



Board of Directors Regular Meeting Agenda

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

Thursday, March 26 2026
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 Board's meeting, will be made available to the public at 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. When technical difficulties arise that prevent members of the public from offering comments, or if broadcasting is disrupted due to matters out of RCEA's control, this meeting will be discontinued unless otherwise allowed by law.

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. 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 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. Brown Act Teleconference Participation Rules

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. Staff Reports

- 4.1. Executive Directors' Report

5. 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.

- 5.1. Approve Minutes of February 26, 2026, Board Meeting.
- 5.2. Accept Disbursement Report for January 2026, and Financial Reports for This Fiscal Year Through January 2026.
- 5.3. Receive Federal Activity Report.
- 5.4. Appoint Hope Sakho as an At-Large Community Advisory Committee Member with a Term Expiring March 31, 2028.
- 5.5. Authorize Amendment 3 to 2021 Task Order for Operational Services with The Energy Authority, Inc. and Authorize the Executive Director to Execute the Amendment and All Associated Documents.

6. Items Removed from Consent Calendar

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

7. Old Business

- 7.1. Report on Decreasing Customer Load (Information only)
- 7.2. Diablo Canyon Operations Extension Policy Decision Making
Give direction to staff on statewide and federal engagement strategy related to Diablo Canyon Power Plant.

7.3. Additional Authorizations for Prepayment of Power Purchase Agreements Bond Financing

Authorize the Executive Director to take additional steps required towards completing an energy pre-payment bond financing transaction, including:

1. Select Goldman Sachs to fulfill the roles of Counterparty Supplier and Intermediary Bank;
2. Adopt Resolution No. 2026-4, authorizing RCEA to join the California Community Choice Financing Authority (CCCFA), as the bond issuer, at a cost of \$50,000 for the membership entry fee and up to \$20,000 to cover a transaction fee for issuance of the bonds; and
3. Select and negotiate an agreement with a Tax and Bond Counsel at a total shared cost not to exceed \$350,000.

8. New Business

8.1. Staffing Reorganization and Creation of New Positions

Approve the staffing re-organization concept and authorize the Executive Director to determine allocation of staff to departments, which include supervisory responsibilities.

Approve the following full-time positions and direct staff to return with job descriptions for Board approval:

- a) Creation of a Director of Engagement and Regional Climate Planning Position
- b) Creation of a RCAP Administrator Position
- c) Allocation of a second NREN Administrator as the Administrative lead
- d) Creation of Staff General Counsel Position

8.2. Presentation of Classification and Compensation Study

Accept the Gallagher Classification and Compensation Reports.

Approve the Classification structure and Updated Job Descriptions.

Approve the RCEA updated Salary Schedule effective April 5, 2026.

8.3. Consideration of a Reduced 34-Hour Work Week

Approve changing full-time employees' regular working hours as 34 hours per week, adjustment of Vacation and Sick leave accruals to reflect reduced hours, and sunset Floating Holidays after the 2026 calendar year.

Pause COLA increases for all Staff for the 2026/2027 and 2027/2028 fiscal years.

Authorize a one-time salary adjustment for the Calendar year 2026, solely to address the occurrence of a 27th pay period.

8.4. Fiscal Year 2025-2026 Mid-Year Budget Adjustments

Approve proposed changes to the RCEA Fiscal Year 2025-2026 Budget.

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. Real Property Negotiations Pursuant to Government Code Section 54956.8 in re: APN 001-135-007; RCEA negotiator: Executive Director; Owner's negotiating party: Wells Commercial; Under negotiation: price and terms.
- 10.2. Conference with Legal Counsel: Deciding whether to initiate litigation, pursuant to Government Code Section 54956.9(d)(4).

11. Reconvene to Open Session

12. Closed Session Report

13. Adjournment

Next Regular Meeting

Thursday, April 23, 2026 | 3:30 PM

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



Staff Report

Agenda Item # 1.1

Information

Agenda Date	March 26, 2026
To	Board of Directors
Prepared by	Eileen Verbeck, Deputy Executive Director
Subject	Revised Member Teleconference Participation Rules

Background

When 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 via teleconference using the Zoom platform with no physical, public meeting location. Since the pandemic, the Brown Act has been amended to codify modern teleconference meeting practices both during and outside of declared states of emergency. SB 707 (Durazo, 2025) sets out the latest Brown Act revisions which were signed into law on October 3, 2025.

