finance Director Biondini announced that, with the completion of the 2024 and 2025 fiscal years' audits, RCEA is current on audits. Baker Tilly Principal Jodi Dobson explained the audit process, Board responsibilities, audit findings and processes put in place to address them. RCEA received a clean audit opinion, the highest level of assurance that the agency's financial statements are free of material misstatement. There was no public comment on this item.

**M/S: Schaefer, Jorgensen: Accept and Approve Redwood Coast Energy Authority Financial Statements June 30, 2025, and 2024, and Associated Independent Auditors' Report by Baker Tilly US, LLP.**

The motion passed with a unanimous roll call vote: Arroyo, Bauer, Diaz, Gerace, Jorgensen, Moore-Guynup, Scafani, Schaefer, Tuttle, Wheeler, Wilson. Noes: None. Absent: None. Abstain: None.

## Community Choice Energy (CCE) Business

Chair Bauer confirmed that a CCE quorum was present.

### New CCE Business

#### 9.1. Long-Term Renewables Portfolio Standard Request for Offers

Senior Power Resources Manager Gwynn explained how sunseting federal tax credits sped up this solicitation for more long-term renewable energy contracts to meet RCEA's 100% renewable portfolio by 2030 goal. Manager Gwynn described the solicitation criteria, which includes preference for, but not a requirement of, local resources.

Members of the public Andrea Armin, Sue Lee Mossman and Dr. Wendy Ring submitted comments opposing inclusion of biomass combustion among the potential energy sources for the long-term renewables portfolio standard request for offers. Chair Bauer closed the public comment period.

The Directors clarified that they would include non-CCA-voting members in their ad hoc solicitation committees. Alternate Board Directors should not be included in these working groups. The directors noted that committee members would consider this item's public comments during discussion. Directors Gerace, Schaefer and Tuttle volunteered to serve on the ad hoc offer review committee.

#### M/S: Schaefer, Arroyo:

- 1) Authorize staff to issue the Request for Offers for Long-Term Renewables Portfolio Standard Resources.
- 2) Establish an ad hoc Board offer review committee and authorize it to take the following actions provided they are consistent with the request for offers: (i) approve shortlisted offers, (ii) replace offers on the shortlist as needed, and (iii) approve continued negotiations with a shortlisted respondent in the event their offer materially changes.
- 3) Authorize staff to engage with the shortlisted respondents, including execution of exclusivity agreements, collection of shortlist deposits, and negotiation of contract terms, prior to full Board review and approval of resulting contracts.

The motion passed with a unanimous roll call vote: Arroyo, Bauer, Diaz, Jorgensen, Scafani, Schaefer, Tuttle, Wilson. Noes: None. Absent: None. Abstain: None. Non-Voting: Gerace, Moore-Guynup, Wheeler.

## End of CCE Business

### Old Business

#### 10.1. Report on Federal Government Activity

Regulatory and Legislative Policy Manager Carlson reported on federal activity at the executive, legislative and judicial levels since the start of 2025. Effects on energy- and RCEA-related issues were

described. Manager Carlson focused on federal actions in the realm of offshore wind development and noted that Governor Newsom signed a budget bill that included funding for transmission planning and other means of supporting offshore wind development in California. Director Moore-Guynup, who serves on the Harbor District's Citizen Advisory Committee for the heavy lift marine terminal, reported that Humboldt Bay project has been paused while alternate funding sources are being identified. RCEA's approach to state and federal level advocacy was described. There were no public comments on this item and Chair Bauer closed the public comment period.

#### 10.2. Annual Humboldt Sawmill Company Alternative Biomass Use Report (Information only)

Power Resources Director Engel reported on Humboldt Sawmill Company's (HSC) annual production of data in compliance with a Memorandum of Understanding between HSC and RCEA created in response to community biomass plant concerns. The Biomass Technical Advisory Group's and the Community Advisory Committee's discussions on the matter were summarized.

The Directors discussed the following:

- HSC's plant was designed to produce steam, not electricity. Costly turbine improvement would improve electricity generation efficiency.
- If RCEA does not contract with HSC, HSC will sell biomass power and renewable energy certificates to non-local load-serving entities who may be less concerned about the plant's greenhouse gas and particulate emissions.
- If RCEA does not contract with HSC, HSC will not shut down the biomass plant and lumber mill.
- RCEA has leverage with HSC while it has an active power purchase agreement.
- If RCEA will not contract with HSC beyond the next 6 years, the agency must prepare to fill the projected load and credit requirements now.
- A member inquired whether biomass plant improvements count toward carbon capture credits.
- RCEA should use the leverage it has with HSC to push for smaller particulate air quality monitoring and analysis and for generation efficiency and greenhouse gas emission reduction.
- HSC facility improvements will trigger a lengthy, federal Title V renewal process with no guarantee that the plant will be allowed to operate as a result. The cost of this process may not be justifiable to HSC with just 6 years left in contract with RCEA.
- RCEA needs to decide whether the agency will procure energy and credits from HSC for the long term for HSC's planning purposes.
- The Board needs to assess what is best for the community and for RCEA. Having a longer relationship with HSC, even with higher contract prices, may be better than losing local leverage.

No public comment was received for this item. Chair Bauer closed the public comment period.

### **New Business (continued)**

#### 11.1. Study Session on Data Center Local, State and National Impacts (Information only)

Regulatory and Legislative Policy Manager Carlson reported on data center impacts nationally, statewide and locally. Each mid- to large-size data center requires as much electricity to operate as 25,000 to 50,000 homes use. Electricity is mainly needed for system cooling. Data center developers prefer round-the-clock, baseload energy sources such as coal, nuclear energy and natural gas. [Current energy demand forecasts suggest that if data center load materializes, outage rates would increase dramatically.](#)

~~making it difficult to retire inefficient or environmentally harmful sources. Current energy demand is forecasted to increase by 100 times, making it difficult to retire inefficient or environmentally harmful power sources.~~ California will fare better than other states with the projected load due to planned energy resource development. Current forecasts predict that other states will experience many more hours of power outages due to energy supply not meeting the increased demand. Manager Carlson described California regulatory initiatives to ensure that large customers pay up front for transmission infrastructure improvements instead of passing on improvement costs to customers regardless of whether the developers choose to build a data center in California or site their centers elsewhere. Staff asked the Board to notify them if large energy users are planning to move to their jurisdictions. RCEA is considering offering an economic development rate. Manager Carlson described ways to reduce energy use while online, such as setting default search engines to ones that allow users to toggle AI searches on and off.

The directors discussed potential state regulation to curtail data center power use and the potential for data center energy demands to make electricity prices exorbitant for RCEA. Director Moore-Guynup invited the directors to an upcoming meeting with a California Public Utilities Commissioner at the Blue Lake Rancheria. There were no public comments for this agenda item. Chair Bauer closed the public comment period.

## Staff Reports

### 12.1. Executive Director's Report

Executive Director Burks reported that Cal Poly Humboldt students will be studying local virtual power plant viability with guidance from RCEA's Power Resources Director Engel, and that the RCEA-funded loan to the CADEMO offshore wind project in California state waters has not yet been released, pending PG&E comments on the loan's terms. The month's RCEA community outreach activities were listed.

## Future Agenda Items

Executive Director Burks summarized future Board discussion item requests for possible non-power purchase agreement-based relationships with Humboldt Sawmill Company that could help realize carbon emission and harmful particulate emission reductions, and a discussion to explore ways to gather more air quality data in ways that do not infringe upon the Air Quality Management District's scope of work.

## Adjournment

Chair Bauer adjourned the meeting at 5:55 p.m.

Lori Taketa  
Board Clerk

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# REDWOOD COAST Energy Authority

## STAFF REPORT Agenda Item # 4.2

AGENDA DATE:	October 23, 2025
TO:	Board of Directors
PREPARED BY:	Lori Biondini, Business Planning and Finance Director
SUBJECT:	Profit & Loss, Balance Sheet and Monthly Disbursements Reports

### SUMMARY

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The attached Disbursements Report lists RCEA's checks, debits, and electronic payments made during the period identified on the report. The Business Planning and Finance Director certifies that the disbursements were drawn in payment of demands conforming to RCEA's adopted Financial Policy and budget.

The Financial Reports (Profit & Loss Budget vs. Actual and Balance Sheet) are presented to keep the Board apprised of current agency receipts and spending relative to budget line items.

### ALIGNMENT WITH [RCEA'S STRATEGIC PLAN](#)

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Agency financial tracking and reporting are necessary administrative functions supporting RCEA strategic plan goal implementation.

### EQUITY IMPACTS

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Not applicable.

### FINANCIAL IMPACT

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The disbursements presented were drawn in payment of demands included within the adopted budget.

### STAFF RECOMMENDATION

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Accept disbursements report for August 2025, and financial reports for this fiscal year through August 2025.

### ATTACHMENTS

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1. Disbursements Report for August 1 through August 31, 2025
2. Profit & Loss Budget vs. Actual Report, July 2025 through August 2025
3. Balance Sheet as of August 31, 2025

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## Redwood Coast Energy Authority Disbursements Report As of August 31, 2025

Type	Date	Num	Name	Memo	Amount
Liability Check	08/01/2025	ACH	Ascensus	8/1/2025 Payroll	-14,646.50
Liability Check	08/01/2025	ACH	Ascensus	8/1/2025 Payroll	-12,862.22
Liability Check	08/01/2025	ACH	EDD	8/1/2025 Payroll	-8,857.63
Liability Check	08/01/2025	ACH	Internal Revenue Service	8/1/2025 Payroll	-38,461.07
Bill Pmt -Check	08/01/2025	ACH	PG&E Voluntary Allocation	Mar 2025 Forecast Price- VA	-21,514.48
Bill Pmt -Check	08/01/2025	ACH	Viridity Energy Solutions, Inc.	Tierra Buena RA-July 2025	-16,900.00
Check	08/01/2025	21207	CCE Customer	CCE EV Rebate: EV54	-2,000.00
Check	08/01/2025	21208	CCE Customer	CCE EV Rebate: EV55	-2,000.00
Check	08/01/2025	21209	CCE Customer	CCE EV Rebate: EV56	-2,000.00
Check	08/01/2025	21210	CCE Customer	CCE EV Rebate: EV57	-2,000.00
Check	08/01/2025	21211	NREN Customer	NREN Res Equip. Rebate #250616-2686	-400.00
Check	08/01/2025	21212	NREN Customer	NREN Res Equip. Rebate #250708-2812	-150.00
Check	08/01/2025	21213	NREN Customer	NREN Res Equip. Rebate #250707-2808	-50.00
Check	08/01/2025	21214	NREN Customer	NREN Res Equip. Rebate #250602-2620	-100.00
Check	08/01/2025	21215	NREN Customer	NREN Res Equip. Rebate #250701-2780	-100.00
Check	08/01/2025	21216	NREN Customer	NREN Res HP HVAC. Rebate #250614-2684	-1,432.00
Check	08/01/2025	21217	CCE Customer	Refund for overpayment to CBA	-14.92
Check	08/01/2025	21218	CCE Customer	Refund for overpayment to CBA	-96.75
Bill Pmt -Check	08/01/2025	21219	Alber's Tractor and Ag Work	Mowing services for RCAM	-1,300.00
Bill Pmt -Check	08/01/2025	21220	AM Conservation Group, Inc.	Residential efficiency kits, drop shipped	-13,723.87
Bill Pmt -Check	08/01/2025	21221	Arcata Technology Center	Site Host Reimbursement 04/01-06/30/2025	-398.14
Bill Pmt -Check	08/01/2025	21222	Ascensus	03/01/2024-05/31/2025 Recordkeeping Fee	-1,120.75
Bill Pmt -Check	08/01/2025	21223	AT&T	RCAM Router charges- 06/19-07/18/25	-163.00
Bill Pmt -Check	08/01/2025	21224	AT&T	RCAM Data charges -07/07-08/06/25	-330.21
Bill Pmt -Check	08/01/2025	21225	Bithell, M.	July 2025 Mileage & Purchase Reimb	-143.44
Bill Pmt -Check	08/01/2025	21226	Blue Lake Rancheria	Site Host Reimbursement 04/01-06/30/2025	-1,427.88
Bill Pmt -Check	08/01/2025	21227	Braun Blaising & Wynne, P.C.	Legal Services - Regulatory -June 2025	-5,419.00
Bill Pmt -Check	08/01/2025	21228	Busick, B.	July 2025 Mileage & Purchase Reimb	-343.60
Bill Pmt -Check	08/01/2025	21229	CA Community Power	FY 2025-2026 General and Admin Costs	-174,000.00
Bill Pmt -Check	08/01/2025	21230	CA Dept. of Tax & Fee Administration	VOID: Electrical Energy Surcharge Return	0.00
Bill Pmt -Check	08/01/2025	21231	City of Arcata	Site Host Reimbursement 04/30-06/30/2025	-1,543.63
Bill Pmt -Check	08/01/2025	21232	City of Arcata	June 2025 Utility User Tax	-14,398.84
Bill Pmt -Check	08/01/2025	21233	City of Arcata	June 2025 Excessive Electricity Use Tax	-1,030.36
Bill Pmt -Check	08/01/2025	21234	City of Blue Lake	Site Host Reimbursement 04/01-06/30/2025	-635.23
Bill Pmt -Check	08/01/2025	21235	City of Eureka - REVNet	Site Host Reimbursement 04/01-06/30/2025	-1,068.37
Bill Pmt -Check	08/01/2025	21236	City of Trinidad	Site Host Reimbursement 04/01-06/30/2025	-703.33
Bill Pmt -Check	08/01/2025	21237	CPH Sponsored Programs Foundation	TO 8 May and June 2025	-2,351.00
Bill Pmt -Check	08/01/2025	21238	Frontier Energy, Inc.	NREN PA services 6/30/2025	-17,429.50
Bill Pmt -Check	08/01/2025	21239	Hooven & Reese, Inc.	EVSE construction services 7/31/25	-68,267.53
Bill Pmt -Check	08/01/2025	21240	Humboldt Bay Coffee Co.	Office Coffee- 633 3rd St.	-51.90
Bill Pmt -Check	08/01/2025	21241	Humboldt County DHHS	25/26 Annual HazMat Fees	-531.62
Bill Pmt -Check	08/01/2025	21242	Kerekes, C.	July 2025 Mileage & Travel Reimb.	-173.46
Bill Pmt -Check	08/01/2025	21243	Kullmann, S.	July 2025 CECC travel	-928.20
Bill Pmt -Check	08/01/2025	21244	Kilowatt Engineering, Inc.	NMEC Program Support - NREN June 2025	-12,817.50
Bill Pmt -Check	08/01/2025	21245	Law Offices of Susie Berlin	June 2025 Legal Services - NREN Support	-3,697.50
Bill Pmt -Check	08/01/2025	21246	Newport Group	Participant Fees - 07/01-09/30/2025	-1,066.44
Bill Pmt -Check	08/01/2025	21247	North Coast Unified Air Quality	Site Host Reimbursement 04/01-06/30/2025	-784.12
Bill Pmt -Check	08/01/2025	21248	North Country Fair	North Country Fair 2025 Booth Fee	-195.00
Bill Pmt -Check	08/01/2025	21249	NYLEX.net, Inc.	Onsite network support services - Aug 2025	-4,059.00
Bill Pmt -Check	08/01/2025	21250	Open Door Community Health Center	Site Host Reimbursement 04/01-06/30/2025	-883.45
Bill Pmt -Check	08/01/2025	21251	Pacific Paper Company	July 2025 office supplies	-115.42

## Redwood Coast Energy Authority Disbursements Report

As of August 31, 2025

Type	Date	Num	Name	Memo	Amount
Bill Pmt -Check	08/01/2025	21252	PG&E-Office Utility	Accts: 8836 & 1999	-1,812.92
Bill Pmt -Check	08/01/2025	21253	PG&E CCA	June 2025 CCE Billing Charges	-21,820.47
Bill Pmt -Check	08/01/2025	21254	Premier Financial Group, Inc.	Advisory Fee for Q3 2025	-6,641.48
Bill Pmt -Check	08/01/2025	21255	Reider, S	Mileage Reimbursement-July 2025	-24.78
Bill Pmt -Check	08/01/2025	21256	Rennie, J	Purchase reimbursement - July 2025	-60.91
Bill Pmt -Check	08/01/2025	21257	Revolution Bicycles, Inc.	E-Bike Voucher Payments: Invoices 21 & 22	-1,400.00
Bill Pmt -Check	08/01/2025	21258	Rodriguez, Louis	Mileage & Purchase reimbursement - July 2025	-70.08
Bill Pmt -Check	08/01/2025	21259	Special District Risk Managment P&L	Additional Insured Cert: City of Eureka	-47.50
Bill Pmt -Check	08/01/2025	21260	Shred Aware	Shredding services - July 2025	-68.95
Bill Pmt -Check	08/01/2025	21261	St. Joseph Hospital, Eureka	Site Host Reimbursement 04/01-06/30/2025	-4,653.43
Bill Pmt -Check	08/01/2025	21262	The Engine is Red	July 21- Aug 1 2025 Brand Training	-2,500.00
Bill Pmt -Check	08/01/2025	21263	Times Printing Company	July 2025 Invoices- Move-In Mailers	-1,506.47
Bill Pmt -Check	08/01/2025	21264	Wex Health, Inc	Monthly COBRA Payment	-23.88
Paycheck	08/01/2025	ACH	Employees	Payroll	-92,178.15
Bill Pmt -Check	08/04/2025	ACH	The Energy Authority	CISO073025-JUL25	-5,258.23
Bill Pmt -Check	08/04/2025	21265	Sacramento Advocates, Inc.	CADEMO advocacy strategy 7/1- 8/1/2025	-22,500.00
Bill Pmt -Check	08/11/2025	ACH	The Energy Authority	CISO080625-JUL25	-89,588.56
Liability Check	08/15/2025	ACH	Ascensus	8/15/2025 Payroll	-14,996.97
Liability Check	08/15/2025	ACH	Ascensus	8/15/2025 Payroll	-13,073.12
Liability Check	08/15/2025	ACH	EDD	8/15/2025 Payroll	-8,895.39
Liability Check	08/15/2025	ACH	Internal Revenue Service	8/15/2025 Payroll	-38,631.53
Bill Pmt -Check	08/15/2025	ACH	CalPine Corporation	July 2025 Meter Services	-68,288.89
Bill Pmt -Check	08/15/2025	ACH	EDPR CA Solar Park LLC II	July 2025 Contract Energy	-566,640.80
Bill Pmt -Check	08/15/2025	ACH	Humboldt Sawmill Co.	July 2025 Contract Energy	-810,355.44
Bill Pmt -Check	08/15/2025	ACH	Leapfrog Power, Inc	July 2025 RA	-36,740.00
Bill Pmt -Check	08/15/2025	ACH	Sonoma Clean Power Authority	July 2025 - Flex RA sale - Monthly	-261,000.00
Bill Pmt -Check	08/15/2025	ACH	The Energy Authority	Monthly TEA Invoice #TEA72025 July 2025	-1,899,081.02
Check	08/15/2025	21266-89	NEM Customers	NEM Cash Outs	-5,508.63
Check	08/15/2025	21290	CCE Customer	Rebate- CCE EVSE Res: REVSE55	-272.38
Check	08/15/2025	21291	NREN Customer	NREN Equip Rebate -Res #250714-2822	-100.00
Check	08/15/2025	21292	NREN Customer	NREN Equip Rebate -Res #250620-2706	-1,800.00
Check	08/15/2025	21293	NREN Customer	NREN Equip Rebate -Res #250619-2705	-300.00
Check	08/15/2025	21294	NREN Customer	NREN Equip Rebate -Res #250620-2707	-50.00
Check	08/15/2025	21295	NEM Customer	NEM Term Cash Out 2025	-196.90
Bill Pmt -Check	08/15/2025	21296	Advanced Security Systems	Install glassbreak sensor	-117.84
Bill Pmt -Check	08/15/2025	21297	Alber's Tractor and Ag Work	Mowing services for ACV solar site	-1,900.00
Bill Pmt -Check	08/15/2025	21298	AM Conservation Group, Inc.	NREN Res Kits: SBC Batch #5 Qty 20	-1,459.52
Bill Pmt -Check	08/15/2025	21299	Amazon.com	Monthly billing - July 2025	-410.62
Bill Pmt -Check	08/15/2025	21300	AT&T	RCAM charges - 07/29-08/28-2025	-639.68
Bill Pmt -Check	08/15/2025	21301	AT&T Long Distance	Phone charges 07/25 - 08/24/2025	-110.80
Bill Pmt -Check	08/15/2025	21302	Baker Tilly US, LLP	Professional services - period ending 07/31/25	-3,150.00
Bill Pmt -Check	08/15/2025	21303	Bithell, M.	August 2025 Mileage Reimb	-50.40
Bill Pmt -Check	08/15/2025	21304	Briceland Volunteer Fire Department	Rx Burn trainings: 3/23/24-6/8/24	-36,000.00
Bill Pmt -Check	08/15/2025	21305	City of Eureka-Water	Water service 06/24/25-07/28/25	-514.92
Bill Pmt -Check	08/15/2025	21306	CPH Sponsored Programs Foundation	TO9 RCAM Op Support: June 2025	-6,636.79
Bill Pmt -Check	08/15/2025	21307	Donald Dame	CCE Consulting services- July 2025	-232.75
Bill Pmt -Check	08/15/2025	21308	EAN Services, LLC	Car rental July 2025: CCEC 2025	-198.55
Bill Pmt -Check	08/15/2025	21309	Ed The Plumber Fitz It Right Plumbing LLC	633 3rd St. toilet repair #2	-282.00
Bill Pmt -Check	08/15/2025	21310	Energy Resources Integration, LLC	NREN Commercial Needs Assesments- July	-29,501.00
Bill Pmt -Check	08/15/2025	21311	Humboldt Bay Coffee Co.	Office Coffee- 633 3rd St.	-56.90
Bill Pmt -Check	08/15/2025	21312	Kilowatt Engineering, Inc.	NMEC ProgramServices - NREN July 2025	-3,707.50

## Redwood Coast Energy Authority Disbursements Report As of August 31, 2025

Type	Date	Num	Name	Memo	Amount
Bill Pmt -Check	08/15/2025	21313	Law Offices of Nancy Diamond	July 2025 Legal Services	-13,284.00
Bill Pmt -Check	08/15/2025	21314	Mission Linen & Uniform Service	Aug 2025 Janitorial service and supplies	-190.14
Bill Pmt -Check	08/15/2025	21315	North Coast Cleaning Services, Inc.	917 3rd & 633 3rd Service	-1,090.00
Bill Pmt -Check	08/15/2025	21316	Optimum Business-633	633 3rd St: Phone & Internet 07/28-08/27/2025	-1,101.77
Bill Pmt -Check	08/15/2025	21317	Pacific Paper Company	Office Supplies	-69.44
Bill Pmt -Check	08/15/2025	21318	PG&E- EV	Accts: 6675184648-7; 7097660497-8	-1,661.83
Bill Pmt -Check	08/15/2025	21319	RDS Solar Pumps	20% down payment for 5 Sun Titan Trailers	-31,420.21
Bill Pmt -Check	08/15/2025	21320	Shafer's Ace Hardware	Air filters for RCAM battery enclosures	-302.95
Bill Pmt -Check	08/15/2025	21321	Taketa, L.	VOID: Per diem Taketa CMCA Leadership	0.00
Bill Pmt -Check	08/15/2025	21322	Times Printing Company	Late Notice letters July 2025	-737.91
Bill Pmt -Check	08/15/2025	21323	Wex Health, Inc	Monthly COBRA Payment	-23.88
Bill Pmt -Check	08/15/2025	21324	Whitchurch Engineering, Inc	EVSE design Mad River Hospital site	-320.00
Bill Pmt -Check	08/15/2025	21325	WREGIS	Qty 215 Created & 334,620 Retired transactions	-1,339.34
Bill Pmt -Check	08/15/2025	21326	Education & Outreach Company	LED Lightbulb- Save Energy Box and Stickers	-882.01
Bill Pmt -Check	08/15/2025	21327	iPROMOTEu.com, Inc	Branded giveaways for events	-2,285.79
Paycheck	08/15/2025	ACH	Employees	Payroll	-92,623.04
Check	08/17/2025	ACH	VISA	VISA 4133: July 2025 Stmt	-191.46
Check	08/17/2025	ACH	VISA	VISA 2291: July 2025 Stmt	-23,228.03
Bill Pmt -Check	08/18/2025	ACH	The Energy Authority	CISO081325	-73,679.08
Check	08/19/2025	ACH	VISA- Commercial Card	Statement Date 7/31/25 BL Acct 1901	-195.00
Check	08/20/2025	Debit	Columbia Bank	Service Charge	-311.71
Check	08/20/2025	Debit	Columbia Bank	Service Charge	-95.94
Bill Pmt -Check	08/25/2025	ACH	The Energy Authority	CISO082025-AUG25	-84,984.60
Liability Check	08/29/2025	ACH	Ascensus	08/29/2025 Payroll	-15,087.68
Liability Check	08/29/2025	ACH	CICCS Coalition for Controlling Insurance	Aug 2025 Premiums	-66.98
Liability Check	08/29/2025	ACH	Colonial Life	Sept. 2025 Premiums	-4,902.90
Liability Check	08/29/2025	ACH	EDD	08/29/2025 Payroll	-9,524.25
Liability Check	08/29/2025	ACH	Internal Revenue Service	08/29/2025 Payroll	-40,579.77
Liability Check	08/29/2025	ACH	Keenan	Sept. 2025 Premiums	-52,969.74
Liability Check	08/29/2025	ACH	Principal Life Insurance Company	Sept. 2025 Premiums	-137.60
Liability Check	08/29/2025	ACH	Ascensus	08/29/2025 Payroll	-13,161.57
Bill Pmt -Check	08/29/2025	ACH	PG&E Voluntary Allocation	Apr 2025 Forecast Price- VA	-77,437.88
Bill Pmt -Check	08/29/2025	ACH	Sierra Business Council	NREN advance payment: Q1 & Q2 2025	-671,507.00
Bill Pmt -Check	08/29/2025	ACH	Valley Clean Energy Alliance	MTR RA Swap Agreement: June & July 2025	-49,982.00
Liability Check	08/29/2025	21328	Ameritas - Dental	Sept 2025 Premiums	-2,768.04
Liability Check	08/29/2025	21329	Ameritas - Vision	Sept. 2025 Premiums	-493.60
Check	08/29/2025	21330	NREN Customer	NREN RES Heat Pump HVAC Rebate	-643.50
Check	08/29/2025	21331	NREN Customer	NREN RES Equip. Rebate	-550.00
Check	08/29/2025	21332	NREN Customer	NREN RES Equip. Rebate	-700.00
Check	08/29/2025	21333	NREN Customer	NREN RES Equip. Rebate	-100.00
Check	08/29/2025	21334	NREN Customer	NREN RES Equip. Rebate	-150.00
Check	08/29/2025	21335	NREN Customer	NREN RES Equip. Rebate	-100.00
Check	08/29/2025	21336	NREN Customer	NREN RES Equip. Rebate	-100.00
Check	08/29/2025	21337	NREN Customer	VOID: NREN RES Equip. Rebate	0.00
Check	08/29/2025	21338	CCE Customer	CCE EV Rebate	-2,000.00
Check	08/29/2025	21339	CCE Customer	CCE EV Rebate	-2,000.00
Check	08/29/2025	21340	CCE Customer	CCE EV Rebate	-2,000.00
Check	08/29/2025	21341	CCE Customer	CCE EV Rebate	-2,000.00
Check	08/29/2025	21342	CCE Customer	CCE EV Rebate	-2,000.00
Check	08/29/2025	21343	NEM Customer	2025 NEM Yearly Payout- reissued	-275.31
Check	08/29/2025	21344	NEM Customer	2025 NEM Yearly Payout- reissued	-167.49

## Redwood Coast Energy Authority Disbursements Report As of August 31, 2025

Type	Date	Num	Name	Memo	Amount
Bill Pmt -Check	08/29/2025	21345	Arcata Police Department	Livescan screening: Rolling Fee x 2	-70.00
Bill Pmt -Check	08/29/2025	21346	AT&T	RCAM 08/07-00/06/25	-331.95
Bill Pmt -Check	08/29/2025	21347	Carter Properties	917 3rd Street Office - Sept 2025 rent	-2,450.00
Bill Pmt -Check	08/29/2025	21348	Chad Johnson	Battery Workshop Video Services 7/23/25	-850.00
Bill Pmt -Check	08/29/2025	21349	City of Arcata	July 2025 Excessive Electricity Use Tax	-481.17
Bill Pmt -Check	08/29/2025	21350	City of Arcata	July 2025 Utility User Tax	-15,741.85
Bill Pmt -Check	08/29/2025	21351	Dell USA	Dell Latitude 5450 x 3 & 5550 x 1	-5,256.09
Bill Pmt -Check	08/29/2025	21352	Developed Employment Services, LLC.	805 3rd St. Yard work	-83.38
Bill Pmt -Check	08/29/2025	21353	Fortuna Chamber of Commerce	Fortuna Apple Harvest Festival Booth 10/04/25	-25.00
Bill Pmt -Check	08/29/2025	21354	Frontier Energy, Inc.	NREN PA services	-18,993.50
Bill Pmt -Check	08/29/2025	21355	Hooven & Reese, Inc.	EVSE construction services	-10,710.03
Bill Pmt -Check	08/29/2025	21356	Humboldt Bay Coffee Co.	Office Coffee- 917 3rd St.	-29.55
Bill Pmt -Check	08/29/2025	21357	Humboldt Transit Authority	Employee bus passes for FYE 2025	-932.90
Bill Pmt -Check	08/29/2025	21358	Lake County/City Area Planning Council	Invs: NREN-3 & NREN-4	-180,226.43
Bill Pmt -Check	08/29/2025	21359	Law Offices of Susie Berlin	July 2025 Legal Services - NREN Support	-1,530.00
Bill Pmt -Check	08/29/2025	21360	Liebert Cassidy Whitmore	Legal services July 2025	-863.50
Bill Pmt -Check	08/29/2025	21361	Match Strike Design	Brand Refresh: Phase 1 Tasks	-3,500.00
Bill Pmt -Check	08/29/2025	21362	NYLEX.net, Inc.	Onsite network support services - Sept 2025	-4,059.00
Bill Pmt -Check	08/29/2025	21363	PG&E- EV	Carlson Park Dr EV station: 7/29-7/31/25	-8.95
Bill Pmt -Check	08/29/2025	21364	PG&E-Office Utility	Accts: 8836-6 & 1999-6	-1,569.85
Bill Pmt -Check	08/29/2025	21365	PG&E - ACV- 6674-0	ACV site utilities 07/01/25- 07/31/25	-262.72
Bill Pmt -Check	08/29/2025	21366	Reider, S	Mileage Reimbursement-Aug 2025	-81.48
Bill Pmt -Check	08/29/2025	21367	Rennie, J	Mileage reimbursement - Aug 2025	-152.53
Bill Pmt -Check	08/29/2025	21368	Scrapper's Edge	Specialty printing- foam board sign	-39.13
Bill Pmt -Check	08/29/2025	21369	Times Printing Company	Aug. 2025 mailer printing and postage	-33,886.90
Bill Pmt -Check	08/29/2025	21370	Ubeo Business Services	633+ 917 3rd St Printer Charges: 07/06-08/05/25	-243.05
Bill Pmt -Check	08/29/2025	21371	Winzler, John	Office Lease - 633 3rd St. Sept 2025	-8,144.97
Check	08/29/2025	21372	NREN Customer	NREN RES Equip. Rebate	-100.00
Paycheck	08/29/2025	ACH	Employees	Payroll	-96,934.36
<b>TOTAL</b>					<b><u>-6,184,724.74</u></b>