Summary

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, revised, “just cause” reasons:

1. Childcare or caregiving to child, parent, grandparent, grandchild, sibling, spouse, domestic partner;
2. Contagious illness that prevents in person attendance;
3. Mental or physical need not subject to reasonable accommodation provisions;
4. Travel while on official business of RCEA or another state or local agency;
5. Immunocompromised child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires remote participation;
6. Physical or family medical emergency; or
7. Military service obligations.

A vote is not necessary to request remote attendance for just cause, including for medical emergency remote attendance per SB 707 revisions. A brief description, protecting the Director’s (or family member’s) medical privacy, must be provided and the Director must publicly disclose whether anyone 18 years of age or older is present in the room at the remote location, and the general nature of the individual’s relationship with the Director.

At a future meeting, staff will recommend Board adoption of a revised Teleconferencing Policy capturing the latest Brown Act revisions and provide the Board an opportunity to pass a resolution enabling remote meeting participation for members who must travel at least 20 miles to the Wharfinger Building.



Staff Recommendation

None. Information only.

Required Distribution Information

The **Revised** Ralph M. Brown Act

[Link to California Government Code Sections 54950 - 54963¹](#), revised October 3, 2025, by SB 707 (Durazo, 2025).

Redwood Coast Energy Authority List of Physical Meeting Locations

Body	Date	Time	Location
Board of Directors	4 th Thursday of each month	3:30 p.m.	Wharfinger Building, 1 Marina Way, Eureka, CA 95501
Community Advisory Committee	2 nd Tuesday of odd-numbered months	6 p.m.	Jefferson Community Center Auditorium, 1000 B Street, Eureka, CA 95501
Finance Committee	As needed, dates TBD	TBD	RCEA Offices, 633 Third Street, Eureka, CA 95501

¹ [The Revised Ralph M. Brown Act, California Code, GOV 54950.5 - 54963:](https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=GOV&division=2.&title=5.&part=1.&chapter=9.&article=)
https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=GOV&division=2.&title=5.&part=1.&chapter=9.&article=



Staff Report

Agenda Item # 4.1

Information

Agenda Date	March 26, 2026
To	Board of Directors
Prepared by	Elizabeth Burks, Executive Director
Subject	Executive Directors' Report

Summary

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

RCEA Updates

Call Log Summary

In February 2026 there were 91 incoming phone calls logged in the Customer Relationship Management database, which is down 30% from last month. The top categories for phone calls were:

- Billing Inquiry: 16 (18% of total)
- Opt Out Inquiry: 13 (14% of total)
- Collections: 12 (13% of total)
- Net Energy Metering: 12 (13% of total)

As a percentage of total calls, opt out inquiries were consistent with Jan. '26 and Feb. '25. Some customers noticed when PG&E dropped their rates that electric generation was costing them more with RCEA. Others who had called PG&E to inquire about their bill were directed to opt out of RCEA service to lower their costs. RCEA customer service agents explained whenever PG&E changes their rates, RCEA's changes will be 1 month behind, so while RCEA rates were slightly higher than PG&E's in January, they would be .5% lower in the following months.

Additionally, there were 73 other interactions (calls or office visits by non-RCEA customers or those not indicating an account number). Of these rebate inquiries and general billing questions remain the top categories.

Upcoming Conferences and Site Tours

California Climate and Energy Collaborative (CCEC) Forum June 24-25, 2026, in Los Angeles, CA. This conference is focused on work related to Regional Energy Networks, such as NREN. Registration is free for all elected officials.



Following the Board meeting a poll will be sent out to the Board to gauge interest in setting up the following site tours:

- Diablo Canyon Nuclear Power Plant and King Salmon Site. Given potential pending legislation to extend the life of the Diablo Canyon Nuclear Power Plant beyond 2030, RCEA would like to gauge the Board's interest in a local field trip to the King Salmon Site and if anyone would be interested in traveling to Morro Bay to tour the Diablo Canyon Plant.
- West Biofuels in Burney, California. This facility is one of the most recent biofuel facilities built in California. A tour would be an opportunity to see a modern biofuels plant.