**Redwood Coast Energy Authority**  
**Profit & Loss Budget vs. Actual**  
 July through August 2025

	<u>Jul - Aug 25</u>	<u>Budget</u>	<u>% of Budget</u>
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
<b>5 REVENUE EARNED</b>			
Total 5000 · Revenue - government agencies	2,421,470.96	11,331,517.00	21.37%
Total 5100 · Revenue - program related	161,194.70	77,000.00	209.34%
Total 5300 · Revenue - Interest Earned	172,674.12		
Total 5400 · Revenue-nongovernment agencies	98,492.64	296,090.00	33.26%
Total 5500 · Revenue - Electricity Sales	12,522,439.04	71,539,945.00	17.5%
<b>Total 5 REVENUE EARNED</b>	<u>15,376,271.46</u>	<u>83,244,552.00</u>	<u>18.47%</u>
<b>Total Income</b>	<u>15,376,271.46</u>	<u>83,244,552.00</u>	<u>18.47%</u>
<b>Gross Profit</b>	15,376,271.46	83,244,552.00	18.47%
<b>Expense</b>			
Total 6 WHOLESALE POWER SUPPLY	7,483,541.70	57,617,586.00	12.99%
Total 7 PERSONNEL EXPENSES	827,351.37	6,404,096.00	12.92%
Total 8.1 FACILITIES AND OPERATIONS	316,214.75	2,171,607.00	14.56%
Total 8.2 COMMUNICATIONS AND OUTREACH	53,520.23	363,250.00	14.73%
<b>8.4 PROFESSIONAL &amp; PROGRAM SRVS</b>			
8400 · Regulatory	26,509.32	150,000.00	17.67%
Total 8410 · Contracts - Program Related Ser	1,355,249.66	3,610,716.00	37.53%
8420 · Accounting	46,683.56	228,000.00	20.48%
8430 · Legal	36,943.87	249,000.00	14.84%
8450 · Wholesale Services - TEA	153,975.72	896,946.00	17.17%
8460 · Procurement Credit - TEA	22,155.56	572,390.00	3.87%
8470 · Data Management - Calpine	136,535.25	808,002.00	16.9%
8480 · Customer Billing - PG&E	43,823.92	256,634.00	17.08%
<b>Total 8.4 PROFESSIONAL &amp; PROGRAM SRVS</b>	<u>1,821,876.86</u>	<u>6,771,688.00</u>	<u>26.9%</u>
Total 8.6 INCENTIVES & REBATES	56,899.75	1,622,655.00	3.51%
Total 9 NON OPERATING COSTS	915.52	129,200.00	0.71%
<b>Total Expense</b>	<u>10,560,320.18</u>	<u>75,080,082.00</u>	<u>14.07%</u>
<b>Net Ordinary Income</b>	<u>4,815,951.28</u>	<u>8,164,470.00</u>	<u>58.99%</u>
<b>Net Income</b>	<u><b>4,815,951.28</b></u>	<u><b>8,164,470.00</b></u>	<u><b>58.99%</b></u>

**Redwood Coast Energy Authority**  
**Balance Sheet**  
As of August 31, 2025

	<b>Aug 31, 25</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1010 · Petty Cash	300.00
1060 · Umpqua Checking Acct 0560	415,303.44
1071 · Umpqua Deposit Cntrol Acct 8215	2,207,248.35
1075 · Umpqua Reserve Account 2300	23,064,031.34
1077 · JP Morgan Chase Act 74999	399,967.48
1078 · CA CLASS Reserve Fund 0001	13,057,846.56
<b>Total Checking/Savings</b>	39,144,697.17
<b>Total Accounts Receivable</b>	369,161.60
<b>Other Current Assets</b>	
1101 · Allowance for Doubtful Accounts	-8,882,549.76
1103 · Electricity Receivable	18,831,488.17
1120 · Inventory Asset	21,822.24
1205 · Prepaid Insurance	20,615.37
1210 · Retentions Receivable	62,595.59
<b>Total Other Current Assets</b>	10,053,971.61
<b>Total Current Assets</b>	49,567,830.38
<b>Total Fixed Assets</b>	9,891,402.88
<b>Other Assets</b>	
1700 · Security Deposits	794,616.33
<b>Total Other Assets</b>	794,616.33
<b>TOTAL ASSETS</b>	<b>60,253,849.59</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Total Accounts Payable</b>	3,840,251.39
<b>Total Credit Cards</b>	12,424.54
<b>Other Current Liabilities</b>	
2002 · Deposits Refundable	1,079,170.01
2011 · NEM Escrow Liability	436,161.05
2013 · Unearned Revenue	4,402,908.66
<b>Total 2100 · Payroll Liabilities</b>	231,430.03
<b>Total 2200 · Accrued Expenses</b>	40,004.98
<b>Total Other Current Liabilities</b>	6,189,674.73
<b>Total Current Liabilities</b>	10,042,350.66
<b>Total Long Term Liabilities</b>	5,665,742.22
<b>Total Liabilities</b>	15,708,092.88
<b>Equity</b>	
3900 · Fund Balance	39,729,805.43
Net Income	4,815,951.28
<b>Total Equity</b>	44,545,756.71
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>60,253,849.59</b>



# REDWOOD COAST Energy Authority

## STAFF REPORT Agenda Item # 4.3

AGENDA DATE:	October 23, 2025
TO:	RCEA Board of Directors
FROM:	Faith Carlson, Regulatory and Legislative Policy Manager
SUBJECT:	Federal Activity Update

### SUMMARY

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The biggest policy change in the last month is the federal shutdown, which has had far-reaching impacts across the U.S. The shutdown is a result of Congress's failure to pass a budget or agree on temporary funding, resulting in the cessation of nonessential federal agency operations until funding is restored.

### EXECUTIVE BRANCH

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September 18: President Trump signed a memorandum of understanding (MOU) with the government of the United Kingdom of Great Britain and Northern Ireland for collaboration on Artificial Intelligence (AI), civil nuclear, fusion, and quantum technologies. This MOU establishes a flagship research program for the development of AI and AI-related advancements. The MOU also deepens collaboration between the US and the UK with the goal of focusing on accelerating licensing, harmonizing policy, creating a more reliable supply chain for nuclear fuels with the goal of "unleashing civil nuclear energy," and increasing research for experimental facilities utilizing AI. This MOU solidifies efforts to use AI to accelerate quantum development via collaborative research. This MOU is not legally binding.

September 18: The Department of Energy (DOE) Grid Deployment Office launched the Speed to Power initiative. This is "a federal action to accelerate the speed of large-scale grid infrastructure project development for both transmission and generation, to ensure the United States has the power needed to win the global AI race while continuing to meet growing demand for affordable, reliable and secure energy." This initiative was launched in response to the DOE's July 7 Report on Evaluating U.S. Grid Reliability, which was issued in response to President Trump's Executive Order, Strengthening the Reliability and Security of the United States Electrical Grid.

October 1: In response to the Executive Order "Zero-Based Regulatory Budgeting to Unleash American Energy," the Federal Energy Regulatory Commission voted to sunset 53 regulations. The sunset will become effective one year and 45 days from publication in the Federal Register, unless "significant adverse comments" are received within 30 days of publication. The regulations relate to redundant or no longer applicable policies.

October 1: The DOE announced the termination of 321 funding awards, valued at approximately \$7.56 billion. These awards represent 223 projects in 108 Democratic and 28 Republican House districts. Award recipients have 30 days to appeal the decision.

## **JUDICIAL BRANCH**

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September 22: A federal judge allowed work to restart on the stalled Revolution Wind project off the coast of Connecticut and Rhode Island. The project had been issued a stop work order by the Bureau of Ocean Energy Management (BOEM) exactly one month prior.

September 30: A coalition of attorneys general from California, Colorado, Connecticut, Delaware, Hawai'i, Illinois, Maine, Maryland, Michigan, Minnesota, Nevada, New Mexico, New York, North Carolina, Oregon, Washington, Wisconsin, and the District of Columbia, as well as the governors of Kentucky and Pennsylvania, won a lawsuit blocking the DOE from imposing new funding caps on state-run energy programs. The funding cap would have denied certain administrative and staffing costs traditionally covered by federal dollars.

## **LEGISLATIVE BRANCH**

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At midnight October 1, the 2026 fiscal year began. Congress was unable to agree on a budget or temporary funding measure, leading to a federal government shutdown. For the government to reopen, Congress must pass either funding appropriations or a temporary spending bill. During the shutdown, federal agencies must stop nonessential operations normally funded by Congress. Publicly available agency contingency plans outline which activities will cease and continue at federal agencies until funding is restored.

On October 7, the Senate confirmed Laura Swett and David LaCerte to serve on the Federal Energy Regulatory Commission.

## **IMPACTS**

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### **Impacts to California State Policy**

On September 30, the California Public Utilities Commission (CPUC) issued a ruling featuring proposed electricity portfolios for the 2026-2027 Transmission Planning Process as well as a resource Need Assessment that may trigger a procurement order for California Load Serving Entities, including Community Choice Aggregators (CCAs) like RCEA. Both the proposed Base Case and Sensitivity Case electricity portfolios are impacted by federal policy changes, including changes to the federal tax credits in HR1, tariff changes, and changes to federal permitting. As a result, the Base Case delays offshore wind development in Morro Bay by 4 years and off the coast of Humboldt by 6 years. The proposed Sensitivity Case is a Limited Wind scenario including no offshore wind and decreased quantities of onshore wind.

The Need Assessment and likely procurement order is spurred both by federal and state policy. Federal triggers include a desire to capture tax credits before they phase out, increased prioritization of data center development, and changes to transportation electrification policy.

### **Impacts of the Federal Shutdown**

A prolonged shutdown could lead to slowed federal permitting of energy projects, compounding the already slowed permitting process for solar and wind on federal lands due to recent policy changes. As an example of compounding impacts, multiple agency contingency plans reference a reduction in force, though due to past federal layoffs, the percentage rates listed in plans that have not been recently updated may not reflect actual layoff and furlough rates.

According to the Department of the Interior contingency plan released in September, various permitting activity will continue. The Interior Department’s Bureau of Land Management will continue permitting for oil and gas, transmission, and related rights-of-way, as well as new leasing for energy and mineral resources, with an expectation to furlough 53% of staff. The Bureau of Safety and Environmental Enforcement, which regulates safety and environmental protection related to energy development on the Outer Continental Shelf, will retain 67% of staff to continue permitting and oversight. However, not all permitting will continue. For instance, the BOEM “will cease all renewable energy activities but continue limited work on conventional and marine minerals based on available resources.”

The DOE’s contingency plan states that offices with “no-year” or “multiyear” appropriations will continue operations, with plans to operate with a smaller staff after exhausting available balances.

The Environmental Protection Agency plans to continue emergency response, disaster relief, law enforcement, litigation work, and preparations for the agency’s 2027 fiscal year budget are expected to continue and cease new grants, permits, and interagency agreement.

The Federal Energy Regulatory Commission will continue operating using balances from prior years until funding runs out, at which point it will limit its staffing to 5% of its total workforce and cease nonessential activities not related to reliability, market monitoring, facility inspection, and some legal functions.

#### **ALIGNMENT WITH [RCEA'S STRATEGIC PLAN](#)**

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Staff will continue to track Federal actions and identify those that may impact RCEA’s ability to deliver on the goals and strategies in the RCEA strategic plan.

#### **FINANCIAL IMPACT**

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The TERAS project’s \$88 million in federal funding was included on a list of terminated projects released by the Department of Energy. As of October 15, 2025, RCEA has not received a termination notice from the Department of Energy.

#### **STAFF RECOMMENDATION**

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Receive federal activity report.

#### **ATTACHMENTS**

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None.

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**STAFF REPORT**  
**Agenda Item # 4.4**

AGENDA DATE:	October 23, 2025
TO:	Board of Directors
PREPARED BY:	Faith Carlson, Regulatory and Legislative Policy Manager Kyle Groben, Regulatory and Legislative Policy Intern
SUBJECT:	RCEA Regulatory and Legislative Report

**BACKGROUND**

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The RCEA Board of Directors adopted the RCEA 2025 Policy Platform in May 2025 to serve as a guide for RCEA’s staff regulatory and legislative engagement based on the principles set forth in RCEA’s RePower Humboldt strategic plan. In accordance with the procedures as described in the Platform, staff keeps the Board apprised of legislative stances taken by RCEA through periodic reports summarizing RCEA’s legislative engagement. This update covers staff actions since June 2025.

**STAFF REGULATORY AND LEGISLATIVE ENGAGEMENT**

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By law, RCEA abides by the mandates and regulations of several governing institutions within the state of California, including the California Energy Commission, California Public Utilities Commission, California Independent System Operator (CAISO), California Air Resources Board, and others.

RCEA engages with governing bodies through a few advocacy groups, both for regulatory and legislative issues. The key advocacy groups RCEA participates in are California Community Choice Association (CalCCA) and Joint CCAs. These groups track, draft and submit comments on, and engage in stakeholder groups on issues brought to their attention by their membership.

A summary of tracked legislation and CalCCA positions on various bills from this session is attached, as well as a list of key regulatory topics in which CalCCA or Joint CCAs engage.

In addition to advocacy through CalCCA, RCEA staff have conducted the following advocacy in alignment with the Policy Platform:

- RCEA staff engaged CAISO on issues including progress towards transmission development for Humboldt offshore wind, Resource Adequacy for new and existing microgrids, Resource Adequacy for new and existing Energy Only projects, and the Transmission Planning Process. In Humboldt County, there is very little available

transmission capacity, which leads to a low quantity of Transmission Plan Deliverability (TPD). TPD is needed for resources to be eligible for Resource Adequacy. The lack of available TPD locally negatively affects our ability to build local resources. Staff requested that CAISO consider including incremental TPD over what is needed for offshore wind transmission for the benefit of local development.

- Community Choice Aggregators (CCAs) RCEA, the San Francisco Public Utilities Commission (which houses Clean Power San Francisco), and Marin Clean Energy, alongside Brightline Defense, 350 Humboldt, California Environmental Voters, the Central Coast Alliance United for a Sustainable Economy, Climate First: Replacing Oil & Gas, International Brotherhood of Electrical Workers Local 639, and Offshore Wind California, filed an Amicus Brief in support of California and 17 states who filed a suit over the legality of the Presidential Memorandum “Temporary Withdrawal of All Areas on the Outer Continental Shelf from Offshore Wind Leasing and Review of the Federal Government’s Leasing and Permitting Practices for Wind Projects.” The Amicus Brief details public information related to offshore wind in California, referencing RCEA and other CCA inclusion of offshore wind in Integrated Resource Planning and RCEA participation in the CADEMO project, an offshore wind project in California state waters.
- RCEA filed comments on the California Energy Commission’s AB 3 Offshore Wind Port Development Scoping Document highlighting the need for additional scoping throughout the development of final reports and the presence of data and information gaps surrounding cost share and host community engagement.
- RCEA and Humboldt County filed joint comments on PG&E’s Climate Adaptation and Vulnerability Assessment. In general, the comments recommend that PG&E should increase collaboration and data sharing with more parties, along with Community Based Organizations, Community Choice Aggregators, Local and Regional Governments, and any parties involved in crafting climate action and adaptation plans; that there should be more public input and greater consideration for advisory group participant selection; and that survey questions should allow for more open-ended answers or provided answers should include more options to better understand rural issues.
- RCEA, with a coalition of CCAs and other organizations, submitted a letter to the Governor requesting language in the budget trailer bill clarifying that CCA customers should be eligible for incentives under the Self Generation Incentive Program, or SGIP.
- RCEA conducted extensive outreach to legislators in the final weeks of the session to request funding for offshore wind projects. The final California State Budget included \$2.5 Million dedicated partially to offshore wind transmission upgrade planning, \$4 Million dedicated to the CADEMO project, and \$225 Million dedicated to the Offshore Wind Waterfront Facility Improvement Program. The California Energy Commission is disbursing this funding.
- Federal advocacy for TERAS (Tribal Energy Resilience and Sovereignty) project funding:
  - Tribal partners have led outreach efforts with RCEA supporting and sharing information as requested.

## **ALIGNMENT WITH [RCEA'S STRATEGIC PLAN](#)**

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RCEA's Policy Platform is guided by RCEA's Strategic Plan. Whenever making advocacy decisions for a given proceeding or issue, RCEA staff references the Policy Platform, and if the topic is not well defined within the platform, consults the Board.

## **EQUITY IMPACTS**

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This report reflects legislation that is intended to improve CCAs' abilities to tailor services to meet the needs of their local communities which are often unique in their constituent marginalized populations.

## **FINANCIAL IMPACT**

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Budgeted staff and legal costs.

## **STAFF RECOMMENDATION**

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Receive Regulatory and Legislative Platform Engagement Report.

## **ATTACHMENTS**

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1. Tracked Legislation
2. CalCCA and Joint CCA Regulatory Engagement

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## Tracked Legislation

Affordability				
Bill	Author	Position	Status	Summary
<a href="#">SB 254</a>	<a href="#">Becker (D) &amp; Wahab (D)</a>	Support	Signed into law	The Senate’s affordability omnibus proposal.
<a href="#">SB 302</a>	<a href="#">Padilla (D)</a>	Support	Signed into law	Would conform California environmental tax credits with federal tax credits.
<a href="#">AB 729</a>	<a href="#">Zbur (D)</a>	Support	No longer active	Would provide ratepayer bill relief by shifting when residential customers receive the California Climate Credit.
<a href="#">SB 330</a>	<a href="#">Padilla (D)</a>	Support	No longer active for 2025	Would allow public financing pilots for transmission projects.
Building Decarbonization and Distributed Energy Resources				
Bill	Author			Summary
<a href="#">AB 306</a>	<a href="#">Schultz (D)</a>	Oppose unless Amended	Incorporated into budget trailer bill, which was signed into law	Would, from 6/1/25 to 6/1/31, inclusive, prohibit a city or county from making changes to building codes that are applicable to residential units, unless a certain condition is met. This would pause the implementation of reach codes. Intended for rebuilding communities affected by January 2025 wildfires.
<a href="#">AB 740</a>	<a href="#">Harabedian (D)</a>	Support	Vetoed	CEC would report to the Legislature on virtual power plants (VPPs), on electricity costs and rate reduction, and implementation plans that include goals and milestones.
<a href="#">SB 541</a>	<a href="#">Becker (D)</a>	Oppose unless amended	Vetoed	Would create a load-shifting mandate for all Load Serving Entities to reduce net peak electrical demand as identified in the CEC’s latest Integrated Energy Policy Report.
Infrastructure				
Bill	Author			Summary
<a href="#">AB 531</a>	<a href="#">Rogers (D)</a>	Support	Signed into law	Would allow geothermal power to use CEC’s AB 205 “opt-in” permitting process in lieu of local permitting.
<a href="#">SB 283</a>	<a href="#">Laird (D)</a>	Support	Signed into law	Would establish safety standards for battery energy storage systems.
<a href="#">AB 303</a>	<a href="#">Addis (D)</a>	Oppose	No longer active	Battery energy storage systems would no longer be eligible for CEC environmental review and must go through local review. Would not allow development of battery energy storage systems in environmentally sensitive sites, or within 3,200 feet of sensitive receptors, which includes residences, education facilities, community centers, health care facilities,

				publicly accessible businesses, <i>making it challenging to meet state procurement requirements.</i>
<a href="#">AB 526</a>	<a href="#">Papan (D)</a>	Support	No longer active	Would require the CEC to publish a strategic plan for the development of new in-California geothermal energy by 6/30/27 and evaluate and quantify the maximum feasible capacity of new in-state geothermal energy to achieve reliability, ratepayer, employment, and decarbonization benefits, and to establish megawatt in-state next-generation geothermal planning goals for 2035 and 2045.
<a href="#">AB 527</a>	<a href="#">Papan (D)</a>	Support	Vetoed	Geothermal exploratory project which satisfies federal National Environmental Policy Act exemption would be presumed to have satisfied requirements of California Environmental Quality Act (CEQA).
<a href="#">AB 941</a>	<a href="#">Zbur (D)</a>	Support	Dead	Accelerated review (270 days) for environmental impact reports to be certified by CEQA for transmission projects.
<b>Other</b>				
<b>Bill</b>	<b>Author</b>			<b>Summary</b>
<a href="#">AB 825</a>	<a href="#">Petrie-Norris (D)</a>	Support	Signed into law	This bill includes the Pathways Initiative that was originally contained in SB 540 with amendments that eliminate the council that would have had the authority to decide if California could participate in the new regional market.
<a href="#">AB 706</a>	<a href="#">Aguiar-Curry (D)</a>	Support	No longer active	Would establish the Forest Organic Residue and Safety Transformation (FOREST) and Wildfire Prevention Fund and the fire fuel reduction program.
<a href="#">SB 540</a>	<a href="#">Becker (D)</a>	Support	Replaced by AB 825 and no longer active	Would authorize the California Independent System Operator (CAISO) and the electrical corporations that are participating transmission owners whose transmission systems are operated by the CAISO, in lieu of the CAISO managing related energy markets, as provided, to use energy markets governed by an independent regional organization, provided that specified requirements are satisfied. <i>Often called "regionalization."</i> This would enable most load serving entities in the state of California to join a regional energy market.
<a href="#">SB 842</a>	<a href="#">Stern (D)</a>	Neutral	No longer active	Directs the CPUC to ensure that all Load Serving Entities consider all resource options to meet local reliability needs with firm zero-carbon resources in their Integrated Resource Plans.

**CalCCA and Joint CCA Regulatory Engagement**

<b>CalCCA Managed Cases</b>		
<b>Key Agency</b>	<b>Topic</b>	<b>Summary</b>
CPUC	Climate Credit	Stemming from the Greenhouse Gas (GHG) Cap and Trade program, the California Climate Credit is distributed twice a year to all ratepayers electric and natural gas bills. The California Industry Assistance Credit is an annual credit for eligible industrial facilities that are customers of the investor-owned electric utilities. The CPUC issued a new rulemaking to consider ways to improve the effectiveness of the California Climate Credit for supporting customer affordability and implementation of the California Industry Assistance to minimize leakage of emissions.
CPUC	Demand Flexibility	This recently closed rulemaking focused on leveraging demand response as a critical resource in integrated resource planning, which includes ratemaking. Issues included the implementation of the Income Graduated Fixed Charge (IGFC) and Dynamic Rates.
CPUC	Diablo Canyon Extension Operations	Establishes Resource Adequacy allocations of Diablo Canyon’s extended operations, extended operations and recovery costs, and how performance fees are be spent.
CPUC	Disconnections	Relates to rules and programs surrounding customer disconnection.
CPUC	Distribution: Distributed Energy Resources	Relates to rules surrounding distributed energy resource, such as cost effectiveness, data access, and equipment performance standards.
CPUC	Distribution: Energization Timelines	Implementation of SB 410 and AB 50, which focus on the establishment of reasonable average and maximum energization target time periods, and procedures for customers to report energization delays to the CPUC. Targets have been established. The next phase of the proceeding covers compliance reporting and penalties for non-compliance.

CalCCA Managed Cases		
Key Agency	Topic	Summary
CPUC	Distribution: High Distributed Energy Resource Future	Streamlining of the distribution planning process to better reflect known loads and resources, equitable grid planning, and allow for data access. Also covers smart inverter use cases and cost recovery for grid modernization.
CPUC	<b>Distribution: Rule 21 OIR</b>	<b>The CPUC recently issued a new rulemaking addressing Rule 21 reforms. Rule 21 is a tariff that describes the interconnection, operating and metering requirements for certain generating and storage facilities seeking to connect to the electric distribution system.</b>
CPUC	Energy Resource Recovery Account (ERRA)	Filed annually by each of the Investor-Owned Utilities (IOUs) as both a forecast of expected energy procurement-related revenue requirements and as a retroactive compliance review.
CPUC	General Rate Case (GRC)	In four-year cycles, IOUs submit GRC applications for authority to adjust rates and charges for electric and gas service. The revenue requirements include electric and gas distribution system costs, administrative expenses, and customer service costs
CEC	Integrated Energy Policy Report (IEPR)	A biennial holistic report assessing energy issues facing the state. The preparation of this report includes the load forecasting process, which drives energy planning and procurement requirements for Load Serving Entities.
CPUC	Integrated Resource Planning (IRP)	Focuses on the implementation and reform of California’s Integrated Resource Planning program to ensure sufficient resource procurement and development and compliance with California’s greenhouse gas reduction and reliability goals. This process feeds into the state’s Transmission Planning Process at CAISO. This is currently focused on reforms to better align the IRP program with the Resource Adequacy (RA) and Renewables Portfolio Standards (RPS)

CalCCA Managed Cases		
Key Agency	Topic	Summary
		programs through an initiative called the Renewable and Clean Power Procurement Program (RCPPP).
CAISO	Interconnection Process Enhancements (IPE), Congestion Revenue Rights (CRR), and Transmission Planning Process (TPP).	CAISO is responsible for bulk power systems, transmission operation, and California’s electricity market participation. Current reforms RCEA engages in are related to the acceleration of the interconnection study process for new resources, transmission capacity/transmission plan deliverability to resources for RA eligibility, congestion of transmission capacity, and transmission planning. CalCCA engages in additional issues at CAISO, however RCEA tracks those less closely at this time.
CEC	Load Management Standards (LMS)	Similar to demand flexibility, LMS requires IOUs and CCAs to maintain time-varying rates and are accessible to the public.
CPUC	Power Charge Indifference Adjustment (PCIA)	This rulemaking considers changes to the PCIA as well as rules and processes applicable to the Energy Resource Recovery Account annual forecast and compliance proceedings. There was a recent change to the methodology related to the calculation of the PCIA. <b>Previously, the PCIA was assessed primarily using a one-year average energy price. Now, the PCIA is assessed primarily via a three-year average.</b>
CPUC	PG&E Helms Uprate Application	PG&E proposal to increase the capacity of the existing Helms pumped storage facility and allocation of costs and benefits.
CPUC	Provider of Last Resort (POLR)	If a Load Serving Entity, such as a CCA, ceases business operations, their customers will be returned to the Provider of Last Resort. This proceeding relates to the Financial Security Rating and monitoring needed to mitigate that risk. This proceeding has recently moved into Phase 2, which will delve into topics related to the feasibility of a non-IOU Provider of Last Resort.

<b>CalCCA Managed Cases</b>		
<b>Key Agency</b>	<b>Topic</b>	<b>Summary</b>
CAISO and FERC	Regional Coordination	Regionalization generally means integrating elements of electricity markets across a particular region, such as the West, under the operation and management of a single Federal Energy Regulatory Commission (FERC) regulated regional entity. Energy markets, transmission planning, transmission system operation, reliability, and other elements can be regionalized individually or in combination. Pathways aims to expand participation across the West in the day-ahead and real-time energy markets currently managed by the California Independent System Operator. <b>With the passage of AB 825, RCEA may ramp up engagement with CalCCA within this initiative.</b>
CPUC and CEC	Renewable Portfolio Standard (RPS)	Program that required load serving entities to reach continuously escalating renewable energy procurement goals.
CPUC and CAISO	Resource Adequacy (RA)	Focuses on the implementation and reform of California’s Resource Adequacy program, which was designed in response to California’s energy crisis to ensure safe and reliable operation of the grid. Recent activity relates to Local Resource Adequacy Central Procurement reform and setting Planning Reserve Margins at the CPUC and RA counting, cost allocation, and treatment of outages at CAISO.
CPUC	Rule 30	PG&E submitted an application for a new interconnection rule for new transmission level customers. This rule could apply to potential data centers or manufacturing. CalCCA is working to ensure fair treatment of CCAs under the potential new rule and access to load planning data.

Joint CCA Managed Cases		
Key Agency	Topic	Summary
CPUC	BioMAT	<b>RCEA and Pioneer Community Energy have conducted various activities to encourage the continuation of the BioMAT program beyond its current 2025 sunset date. Recent engagement included ex parte meetings with the offices of all CPUC Commissioners and Energy Division Staff. Despite this advocacy, the CPUC issued a Proposed Decision which reinforces a December 31, 2025, sunset date.</b>
CEC, CPUC	Building Decarbonization	A suite of programs that aim to reduce Greenhouse Gas (GHG) emissions from buildings.
CPUC	De-Energization	Rulemaking related to utility power shutoffs, including Public Safety Power Shutoffs (PSPS).
CEC, CPUC	Demand Response and Energy Efficiency	This issue relates to demand response programming or energy efficiency programs.
CPUC	Microgrids	Rulemaking that addresses microgrid policy, including programs, rules, and rates.
CPUC	Net Billing Tariff (NBT)	Rulemaking related to the development and implementation of Net Billing Tariff (NBT) and related rates. <b>A higher court recently ordered the CPUC to readdress the NBT decision.</b>
CPUC	PG&E Billing Modernization	Proposal to increase rates to recover costs from the Billing Modernization Initiative.
CPUC	PG&E Safety Culture	This issue focuses on wildfire management related issues, including PG&E compliance, and proactive measures such as undergrounding.
CPUC and CEC	Renewable Financing	Issues tracked related to On-Bill Financing, Tariff-On-Bill, Go Green Financing, and other funding efforts.
<b>CPUC</b>	<b>Senate Bill 1221 Implementation</b>	<b>Senate Bill that mandates the designation and establishment of neighborhood decarbonization zones.</b>
CPUC	Self-Generation Incentive Program (SGIP)	SGIP which provides incentives for emerging distributed energy resources.
CPUC	SoCalGas Microgrid Tariff Application	Application to give SoCalGas the authority to administer the Microgrid Optional Tariff

<b>Joint CCA Managed Cases</b>		
<b>Key Agency</b>	<b>Topic</b>	<b>Summary</b>
		program which is applied to non-residential customers.
CEC, CPUC, and CARB	Transportation Electrification	CEC Clean Transportation Program, CPUC proceeding of Transportation Electrification Policy and Infrastructure (TEPI), and updates to CARB Low Carbon Fuel Standard (LCFS) implementation, targets, and compliance. <b>Recently, RCEA, along with Ava Energy, filed two rounds of comments to the CEC requesting clarification about the applicability of reliability regulations for EV charging for CCA-funded charging infrastructure.</b>



**STAFF REPORT**  
**Agenda Item # 6.1**

AGENDA DATE:	October 23, 2025
TO:	Board of Directors
PREPARED BY:	Beth Burks, Executive Director
SUBJECT:	CADEMO Central California Offshore Wind Project Loan Term Modifications

**Background**

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Since 2017 RCEA has been a leader in exploring offshore wind as a renewable resource that could play a key role in meeting RCEA and state goals for renewable and carbon free power.