Staff Recommendation

None. Information only.

Attachments

1. Community Outreach Events Summary
2. CalCCA-Sponsored Bills:
 - a. AB 1761: Improving Energy Bill Transparency
 - b. SB 1138: Lowering the Cost of California's RA Program



Redwood Coast Energy Authority – Community Outreach & Events Summary

Each month, RCEA connects with community members across Humboldt County through events, presentations, and outreach efforts that build awareness of our programs and services. This summary provides a snapshot of our outreach reach, engagement highlights, and upcoming opportunities to connect with the community.

March 2026

AT A GLANCE

4

Presentations

A presentation was conducted for staff at Tri-County Independent Living where they learned about RCEAs resources and programs for their clients. Other presentations were held for the Arcata City Council and Cal Poly’s OLLI Brown Bag Series.

1

Workshop

The Understanding Your Energy Bill: A Free Community Workshop was held to help residential customers better understand their energy bills and explore ways to manage costs. After a brief presentation, staff provided hands-on assistance reviewing attendees’ electricity bills one-on-one. This workshop will be held again.

90

Engagements

Attendees at the presentations and workshop were engaged and asked a variety of good questions. The Arcata City Council and community members learned about RCEAs role in providing technical assistance for solar and lighting at the Community Center.



Upcoming Events

April 2026



- Community Presentation-
McKinleyville Senior Center, April 15
- Earth Day Story Time Reading at
the Fortuna and another Library
TBD, April 17 & 18
- Bear River Band of the Rohnerville
Rancheria's Annual Earth Day
Celebration, April 22
- Trades Day, April 23
- Sequoia Park Zoo's Party for the
Planet, April 26



For more information about RCEA's community outreach or to invite us to an event, contact bbusick@redwoodenergy.org

AB 1761: Improving Energy Bill Transparency

CalCCA is sponsoring [AB 1761](#), authored by Assemblymember Chris Rogers (D-Santa Rosa), which brings transparency to the way the Power Charge Indifference Adjustment (PCIA), a charge on nearly all energy bills, is calculated.

Background

Electricity bills in California are on the rise, in part due to challenging market conditions and outdated and inefficient regulatory policies. Families and businesses are feeling the impact. Lawmakers and regulators need practical, consumer-focused solutions that ensure customers do not pay more than their fair share.

One tool to ensure customers receive energy bills that are fair and accurate is increased transparency in how PCIA charges are calculated. The PCIA is a fee designed to ensure customers who leave utility generation service, like customers of a Community Choice Aggregator (CCA) or Energy Service Provider (ESP), pay their portion of legacy power costs. But since the PCIA was implemented, there has been no consistent standard for what data must be made available in any CPUC process or proceeding where the PCIA, or a related charge, is set.



Problem

CCAs, ESPs, and their customers must pay the PCIA charge but often lack access to the data, assumptions, and methods used to set it. This transparency problem leads to disputes, inefficiencies, and unexpected rate impacts for customers. More specifically:

- ✓ Disclosures vary by utility and by CPUC proceeding, resulting in repeated fights between CCAs and Investor-Owned Utilities (IOUs) over data access and increased administrative inefficiencies as the CPUC resolves disputes on a case-by-case basis.
- ✓ Utilities sometimes make mistakes. In a 2019 PG&E proceeding, CalCCA identified \$73 million in errors (including a \$16 million increase for CCA customers). In a recent proceeding, PG&E identified an accounting error that would have cost CCA customers \$217 million.
- ✓ In an ongoing PCIA Rulemaking, the Commission withheld information on the evidence underlying their proposal and the rate impacts of a proposed change. The CPUC did not respond to a Public Records Act request for the information.

Without adequate transparency, CCAs and ESPs are unable to verify the accuracy of the PCIA charges that their customers must pay and cannot confidently forecast rate – both of which are affordability tools needed to protect customers from unexpected rate increases.