In 2023, RCEA helped direct its joint action entity, [California Community Power](#) (CC Power), to strategically consider actions to assess or to contract for offshore wind. CC Power, supported by RCEA and other CCAs, adopted a plan to consider partnering with demonstration projects for floating offshore wind as a way to activate this potential resource type and with hopes of derisking the sector. The idea being that a demonstration project could offer lessons learned and proof of concept that would aid in gaining a better understanding of costs, viability, performance, and other aspects of this nascent industry. A demonstration project could ultimately increase certainty and reduce costs for future larger scale projects. CC Power’s interest in pilot or demonstration projects led to a memorandum of understanding (MOU) between CC Power and the CADEMO project. The MOU is intended to establish a collaborative engagement between CC Power and CADEMO to support the development of the CADEMO project as California’s first offshore wind project. It was through this MOU with CC Power that RCEA gained awareness of the CADEMO project.

**CADEMO**

The CADEMO project is a proposed 60 MW, 4- turbine floating offshore wind demonstration project located off the coast from Vandenberg Space Force Base, near Lompoc, in California state waters. CADEMO has an interconnection, making it viable for near-term deployment. It plans to use existing 15 MW turbines. Such turbine sizes have never been used for floating offshore wind and are likely the minimum size planned for the Humboldt floating offshore wind area.

After a series of federal executive orders hindered offshore wind development, the CADEMO project was also struggling to remain viable.

To buy the project some time to raise more funding, in [June 2025](#), the RCEA Board authorized a loan to CADEMO in an amount not to exceed \$1,100,500 for the PG&E grid interconnection fee, with final loan terms to be approved by an ad hoc Board committee consistent with Board recommendations. Timing was crucial. Without demonstration of the ability to pay the PG&E interconnection deposit, due July 24, 2025, the project would have lost its interconnection position.

The ad hoc committee approved loan terms that were consistent with the following Board recommendations:

- Assurance the loan was refundable. Communications with PG&E indicated this portion of the interconnection deposit would be refundable. Loan terms specified the mechanism for refundability.
- Limited duration. Any loan funds would become due to RCEA prior December 12, 2025, when an additional deposit for the Network Upgrades Financial Security would be due to PG&E.

The RCEA-CADEMO loan terms were executed in a timely fashion and presented to PG&E along with a draft escrow agreement for the interconnection deposit. PG&E accepted the loan terms as evidence that funds would be available, and the connection position was retained. Since this submittal PG&E has been reviewing the escrow agreement. No funds have been posted by RCEA.

The intent of providing a loan for the interconnection deposit was to buy time to see if the project could further raise funds for study, permitting, development, contracting, and more. Partly due to lobbying efforts by RCEA, support for the CADEMO project was included in the May revise of the State budget approved in September. The State awarded \$4 Million to support the CADEMO project. These funds will be made available to CADEMO through the California Energy Commission.

## Summary

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At this time the CADEMO team is requesting a revision of the loan terms (see attached letter from CIERCO/CADEMO Corporation). The requested changes would allow CADEMO to deal with cashflow challenges while the State goes through the process of making the budgeted funds available. The requested modification would allow the funds to be used for general project expenditures. To assure adequate provisions for repayment, once funds are received from the State, there would be one of two scenarios, either:

1. The same amount of \$1,100,500 million would be applied to the PG&E security posting, with RCEA remaining the beneficiary of the returned funds, or;
2. If monetary security postings are eliminated by PG&E, CADEMO will commit repayment of the loan as soon as State funds are available.

In scenario 1, RCEA funds would remain tied up in the PG&E interconnection deposit beyond December 2025, for up to 1.5 years. For scenario 2, PG&E is considering eliminating the need for the initial security posting based on State support of the project. If this occurs RCEA would be repaid once the State funds become available, which is expected within 4 months.

Similar to the first decision on this item, staff would only recommend entering into an amended loan agreement if the funds are secured either through a refundable interconnection deposit as originally intended, or through repayment using State funds. Confirmation from the California Energy Commission that State funds can be used as described in scenarios 1 and 2 above would be needed prior to releasing any funds.

## FINANCIAL IMPACTS

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The loan would come out of RCEA financial reserves.

Costs to RCEA thus far have been approximately \$40,000 in legal fees. The loan terms include up to \$50,000 of transaction costs reimbursement that will cover these fees. Additional, but more minimal

legal fees would be incurred to revise the terms. Additionally, RCEA participated in lobbying efforts for the project with funds that were included in within the FY 25-26 CC Power projects budget.

## **ALIGNMENT WITH RCEA'S STRATEGIC PLAN**

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RCEA has several strategic goals and strategies (See sections 4.1.9 Power Resources: Offshore Wind) related to the development of offshore wind. These policies generally focus on local offshore wind development. Although the CADEMO project is not located off north coast waters, the demonstration project can lead the way and benefit floating offshore wind development throughout the state, including lessons learned that can be applied to our local waters.

## **EQUITY IMPACTS**

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A large focus of the MOU between CADEMO and CC Power is to learn about the key costs drivers in offshore wind development to build support for appropriate policies that balance local investment, jobs and community considerations, greater renewable energy penetration, and electricity affordability. To this end there has been local stakeholder outreach and involvement as well as Tribal consultation. The Santa Ynez Band of the Chumash Indians has indicated support of the project. However, it should be noted that there are other non-federally recognized tribes located closer to the coast that have not been supportive of the project.

## **RECOMMENDED ACTIONS**

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Authorize an amendment to the CADEMO loan terms in an amount not to exceed \$1,100,500 for the CADEMO Offshore Wind Project in central California, and authorize an ad hoc Board committee to approve amended loan terms consistent with Board recommendations.

## **ATTACHMENTS**

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CIRCO/CADEMO Corp request letter  
Executed loan agreement



Attention Beth Burks  
Redwood Coast Energy Authority  
633 3<sup>rd</sup> St  
Eureka, CA 95501

Date: 10/15/2025

Subject: Request for Loan Arrangement

Dear Beth,

First, we would like to express our sincere appreciation for the collaboration and support that RCEA has provided for the CADEMO project to date. Your partnership has been an important factor in advancing our shared objective of supporting California's clean energy goals and responsibly introducing offshore wind power to the state.

CADEMO serves a unique role as the West Coast's first offshore wind pilot and demonstration project—akin to the Block Island project on the East Coast. Unlike traditional commercial developments that prioritize rapid return on investment, CADEMO's primary objective is to create long-term value for local communities, stakeholders, and the State of California as a whole.

### **Background**

As you know, the CIERCO team has been working closely with state agencies and supportive stakeholders to secure both funding and permitting support. This has become increasingly important following recent federal Executive Orders, which have slowed or halted all federal offshore wind projects nationwide.

CADEMO remains the only offshore wind project in the nation located entirely in State waters, without viewshed concerns. This unique position enables CADEMO to move forward while federal projects are, as the Executive orders describe under "temporary cessation", indefinitely. As a result, the project could be operational by 2030–2031, at least five years ahead of the next anticipated commercial development.

We are also pleased to share that CADEMO has secured a \$4 million grant from the State of California through the September budget trailer bill. This funding, led by the California State Building Trades was also supported by RCEA with support letter to Pro-Tem McGuire (much appreciated), has been fully appropriated and signed by Governor Newsom. California Energy Commission (CEC) has confirmed that the funds are in formal distribution process for expected release within four to five weeks, with actual payment anticipated to take a further 20-25 days, resulting in funds expected to be at hand before the holidays or early in the new year. We have asked the Commission to issue a letter to this effect, where drafting is now in process.

In parallel, CADEMO continues to progress through Cluster 14 interconnection discussions with PG&E, ensuring compliance with security posting requirements. We are grateful to RCEA for the \$1.1

million loan agreement established to support the initial portion of the second PG&E security posting.

In the meantime, the most recent development on PG&E side is that it has recognized the State grant funding support of CADEMO and has appeared willing to consider the State support as sufficient evidence to back the security postings on its own, eliminating the monetary requirement for security. We expect clarity on this in the next week to 10 days. In the meantime, both security postings have now been aligned and set for December 12, 2025.

### **Funding Challenges**

While this grant represents a significant milestone, CADEMO faces some real challenges (b) and c) would be removed if PG&E accepts non-monetary security postings and hence removes the timing gaps):

- a) **Short-Term Cash Flow (over the next 3 months):** At current, funding process very likely will take us into 2026. The project faces immediate liabilities and needs to progress with key activities to be delivered at the end of the year as well as in Q1. This pertains to making sufficient progress to substantiate continued State funding, as described in the funding ask letter by SBCTC (see attached in ANNEX A). If not, CADEMO may face disruptive measures, which could have lasting damage.
- b) **(Medium-Term Cash Flow (1<sup>st</sup> half of 2026):** Because the grant amount awarded was structured on a calendar-year basis, there will be an approximately six-month period at the beginning of next year without funding to maintain critical project activities. This can be mitigated if PG&E allow for non-monetary securities, making \$2.3M available for needed project spend.)
- c) **(Timing Gap: PG&E's current security posting deadlines fall before the anticipated disbursement of state grant funds. This can be mitigated if PG&E allow for non-monetary securities, which would remove the timing gap in question.)**

### **Request to RCEA**

In light of these circumstances, CADEMO respectfully requests that RCEA consider a modification to the existing \$1.1 million loan agreement to allow the funds to be used for general project expenditures in the interim period. Once state grant funds are received, there can be one of two scenarios, either:

1. the same amount of \$1.1 million would be applied to the PG&E security posting, with RCEA remaining the beneficiary of the returned funds, or;
2. if monetary security postings are eliminated by PG&E, CADEMO will commit repayment of the loan as soon as State funds are available.

### **Protecting RCEA's Interests**

To ensure RCEA's position is fully secured, we propose the following measures:

- **Amendment Provisions:** The loan amendment would specify that repayment is tied directly to the PG&E security posting, ensuring RCEA remains the beneficiary of any returned funds.
- **Grant Replacement:** CADEMO would commit to; a) using the state grant to replace the loan amount immediately upon receipt, or b) repay the loan upon receipt of grants.



- **Defined Term:** The loan would be time-limited to align with either the PG&E security posting or the next anticipated tranche of state funding, expected in mid-2026.

We believe this structure minimizes risk to RCEA while enabling CADEMO to address a short-term funding gap without project disruption.

**Next Steps**

We expect confirmation from PG&E regarding the revised posting timeline shortly and are working with the CEC to obtain a letter of assurance confirming the forthcoming state funding. We value RCEA's continued partnership and are open to any alternative structures the Board may find appropriate to achieve the same objective.

Thank you once again for your support of this important project.

Sincerely yours



Mikael Jakobsson  
Director  
CADEMO Corporation

**Attachments:**

ANNEX A: State Building Trades funding ask of the CADEMO project to Senator Limon.

# State Building and Construction Trades Council of California

CHRIS HANNAN  
PRESIDENT

*Established 1901*  
*Chartered By*  
BUILDING AND CONSTRUCTION TRADES  
DEPARTMENT  
AFL - CIO

J. TOM BACA  
SECRETARY-TREASURER

July 3, 2025

Honorable Monique Limón  
Senate President pro Tempore Designate  
1021 O Street, Suite 7610  
Sacramento, CA 95814

## **RE: Budget Request for CADEMO Offshore Wind Demonstration Project**

Dear President pro Tempore Designate Limón:

On behalf of the State Building and Construction Trades Council of California, I write in strong support of the CADEMO offshore wind demonstration project and respectfully request for an allocation of \$4 million (FY 2025-2026), \$17.5 million (FY 2026-2027), and \$17.5 million (FY 2027-2028) to fund this project in any future amendments to the enacted 2025-26 State Budget.

CADEMO is California's first floating offshore wind project in state waters and represents a critical opportunity for the state to lead in offshore wind innovation, clean energy deployment, and high-road workforce development. The project has secured key partnerships with the Santa Ynez Band of Chumash Indians, California Community Power, PG&E, and our affiliated unions. It has also advanced through major permitting, interconnection, and Department of Defense compatibility milestones. Most importantly, it is covered under a signed Project Labor Agreement, guaranteeing strong labor standards and access to state-certified apprenticeship programs.

The CADEMO projects embody California's commitment to delivering high-quality union jobs, expanding apprenticeship pipelines, and advancing workforce equity in the emerging offshore wind sector. It is expected to generate nearly 700 construction jobs across California, ensure a strong pipeline of new apprentices through registered training programs, and establish a foundation for California's domestic offshore wind supply chain and workforce infrastructure.

Moreover, CADEMO demonstrates how offshore energy infrastructure can center labor, equity, and environmental stewardship. The project will generate real-world data and best practices for underwater construction methods that minimize impacts to marine life and ecosystems along the central coast. This ensures that future offshore wind development is both efficient and environmentally responsible. By testing and refining these techniques now, CADEMO will reduce risks, streamline permitting, and yield cost savings for future projects, delivering clean energy faster, at lower cost, and with greater confidence in its environmental integrity.

We believe that investments of \$4 million (FY 2025-2026), \$17.5 million (FY 2026-2027), and \$17.5 million (FY 2027-2028) will safeguard years of progress, advance state climate goals, protect our marine environment, and deliver long-term economic and environmental benefits for California. For these

reasons, we respectfully request that this funding be included in any future amendments to the recently enacted 2025-26 State Budget.

Thank you for your leadership and consideration of this commitment to this tremendous clean energy project. The State Building and Construction Trades Council is proud to stand with CADEMO and ready to help build California's clean energy future. Please do not hesitate to contact me directly should you have any questions.

Respectfully,



**CHRIS HANNAN**  
**PRESIDENT**

# CADEMO CORPORATION

## LOAN AGREEMENT

**\$1,110,500.10**

**THIS LOAN AGREEMENT** (this “**Agreement**”), dated as of August 1, 2025, is made by and among **CADEMO CORPORATION**, a Nevada corporation (the “**Company**”) and **REDWOOD COAST ENERGY AUTHORITY**, a joint powers authority organized and existing under the laws of the State of California (the “**Lender**”). The Company and the Lender are hereinafter referred to individually as a “**Party**” and collectively as the “**Parties**”.

### RECITALS

A. The Company intends to construct a first of its kind floating offshore wind project: (i) off of the northern coast of California near Lompoc; (ii) within California state waters and the boundaries of the Chumash National Marine Sanctuary; and (iii) with a generation tie line crossing the Vandenberg State Marine Reserve (the “**Project**”) to deliver power to the Lender.

B. In order: (i) to advance the development of the Project; (ii) to comply with the Pacific Gas & Electric (“**PG&E**”) Wholesale Distribution Tariff, FERC Electric Tariff Volume No. 4 (“**WDT**”); and (iii) maintain its interconnection queue position, the Company must post an interconnection deposit in the amount of one million one hundred ten thousand five hundred dollars and ten cents (\$1,110,500.10) (the “**Interconnection Deposit Amount**”).

C. In furtherance of the foregoing, the Lender and the Company desire to enter into this Agreement to provide a loan to the Company in the amount of the Principal Amount (as defined below) to satisfy the Company’s PG&E interconnection deposit requirement.

D. In consideration of the benefits the Company receives from this Agreement, the Company desires to grant to the Lender exclusive option to purchase or receive all of the energy, capacity, and environmental attributes that are or will be generated by, or associated with, the Project (other than any tax credits associated with the development of the Project).

The following is a statement of the rights of the Lender and the conditions to which this Agreement is subject, and to which the Lender, by the acceptance of this Agreement, agrees:

1. **Definitions.** As used in this Agreement, the following terms, unless the context otherwise requires, have the following meanings:

1.1 “**Affiliate**” means with regard to a Party, any person that directly or indirectly: (a) controls that Party; (b) is controlled by that Party; or (c) is under common control with that Party; where for each of (a), (b), and (c), “control” is defined as possession of the power to direct or cause the direction of the management and policies of a legally recognizable entity, through direct or indirect majority ownership or minimum percentage ownership that would grant the party a controlling interest in such entity.

- 1.2 “**Agreement**” shall have the meaning set forth in the preamble.
- 1.3 “**Applicable Laws**” shall have the meaning set forth in Section 6.2.
- 1.4 “**Business Day**” means a day other than Saturday, Sunday, or a day that is a legal holiday under California law.
- 1.5 “**Company**” shall have the meaning set forth in the preamble.
- 1.6 “**CPRA**” shall have the meaning set forth in Section 8.12.
- 1.7 “**Debt**” shall have the meaning set forth in Section 2.
- 1.8 “**Effective Date**” shall have the meaning set forth in the preamble.
- 1.9 “**Escrow Account**” shall have the meaning set forth in Section 2.
- 1.10 “**Escrow Agreement**” shall have the meaning set forth in Section 3.1.
- 1.11 “**Event of Default**” shall have the meaning set forth in Section 4.
- 1.12 “**Interest Rate**” shall mean four and three tenths percent (4.3%) per annum.
- 1.13 “**Interconnection Agreement**” means the “interconnection agreement” to be entered into by the Company, in accordance with the WDT, for the Project, whether pursuant to Queue Position #2850-WD or otherwise.
- 1.14 “**Interconnection Deposit Amount**” shall have the meaning set forth in paragraph B of the Recitals.
- 1.15 “**Lease**” shall have the meaning set forth in Section 5.6.
- 1.16 “**Lender**” shall have the meaning set forth in the preamble.
- 1.17 “**Party**” shall have the meanings set forth in the preamble.
- 1.18 “**PG&E**” shall have the meaning set forth in paragraph B of the Recitals.
- 1.19 “**PG&E Security Obligation**” shall have the meaning set forth in Section 2.
- 1.20 “**Principal Amount**” means the total amount loaned to the Company under this Agreement, as set forth on the first page of this Agreement.
- 1.21 “**Project**” shall have the meaning set forth in paragraph A of the Recitals.
- 1.22 “**Repayment Date**” means the earlier of: (a) December 12, 2025, as such date may be amended in accordance with Section 8.4; and (b) the date on which all amounts due and payable to the Lender hereunder have been fully and indefeasibly paid to the Lender.

- 1.23 “**Site**” shall have the meaning set forth in Section 5.6.
- 1.24 “**Transaction Costs**” shall have the meaning set forth in Section 7.1.
- 1.25 “**WDT**” shall have the meaning set forth in paragraph B of the Recitals.

2. **Borrowing of Funds.** Subject to the terms and conditions hereof, including satisfaction of the condition precedent set forth in Section 3 below: (a) the Lender will loan an amount to the Company, within five (5) Business Days after the date hereof, equal to the Principal Amount, which amount, *plus* all accrued but unpaid interest thereon (which shall accrue monthly) from the Effective Date of this Agreement until paid at an annual interest rate, calculated on the basis of a 360 day year, equal to the Interest Rate, shall be repaid (or with respect to such interest, paid) to the Lender by the Company in accordance with the terms hereof; (b) the funds of such loan shall be used solely and exclusively: (i) to fund the Company’s security posting requirements under its WDT application for Queue Position # 2850-WD (the “**PG&E Security Obligation**”); and (ii) to pay Transaction Costs; and (c) as hereby directed by the Company, the Lender: (x) shall deposit a portion of such loan proceeds, in an amount equal to the Interconnection Deposit Amount, directly into an account maintained by Computershare Trust Company, N.A. and governed by the Escrow Agreement (the “**Escrow Account**”); and (y) shall use and/or disperse the remainder of such loan proceeds in accordance with the terms of the Escrow Agreement. The Company may elect either to pay: (x) the Principal Amount, and all accrued, but unpaid, interest thereon (the “**Debt**”), on the Repayment Date; or (y)(i) interest on the Principal Amount, as accrued on a monthly basis; and (ii) the Principal Amount on the Repayment Date, in either case at the principal office of the Company or by mail to the registered address of the Lender.

3. **Escrow Account.**

3.1 As a condition precedent to the Lender making any amounts available to the Company hereunder, the Lender shall enter into an escrow account agreement with PG&E, substantially in the form attached hereto as Exhibit A and otherwise acceptable to the Lender (the “**Escrow Agreement**”): (a) into which the Lender will fund an amount equal to the Interconnection Deposit Amount, for the benefit of PG&E, to satisfy the PG&E Security Obligation; and (b) that will provide for, among other things, any and all disbursements of amounts held in the Escrow Account (other than disbursements to be paid to PG&E in accordance with the WDT), to be paid directly to the Lender, which disbursements shall be retained by the Lender and applied to the repayment of amounts that the Company owes to the Lender hereunder.

3.2 The Lender shall have a priority right to any interest realized within the Escrow Account to facilitate repayment of the Principal Amount and any accrued interest thereon.

3.3 The Company hereby irrevocably grants to the Lender, until all amounts due and payable to the Lender by the Company hereunder (including the repayment of the Principal Amount, and payment of all interest, costs, and other amounts payable by the Company hereunder) have been fully and indefeasibly paid to the Lender, the sole and exclusive right, subject to PG&E’s express rights under the Escrow Agreement, to control and direct the disbursement of funds on deposit in the Escrow Account, without the consent, direction, or agreement of the Company

3.4 The Company shall pay all fees required to establish and maintain the Escrow Account.

4. **Defaults.** If any of the following circumstances (an “*Event of Default*”) occurs and is not cured by the applicable date (if any) set forth below, then the Lender shall have the right, upon written notice to the Company, to declare the Debt, and any and all other amounts due to the Lender hereunder, immediately due and payable (which amounts shall become due and payable, without further action, upon the Lender’s issuance of such notice) (or if an Event of Default under Section 4.9 occurs, then the Debt, and any and all other amounts due to the Lender hereunder, shall automatically become due and payable without any further action of the Lender or any other person):

4.1 any false or misleading representation made by the Company under, or any failure to perform any material covenant or obligation of the Company under, this Agreement;

4.2 the assignment or transfer of all or any portion of this Agreement by the Company, or the assignment, transfer, or encumbrance of Queue Position #2850-WD, the Interconnection Agreement, any other Service Agreement (as defined in the WDT) relating to Queue Position #2850-WD, or any of its rights hereunder or thereunder, other than with the written consent of the Lender (which consent may be withheld in the Lender’s sole discretion);

4.3 the Company consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger, or transfer, the resulting, surviving, or transferee entity fails to assume all the obligations of the Company under this Agreement;

4.4 a material breach of the WDT by the Company, or an event of default of the Company under the WDT, in connection with Queue Position #2850-WD or the Company’s application to PG&E in connection therewith;

4.5 the Company undergoes a direct or indirect change of control;

4.6 the failure of the Company to maintain Queue Position #2850-WD with PG&E;

4.7 the Company abandons the Project;

4.8 any relevant permitting authority denies any required permit for the siting, development, construction, or operation of the Project; or

4.9 the Company: (a) becomes insolvent or bankrupt; (b) is unable to pay its debts as they become due or admits in writing its inability to pay its debts; (c) commences insolvency, receivership, reorganization, or bankruptcy proceedings; or (d) has insolvency, receivership, reorganization, or bankruptcy proceedings commenced against it.

Upon the occurrence of an Event of Default, the Company shall have five (5) Business Days to present a plan to the Lender to cure such Event of Default. If the Lender accepts the Company’s plan to cure such Event of Default, then the Company shall have up to ninety (90) days to cure

such Event of Default. If the Lender does not accept the Company's plan to cure such Event of Default (or an Event of Default under Section 4.9 occurs), then the then the Debt, and any and all other amounts due to the Lender hereunder, shall become due and payable.

5. ***Representations and Warranties.*** The Company hereby represents and warrants that:

5.1 the Company is a corporation that is duly organized, validly existing, and in good standing under the laws of the State of Nevada, and is duly qualified to do business and is in good standing in every other jurisdiction where the nature of its business requires it to be qualified;

5.2 the Company is not subject to any bankruptcy, insolvency, or other similar proceedings;

5.3 the Company has full power, authority, and legal right to execute, deliver, and perform the obligations set forth in this Agreement, and the execution, delivery, and performance hereof has been duly authorized by all necessary corporate action;

5.4 the execution, delivery and performance of this Agreement: (a) is not in contravention of any material agreement or material indenture by which the Company is bound; (ii) does not require any shareholder approval, or any approval or consent of, or filing or registration with, any governmental body or regulatory authority or agency, or any approval or consent of any trustees or holders of any of its indebtedness or obligations, unless such approval or consent has been obtained; and (iii) does not contravene any law, regulation, judgment, or decree applicable to it in any material respect or its operating documents;

5.5 this Agreement is a legal, valid, and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, moratorium, reorganization, or other similar laws affecting the enforcement of creditors' rights and subject to general equitable principles;

5.6 the Company executed on August 21, 2019, and submitted to the California State Lands Commission on August 21, 2019, that certain Application No. A2222 (the "***CSLC Application***"), which application process will lead to, once the application process has been successfully completed, in a lease agreement with the California State Lands Commission with respect to a portion of the seafloor on the continental shelf off the coast of the Vandenberg Space Force Base on which the Project will be built (the "***Site***");

5.7 the Company: (a) is in compliance with, and not in default under, its organizational documents; and (b) is in compliance with all Applicable Laws that are applicable to it, the Project, Queue Position #2850-WD, or the Company's application relating thereto, and no notices of violation of any Applicable Law relating to the Project, the Lease, or the Site have been issued or received by the Company or any of its Affiliates;

5.8 the Company is not an investment company, or a company controlled by an investment company, within the meaning of the Investment Company Act of 1940, as amended;

5.9 the Company has not engaged principally, or as one of its principal activities, in the business of extending credit for the purpose of purchasing or carrying margin stock (as defined or used in Regulations T, U, or X of the Federal Reserve Board), and no part of the proceeds of the loan provided hereunder will be used by the Company to purchase or carry any such margin stock or to extend credit to others for the purpose of purchasing or carrying any such margin stock or otherwise in violation of Regulations T, U, or X of the Federal Reserve Board; and

5.10 (a) the CSLC Application is active and in good standing; and (b) the Company is not in default under the WDT with respect to Queue Position #2850-WD (or its application with respect to Queue Position #2850-WD).

6. ***Affirmative Covenants of the Company.*** The Company shall:

6.1 maintain its corporate existence and its good standing in its jurisdiction of incorporation;

6.2 comply with all applicable federal, state, and local laws, statutes, ordinances, rules, regulations, and orders and decrees of any courts or administrative bodies or tribunals, including, without limitation, employment discrimination and prevailing wage laws (collectively, "***Applicable Laws***");

6.3 use its reasonable efforts to ensure that any and all disbursements from the Escrow Account (other than those disbursements to PG&E in accordance with the Escrow Agreement) are made solely to the Lender;

6.4 not enter into any agreement, contract, or instrument relating to the interconnection of the Project with PG&E's electrical grid without the prior written consent of the Lender, which consent the Lender shall not unreasonably withhold if necessary to maintain the Queue Position in good standing;

6.5 without the prior written consent of the Lender, which consent the Lender shall not unreasonably withhold if necessary to maintain the Queue Position in good standing, permit or authorize PG&E to perform any work, studies, procurement, or construction, or otherwise incur any costs that may be attributable to the Company's request for interconnection under the WDT, to the extent such work, studies, procurement, construction, or other actions could reasonably be expected to result in PG&E drawing on amounts in the Escrow Account to recover costs associated therewith;

6.6 maintain: (a) the Queue Position in good standing, and comply with all of the Company's obligations under the WDT with respect the Queue Position and its applicable relating thereto, including the timely performance of all actions required to maintain the Queue Position in good standing; and (b) the CSLC Application in good standing, and comply with all of the Company's obligations with respect to the CSLC Application, including the timely performance of all actions required to maintain the CSLC Application in good standing;

6.7 use its reasonable efforts to secure additional time to negotiate and execute the Interconnection Agreement with PG&E until: (a) funding is secured to support the continued

interconnection posting requirements under the Interconnection Agreement; or (ii) the Lender determines that the State of California, its agencies, or any third party will not allocate sufficient funding to the Company: (A) to allow the Company to continue to meet the posting requirements of the Interconnection Agreement; and/or (B) advance the development of the Project;

6.8 provide support for community engagement, at the Company's cost and the Lender's reasonable request, to aid in building support for, awareness of, and learnings from the Project;

6.9 use reasonable efforts to engage and negotiate with the North Coast and Humboldt County tribes, workforce, trade unions, and ports in pursuit of a community benefits agreement to connect the Project's equipment and services procurement, environmental study and monitoring, development, construction, operations and maintenance with such local communities through engagement in training, apprenticeships, hiring, and procurement; and

6.10 collaborate with the Lender to engage, at the request of the Lender, in legally permissible lobbying efforts with the State of California and its relevant lawmakers and agencies, and in particular the following offices: Office of the Governor, California Energy Commission, State Lands Commission, and California Public Utilities Commission, to support the Project's successful development and ensure repayment of the Debt to the Lender.

## 7. *Expenses; Indemnification.*

7.1 The Company shall pay or reimburse the Lender for all reasonable and documented out-of-pocket expenses incurred by the Lender, including the reasonable fees, charges and disbursements of counsel for the Lender, in connection with: (a) the negotiation, preparation, execution, delivery and administration of this Agreement, the Escrow Agreement, or the Escrow Account, including any post-closing requirements, or any amendments, modifications or waivers of the provisions of this Agreement or the Escrow Agreement (whether or not the transactions contemplated thereby shall be consummated); and (b) the enforcement, collection or protection of its rights in connection with this Agreement, the Escrow Agreement, or the Escrow Account, including its rights under this Section 7, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of this Agreement (such expenses, the "**Transaction Costs**"); provided that: (x) the Company's obligation to reimburse the Lender for such Transaction Costs shall not become effective until the earlier of: (i) the date on which the Company posts, or has posted on its behalf, the Second Posting of Interconnection Financial Security pursuant to Section 6.9.4 of Attachment 1 (Generator Interconnection Procedures) to the WDT in connection with Queue Position #2850-WD, and (ii) any sale of the Company (the "**Transaction Cost Reimbursement Condition**"); and (y) (z) the Company shall not be obligated to reimburse the Lender for Transaction Costs in excess of \$50,000.

7.2 The Company shall indemnify and hold the Lender harmless from, any and all losses, claims, damages, penalties, liabilities and related out-of-pocket expenses, including the reasonable and documented fees, charges and disbursements of any counsel for the Lender, incurred by or asserted against the Lender arising out of, in connection with, or as a result of: (a) the execution or delivery of this Agreement, the Escrow Agreement, the Escrow Account, or any agreement or instrument contemplated thereby, the performance by the parties hereto of their

respective obligations thereunder or the consummation of the transactions contemplated hereby; or (b) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory and regardless of whether the Lender is a party thereto; provided that such indemnity shall not, as to the Lender, be available to the extent that such losses, claims, damages, penalties, liabilities or related expenses are due to the gross negligence or willful misconduct of the Lender.

7.3 To the extent permitted by applicable law, the Company shall not assert, and hereby waives and acknowledges that no other person shall have, any claim against any the Lender, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, the Escrow Agreement or any agreement or instrument contemplated hereby, the transactions contemplated hereunder, or the use of the proceeds thereof.

7.4 All amounts due under this Section 7 shall be payable not later than ten (10) Business Days after written demand thereof.

## 8. *Miscellaneous.*

8.1 *Waiver and Amendment.* Any provision of this Agreement may be amended, waived or modified only upon the written consent of the Company and the Lender.

8.2 *Transaction Costs.* The Lender may invoice the Company for all Transaction Costs incurred by the Lender after the Transaction Cost Reimbursement Condition has been satisfied. The Company shall repay the Transaction Costs within thirty (30) days of receipt of such invoice. Any Transaction Costs that are not repaid pursuant to the Lender's invoice within such time period shall be added to the Principal Amount. All expenses incurred by the Company in connection with this Agreement, including attorneys' fees, shall be paid by the Company.

8.3 *Exclusivity.* The Company shall not, and shall not permit any of its Affiliates to, sell, deliver, transfer, or provide any energy, capacity, or environmental attributes associated with or attributable to the Project, the Site, or the Queue Position to any person other than the Lender without first: (a) offering such energy, capacity, or environmental attributes to the Lender; and (b) negotiating with the Lender exclusively and in good faith, for a period of ninety (90) days, to agree upon and execute an agreement for the purchase of such energy, capacity, or environmental attributes. If, at the end of such ninety (90) day period, the parties are unable to agree on terms and conditions for the purchase of such energy, capacity, or environmental attributes, then the Company or its Affiliate is free to market such energy, capacity, or environmental attributes to a third party; provided that: (x) before agreeing to any transaction for such energy, capacity, or environmental attributes with a third party, the Company must first present that terms and conditions of such transaction to the Lender and offer to enter into a transaction with the Lender for such energy, capacity, or environmental attributes on such terms; and (y) may enter into such transaction with such third party only if the Lender declines to enter into the proposed transaction, or fails to respond to the Company within twenty (20) days after receiving such offer from the Company.

8.4 **Prepayment.** The Company shall have the right to repay the Debt on any date prior to the Repayment Date upon no less than five (5) Business Days' prior written notice to the Lender.

8.5 **Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed by, and construed in accordance with, the laws of the State of California, without regard to conflict of law principles that would result in the application of any law other than the law of the State of California. Each party hereto consents to exclusive jurisdiction and venue in the Superior Court of California, County of Humboldt, if in state court, and in the United States District Court for the Northern District of California, if in United States federal court, for any suit or proceeding relating to, arising out of or arising under this Agreement, including, but not limited to, its existence, its formation, or any stipulation herein; such courts shall have the sole and exclusive in personam, subject matter and other jurisdiction in connection with such suit or proceeding and venue shall be appropriate for all purposes in such courts.

8.6 **Dispute Resolution.** Any dispute between the Parties in connection with or arising out of this Agreement shall, to the extent possible, be settled amicably by negotiation between executives of the Parties, to be conducted in good faith, within ten (10) Business Days from the date of written notice by either Party of the existence of such a dispute. If the Parties are unable to resolve the dispute within such time period, then the Parties shall submit the dispute to non-binding mediation prior to seeking any and all available remedies available to it at law or in equity. The dispute shall be mediated within thirty (30) days from the date that a written request for mediation is received by any Party in accordance with this Section 8.6 and such mediation shall take place in Humboldt County, California.

8.7 **Notices.** Any notice required or permitted hereunder shall be given in writing and shall be conclusively deemed effectively given upon personal delivery or delivery by courier, or on the first business day after transmission if sent by confirmed facsimile transmission or electronic mail transmission, or five business days after deposit in the United States first class mail, by registered or certified mail, postage prepaid, addressed as set forth below the Company's or the Lender's name, as applicable, on the signature page hereto, or at such other address as the Company or the Lender may designate by 10 business days' advance written notice to the other party hereto.

8.8 **Severability.** If one or more provisions of this Agreement are held unenforceable under applicable law, such provision shall be excluded from this Agreement and the balance of this Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

8.9 **Heading; References.** All headings used herein are used for convenience only and shall not be used to construe or interpret this Agreement. Except where otherwise indicated, all references herein to Sections refer to Sections hereof.

8.10 **Entire Agreement.** This instrument represents the entire agreement between the parties hereto with respect to this Agreement and its terms and conditions.

8.11 **Counterparts.** This Agreement may be executed in counterparts, all of which together will constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Agreement by facsimile, portable document format (.pdf) or other electronic transmission will be as effective as delivery of a manually executed counterpart hereof.

8.12 **Confidentiality.** This Agreement, the terms and conditions hereof, and any documents or information exchanged between the Parties in connection with this Agreement or the Parties' obligations hereunder, shall be deemed confidential information, and the rights and obligations of the Parties with respect thereto shall be governed by that certain Non-Disclosure Agreement, dated as of July 29, 2025, between the Parties. The Company acknowledges and agrees that the Lender is subject to the requirements for public disclosure under the California Public Records Act, California Government Code Section 7920, et. seq, ("**CPRA**"), and thus may be legally required to disclose information that is not protected from disclosure under the CPRA. No press releases or publicity shall be circulated regarding this Agreement or the relationship between the Parties without the prior written approval of all Parties.

8.13 **Electronic Execution of Certain Other Documents.** The words "execution," "execute", "signed," "signature," and words of like import in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby (including without limitation assignments, assumptions, amendments, waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Lender, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

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*Execution Version*

IN WITNESS WHEREOF, the Company has caused this Agreement to be issued as of the Effective Date.

**Company:**

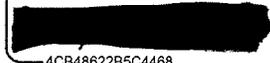
**CADEMO CORPORATION**  
a Nevada corporation

Signed by:  
  
By: \_\_\_\_\_  
Mikael Jakobsson, President

Address: c/o Hall & Evans, LLC  
1160 North Town Center Drive,  
Suite 330  
Las Vegas, NV 89144

**Lender:**

**REDWOOD COAST ENERGY AUTHORITY**  
a joint powers authority organized and existing  
under the laws of the State of California

Signed by:  
  
By: \_\_\_\_\_  
4CB48622B5C4468...

Name: Elizabeth Burks

Title: Executive Director

Address: 633 Third Street  
Eureka, CA 95501

Telephone: 707-269-1700

Email: 

*[Signature Page to Loan Agreement]*

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# CEC - CADEMO Project Information

**BUDGET AND SPEND PROFILE**

**October 21<sup>th</sup> 2025**

- Project need urgently to resolve a cumulated accounts payable account with creditors listed on slide 4.
- Budget variance for consideration is a PG&E non-refundable security deposit of \$1.2M, due on December 12<sup>th</sup>, 2025 (highlighted in yellow on slide 3).
- The refundable deposit portion to PG&E security posting is also due of December 12<sup>th</sup> 2025 , will be resolved with an external funding solution with RCEA, and does not impact the CEC funding.
- If the non-refundable security posting is required, funding will reach is to the end of June 2025, which would likely result in a required draw down in full, (more or less) in December 2025.
- If the non-refundable security posting is not required, projects spend of additional \$1.2M allows reach to beginning of October 2025, which could allow split draw down with a \$1M in May/June.
- Staffing spend per month will increase from previous hibernation period, as tasks now needs to progress efficiently.
- The CADEMO budget and spend is a navigation between elements of current and possibly future funding support. Should there be outlook for continued support, planning can actively include and progress the work far more aggressively, where otherwise spending will need to be considerate of needed time to secure. Unfortunately, commitments of spend sometimes are required over 6 months in advance where availability of ships and equipment requires advance notice.

# CADEMO BUDGET - OVERVIEW



## Budget Summary US\$ CADEMO Corporation

Account (15/09/2025)	Oct-2025	Nov-2025	Dec-2025	Jan-2026	Feb-2026	Mar-2026	Apr-2026	May-2026	Jun-2026	Jul-2026	Aug-2026	Sep-2026	Total
<b>Starting Cash</b>													0
CADEMO - Wells Fargo	13,000												13,000
<b>Total Cash</b>	<b>13,000</b>	<b>0</b>	<b>13,000</b>										
<b>Current Assets /Liabilities</b>													
Accounts Payable CADEMO Corp	(1,180,006)												(1,180,006)
<b>Income / Grants</b>													0
CEC Grant			4,000,000										4,000,000
RCEA loan			1,100,000										1,100,000
<b>Project Costs</b>													0
PG&E Grid Deposit - Part 1 (refundable)			(1,100,000)										(1,100,000)
PG&E Grid Deposit - Part 2 (non-refundable)			(1,200,000)										(1,200,000)
External Project Costs	0	0	(110,000)	(37,000)	(42,000)	(142,000)	(62,000)	(62,000)	(102,000)	(247,000)	(217,000)	(217,000)	(1,238,000)
Current Assets / Liabilities	(1,180,006)	0	2,690,000	(37,000)	(42,000)	(142,000)	(62,000)	(62,000)	(102,000)	(247,000)	(217,000)	(217,000)	381,994
<b>Total Resources</b>	<b>(1,167,006)</b>	<b>0</b>	<b>2,690,000</b>	<b>(37,000)</b>	<b>(42,000)</b>	<b>(142,000)</b>	<b>(62,000)</b>	<b>(62,000)</b>	<b>(102,000)</b>	<b>(247,000)</b>	<b>(217,000)</b>	<b>(217,000)</b>	<b>394,994</b>
<b>Less Cost of Sales</b>													0
DSA Staffing Costs (Cierco Corp)		103,500	115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000	1,598,500
DSA Expenses		7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	105,000
Legal and Professional Fees		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	28,000
Direct Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	21,000
Sundries		500	500	500	500	500	500	500	500	500	500	500	7,000
Web Hosting		250	250	250	250	250	250	250	250	250	250	250	3,500
<b>Total Cost of Sales</b>	<b>0</b>	<b>115,250</b>	<b>126,750</b>	<b>1,763,000</b>									
<b>Gross Profit</b>	<b>(1,167,006)</b>	<b>(115,250)</b>	<b>2,563,250</b>	<b>(163,750)</b>	<b>(168,750)</b>	<b>(268,750)</b>	<b>(188,750)</b>	<b>(188,750)</b>	<b>(228,750)</b>	<b>(373,750)</b>	<b>(343,750)</b>	<b>(343,750)</b>	<b>(1,368,006)</b>
<b>Less Overheads</b>													0
Accountancy Fees		500	500	500	500	500	500	500	15,000	500	500	500	20,500
Bank/Finance Charges		400	400	400	400	400	400	400	400	400	400	400	4,800
RCEA Loan Interest				7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000
<b>Total Overheads</b>	<b>0</b>	<b>900</b>	<b>900</b>	<b>8,400</b>	<b>8,400</b>	<b>8,400</b>	<b>8,400</b>	<b>8,400</b>	<b>22,900</b>	<b>8,400</b>	<b>8,400</b>	<b>8,400</b>	<b>115,300</b>
<b>Total Expenses</b>	<b>0</b>	<b>900</b>	<b>900</b>	<b>8,400</b>	<b>8,400</b>	<b>8,400</b>	<b>8,400</b>	<b>8,400</b>	<b>22,900</b>	<b>8,400</b>	<b>8,400</b>	<b>8,400</b>	<b>115,300</b>
<b>Net Profit</b>	<b>(1,167,006)</b>	<b>(116,150)</b>	<b>2,562,350</b>	<b>(172,150)</b>	<b>(177,150)</b>	<b>(277,150)</b>	<b>(197,150)</b>	<b>(197,150)</b>	<b>(251,650)</b>	<b>(382,150)</b>	<b>(352,150)</b>	<b>(352,150)</b>	<b>(1,483,306)</b>
<b>Reserves</b>													<b>Total</b>
Cumulative Position	(1,167,006)	(1,283,156)	1,279,194	1,107,044	929,894	652,744	455,594	258,444	6,794	(375,356)	(727,506)	(1,079,656)	(1,483,306)

# CADEMO BUDGET – ACCOUNTS PAYABLE



CADEMO ACCOUNTS PAYABLE - LIABILITIES (10-31-2025)					
Invoice Date	Invoice Reference	Supplier	Description	USD	Monthly DSA resource
12/31/2024		Floventis Energy	DSA Services - Aug - Dec 2024	360,730.21	72,146.04
3/31/2025		Cierco US Corp	DSA Services - Jan-March 2025	162,536.79	54,178.93
6/30/2025		Cierco US Corp	DSA Services - Apr-June 2025	159,945.73	53,315.24
9/30/2025		Cierco US Corp	DSA Services - July-Sept 2025	160,566.80	53,522.27
10/1/2025		Cierco US Corp	DSA Services - October 2026	98,000.00	98,000.00
29/02/2025		ICF -Jones & Stokes	Marine Mammal Survey & Report	103,226.08	
6/30/2025		CACIB	Financial advisory support	85,000.00	
9/30/2025		RCEA	Loan Legal Fees	50,000.00	
				<b>1,180,005.61</b>	

# CADEMO BUDGET – EXTERNAL PROJECT COSTS



CADEMO PROJECT COSTS - EXTERNAL													Total end	Total end
	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	June	September
Santa Inez Chumash			50,000			50,000			50,000				150,000	150,000
CSLC			50,000			50,000				25,000	25,000	25,000	100,000	175,000
ICF				10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	60,000	90,000
Power Engineers				5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	30,000	45,000
Gridbright				2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	12,000	18,000
ELDP application										30,000			-	30,000
Project legal costs			5,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	65,000	95,000
Project Govt relations			5,000	10,000	10,000	10,000	10,000	10,000					55,000	55,000
Wind Measurement					5,000	5,000	5,000	5,000	5,000	15,000	15,000	15,000	25,000	70,000
Environmental Studies							20,000	20,000	20,000	150,000	150,000	150,000	60,000	510,000
<b>Total</b>	-	-	110,000	37,000	42,000	142,000	62,000	62,000	102,000	247,000	217,000	217,000	557,000	1,238,000
													557,000	1,238,000

## Deliverables:

### December 2025:

1. Permitting strategy, will provide direction of permitting options new project description for application.
2. CADEMO value proposition analysis
3. Outlined Technology Assessment Plan

### March 2026:

4. Develop detailed EIR studied plan and overview

### May 2026:

5. Detailed spending and draw down schedule for 2026/27 budget
6. Ports - Draft execution plan
7. Updated Local Stakeholder Engagement plan
8. LCOE update



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**STAFF REPORT**  
**Agenda Item # 7.1**

AGENDA DATE:	October 23, 2025
TO:	Board of Directors
PREPARED BY:	Jocelyn Gwynn, Senior Power Resources Manager
SUBJECT:	Hatchery Road Power Purchase Agreement

**BACKGROUND**

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In 2020 and 2021, RCEA contracted with Renewable Properties for 4 MW of Hatchery Road solar projects under the Feed-In Tariff Program. In 2023, the four power purchase agreements (PPA) were terminated by mutual agreement due to the projects being saddled with unexpected, exorbitant interconnection costs by PG&E that could not be absorbed by the Feed-In Tariff PPA prices. Since then, the projects reapplied for interconnection without triggering the extra costs, enabling them to offer the solar projects along with battery storage to RCEA's Local Distributed Energy Storage Resources Request for Offers (RFO). Staff brought the offer to the RFO subcommittee who approved it for shortlisting in June.

**SUMMARY**

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Staff are seeking approval of the PPA with Renewable Properties for the Hatchery Road Solar and Storage projects, consisting of four 1-MW solar facilities co-located with a 4-MW / 16-MWh battery energy storage system (BESS). All five facilities will have separate points of interconnection and be operated independently, but subject to a dynamic interconnection limit on the collective export capacity. Renewable Properties has secured site control from the landowner, executed interconnection agreements with PG&E, and obtained a conditional use permit from the County of Humboldt for the solar facilities. For the battery storage facility they have secured site control, submitted an interconnection request, and are preparing a modification request to the existing conditional use permit.

The expected commercial operation dates are May 2027 for the solar facilities and June 2028 for the storage facility. It is anticipated that the BESS would typically be operated to charge during the day when solar energy is abundant, and discharge in the evening as the solar goes offline and the grid's energy needs and market prices rise. However, as more four-hour storage projects come into operation on the California grid, this operational strategy could include more frequent morning discharging to capture price arbitrage value. Alternatively, the battery could be operated to prioritize avoided greenhouse gas emissions, by timing discharge to the grid to avoid operation of the most emission-intensive generating resources elsewhere on the grid. Additionally, the storage facility will be able to provide ancillary grid services such as

maintaining proper frequency and voltage, so the operational strategy would seek to optimize these different use cases to the extent they cannot be captured simultaneously.

The Hatchery Road projects will initially not provide resource adequacy (RA), due to the lengthy and costly process required for RA deliverability study and network upgrades. However, the PPA allows for provision of RA in the future, to the extent that deliverability becomes available for the project to acquire. The seller would realize a higher contract price under the PPA if and when RA is provided to RCEA.

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## **ALIGNMENT WITH [RCEA'S STRATEGIC PLAN](#)**

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The Hatchery Road projects support the following RCEA Strategic Plan goals:

- 4.1.1 Maximize the Use of Local Renewable Energy to the Extent Technically and Economically Feasible and Prudent.
- 4.1.2 Minimize Greenhouse Gas Emissions Associated with RCEA's CCE Program.
- 4.1.4 Maximize Renewable Energy Content of RCEA's CCE Program.
- 4.1.7.2 Develop Distributed Generation.
- 4.1.8.2 Procure Local Solar Energy.

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## **EQUITY IMPACTS**

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The addition of local clean generation resources could reduce run time of the local thermal power plants, thereby decreasing air quality impacts to the surrounding communities.

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## **FINANCIAL IMPACT**

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Being a local, small-scale project, the pricing for Hatchery Road Solar and Storage is more expensive than the larger-scale projects RCEA has under contract. Current modeling shows that the project would cost \$4-6 million more than the forecasted value of the products it would provide in the first half of the delivery term. Despite this, the contract will hedge against price risk in the energy and RPS markets by fixing more of RCEA's procurement costs under long-term generation assets. These costs will be built into RCEA's financial model and budget starting in fiscal year 2026-2027.

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## **STAFF RECOMMENDATION**

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Approve Resolution 2025-6 Approving the Form of and Authorizing Execution of the Power Purchase Agreement with RPCA Solar 5 LLC.

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## **ATTACHMENTS**

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Resolution 2025-6

Power Purchase Agreement with RPCA Solar 5 LLC – Cover Sheet

Note: The RCEA Power Purchase Agreement with RPCA Solar 5 LLC was not available at the time of agenda publication. It will be available at [www.RedwoodEnergy.org](http://www.RedwoodEnergy.org) and at RCEA offices at 633 Third Street by 5 p.m. on Tuesday, October 21, 2025.

**RESOLUTION NO. 2025-6**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE REDWOOD COAST ENERGY AUTHORITY APPROVING THE FORM OF AND AUTHORIZING EXECUTION OF THE HATCHERY ROAD POWER PURCHASE AGREEMENT WITH RPCA SOLAR 5 LLC**

**WHEREAS**, Redwood Coast Energy Authority (“RCEA”) issued the Request for Offers for Local Distributed Energy Storage Resources on December 19, 2024 (“RFO”), which was open to co-located generation and storage resources; and

**WHEREAS**, the Hatchery Road Solar and Storage project (“Project”) was submitted into RCEA’s RFO by Renewable Properties and subsequently approved for shortlisting by the Board RFO subcommittee; and

**WHEREAS**, RPCA Solar 5 LLC (“Seller”) is a project company owned by Renewable Properties; and

**WHEREAS**, under the Hatchery Road Power Purchase Agreement (“Agreement”), Seller will provide RCEA with energy, renewable energy certificates, ancillary services, and potentially resource adequacy in exchange for an escalating price over the term, thereby securing more of RCEA’s power portfolio under long-term contract and contributing to RCEA’s local development goals; and

**NOW, THEREFORE**, the Board of Directors of the Redwood Coast Energy Authority resolves as follows:

1. The Hatchery Road Power Purchase Agreement between Redwood Coast Energy Authority and RPCA Solar 5 LLC is hereby approved.
2. The RCEA Executive Director is authorized to execute the Agreement substantially in the form attached hereto as Appendix A on behalf of RCEA, and in consultation with legal counsel, is authorized to approve any needed future amendment to the Agreement so long as the term, volume, and price are not changed and the amendment does not fundamentally change the business terms of the Agreement or measurably increase risk exposure for RCEA.

Adopted this 23<sup>rd</sup> day of October 2025.

ATTEST:

\_\_\_\_\_  
Scott Bauer, RCEA Board Chair

\_\_\_\_\_  
Lori Taketa, Clerk of the Board

Date: \_\_\_\_\_

Date: \_\_\_\_\_

CLERK'S CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of Resolution 2025 - 6 passed and adopted at a regular meeting of the Redwood Coast Energy Authority, County of Humboldt, State of California, held on the 23<sup>rd</sup> day of October 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

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Clerk of the Board, Redwood Coast Energy Authority

Appendix A:

Renewable Plus Storage Power Purchase Agreement

Between RPCA Solar 5, LLC, and Redwood Coast Energy Authority

Note: A copy of this agreement can be found online at

<https://redwoodenergy.org/about/governance/public-meetings/>.

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**RENEWABLE PLUS STORAGE POWER PURCHASE AGREEMENT**

**COVER SHEET**

**Seller:** RPCA Solar 5, LLC, a California limited liability company.

**Buyer:** Redwood Coast Energy Authority, a California joint powers authority.

**Description of Facility:** A 3.96 MW solar photovoltaic electric generating facility combined with a 4 MW / 16 MWh lithium iron phosphate battery energy storage facility.

**Delivery Term:** Commences on the Generating Facility Commercial Operation Date and ends on the twentieth (20th) anniversary of the Storage Facility Commercial Operation Date.

**Milestones:**

Milestone	Generating Facility Completion Date	Storage Facility Completion Date
Evidence of Site Control	As of Effective Date	As of Effective Date
Conditional Use Permit obtained	As of Effective Date	██████████
Phase I Interconnection Study results (or equivalent) obtained	As of Effective Date	██████████
Phase II Interconnection Study results (or equivalent) obtained	As of Effective Date	TBD
Interconnection Agreement executed	As of Effective Date	██████████
Major equipment procured	██████████	██████████
Generating Facility Expected Construction Start Date	██████████	NA
Storage Facility Expected Construction Start Date	NA	██████████
Initial Synchronization	NA	██████████
Network Upgrades completed	NA	TBD
Generating Facility Expected Commercial Operation Date	5/1/2027	NA
Storage Facility Expected Commercial Operation Date	NA	2/1/2028

**Expected Energy:**

Contract Year	Expected Energy
1	7808
2	7651
3	7628
4	7606

5	7583
6	7560
7	7537
8	7515
9	7492
10	7470
11	7447
12	7425
13	7403
14	7380
15	7358
16	7336
17	7314
18	7292
19	7270
20	7249
21	7229
22, if applicable	7205

**Guaranteed Efficiency Rate:**

<b>Contract Year<sup>1</sup></b>	<b>Guaranteed Efficiency Rate</b>
1	N/A
2	█%
3	█%
4	█%
5	█%
6	█%
7	█%
8	█%
9	█%
10	█%
11	█%
12	█%

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<sup>1</sup> The Guaranteed Efficiency Rate will not apply until the occurrence of the Storage Facility Commercial Operation Date and the Guaranteed Efficiency Rates stated in this table will start in the Contract Year in which the Storage Facility Commercial Operation Date occurs which may not align with the way the table is included herein.

Contract Year <sup>1</sup>	Guaranteed Efficiency Rate
13	█%
14	█%
15	█%
16	█%
17	█%
18	█%
19	█%
20	█%
21	█%
22	█%

**Generating Facility Guaranteed Construction Start Date:** █

**Generating Facility Guaranteed Commercial Operation Date:** █

**Generating Facility Commercial Operation Date Deadline:** █

**Storage Facility Guaranteed Construction Start Date:** █

**Storage Facility Guaranteed Commercial Operation Date:** █

**Storage Facility Commercial Operation Date Deadline:** █

**Guaranteed Generation Capacity:** 3.96 MW

**Guaranteed Storage Capacity:** 4 MW for four (4) hour discharge

**Storage Capacity Default Threshold:** █ MW for four (4) hour discharge

**Contract Price:**

Generation Rate: \$ █ per MWh, escalating at █% annually with such escalation effective on the first day of each Contract Year

Storage Rate: \$ █ per kW-month, escalating at █% annually with such escalation effective on the first day of each Contract Year, *provided*, the amount shall be increased to \$ █/kW-month or its equivalent escalated value based on the current Contract Year, rate shall escalate at █% annually on and after the RA Guarantee Date

**Product:** (select options below as applicable)

- Generating Facility Energy
- Discharging Energy

- Green Attributes (Portfolio Content Category 1)
- Storage Capacity
- Capacity Attributes associated with the Storage Facility
  - Full Capacity Deliverability Status
  - Energy Only Deliverability Status, subject to the provisions of Section 3.7

**Scheduling Coordinator:** Buyer or Buyer's Agent

**Generating Facility Development Security:** \$ [REDACTED]

**Storage Facility Development Security:** \$ [REDACTED]

**Generating Facility Performance Security:** \$ [REDACTED]

**Storage Facility Performance Security:** \$ [REDACTED]

**Compliance Expenditure Cap:** \$ [REDACTED]

APPROVAL DRAFT

# Hatchery Road Power Purchase Agreement

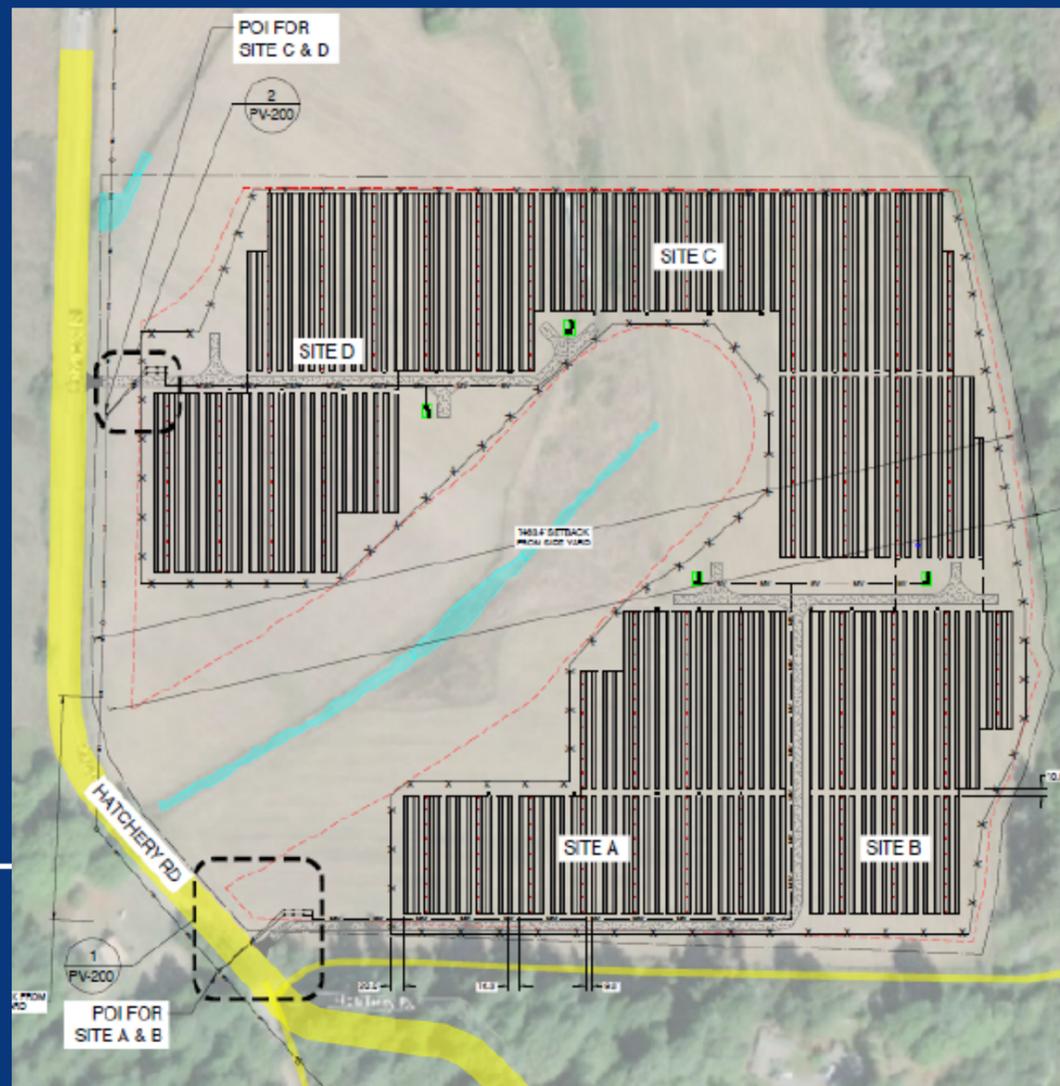
RCEA Board of Directors Meeting

Jocelyn Gwynn  
Senior Power Resources Manager

October 23, 2025

# Background

- Feed-In Tariff PPAs
- Interconnection challenges
- Local Distributed Energy Storage RFO



# Hatchery Road Solar and Storage PPA

- **Developer:** Renewable Properties
- **Generation:** 4 MW solar photovoltaic (four 1-MW units)
- **Storage:** 4 MW / 16 MWh lithium iron-phosphate
- **Products:** energy, renewable energy certificates, ancillary services, potentially resource adequacy
- **Commercial operation dates:**
  - May 2027 for solar
  - June 2028 for storage
- **Delivery Term:** ~20 years
- **Price:** escalating annually at fixed rate
- **Economics:** negative net present value



# Development Status

## Generation Facilities

- ✓ Site control secured
- ✓ Conditional use permit secured
- ✓ Interconnection agreements signed



## Storage Facility

- ✓ Site control secured
- ✓ Modification to permit in process
- ✓ Interconnection request submitted



REDWOOD COAST  
**Energy Authority**

**STAFF REPORT**  
**Agenda Item # 8.1**

AGENDA DATE:	October 23, 2025
TO:	Board of Directors
FROM:	Elizabeth Burks, Executive Director
SUBJECT:	Executive Director's Report

**SUMMARY**

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Executive Director Elizabeth Burks will provide updates on topics as needed.

**RECOMMENDED ACTION**

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None. (Information only.)

**ATTACHMENT**

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None.

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