Solution

AB 1761 proposes amending the Public Utilities Code to require the CPUC and IOUs to disclose all data used to calculate PCIA costs, including cost inputs, forecasting assumptions, and methodologies. The bill would also ensure that when parties make proposals in a proceeding to change the PCIA they provide all the underlying data informing that proposal. Sensitive information would remain protected through Commission-approved nondisclosure agreements – a practice already used to protect sensitive information in other compliance areas.

Greater transparency allows CCAs and ESPs to better advocate for their customers and assess proposals to change the PCIA. It also can inform cost forecasts and shield customers from sudden rate swings. It reduces repeated fights over information, improves regulatory efficiency, and encourages utilities to verify calculations since the underlying data would be open to review. Costs to implement the proposal are miniscule, as most of this information already exists, while the benefits for rate, accuracy, stability, and consumer protection are substantial. This proposal strengthens confidence that customers pay their fair share – and not more.

For more on the PCIA go to: <https://cal-cca.org/pcia/>.

SB 1138: Lowering the Cost of California's RA Program

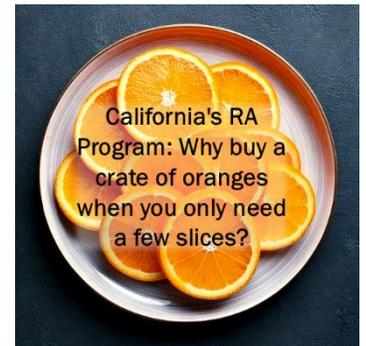


CalCCA is sponsoring [SB 1138](#), authored by Senator Steve Padilla (D-San Diego), so that California's load serving entities (LSEs) have the flexibility to transact load obligations at the hourly level in order to reduce millions of dollars in unnecessary costs to consumers – without compromising reliability.

Background

At a time of rising electricity bills and challenging market conditions, California's resource adequacy (RA) program is transitioning to a new Slice-of-Day (SOD) framework. Previously, LSEs (community choice aggregators, investor-owned utilities and energy service providers) were required to meet a monthly RA obligation using resources accredited with a monthly RA contribution. In the new SOD framework, LSE obligations are based on the 24 hours of the peak day in each month. LSEs must show resources sufficient to meet load obligations in each hour, including excess resources to charge storage on the peak day.

Under existing rules, LSEs are restricted in how they can transact with other entities to ensure compliance. Adjustments to an LSE's portfolio are limited to transacting product for the whole month even though obligations are unique to each hour. This mismatch means LSEs must purchase more RA than they need to meet their obligations, creating artificial market scarcity and unnecessarily driving up RA demand (and prices). It's akin to having to buy a crate of oranges when you only need a few slices. The net result is tens of millions of dollars in unnecessary costs that fall to California ratepayers.



Problem

During the SOD transition, LSEs submitted portfolios of resources to meet hourly obligations for a 2024 test year and for the binding 2025 year-ahead requirements. From these submittals, CalCCA observed that individual LSEs were short in some hours, requiring them to purchase additional RA resources to meet requirements, while other LSEs had excess capacity in those hours. Trading between LSEs would be sufficient to meet reliability requirements without needing to purchase additional RA.

From this early experience, it is apparent that restrictions on trading create artificial market scarcity and unnecessarily drive-up demand for already scarce RA products. LSEs have been penalized for non-compliance even though other LSEs showed excesses that could cover their shortages in the non-compliant hours.

Solution

At a time of rapidly rising costs in the electricity sector, policymakers should provide LSEs maximum flexibility in how they contribute their fair share to keep the overall system reliable. SB 1138 would lower the costs to consumers of California's RA trading program by allowing LSEs to transact RA load obligations on an hourly basis to align with the new slice-of-day RA program.

With hourly load obligation trading, an LSE that has excess resources in an hour could offer to take on a share of the obligation of an LSE that is short in the same hour. By trading load obligations, LSEs could avoid **\$105 million** in purchases of excess RA resources for the summer of 2025. This reduction in RA demand puts downward pressure on RA prices for all California LSEs, potentially reducing RA costs by an additional **\$77 million** per year.

Benefits

Enabling hourly load obligation trading:

- ✓ Promotes efficiency: LSEs with excess resources in one hour could trade with LSEs that are short, reducing the need to purchase additional RA.
- ✓ Delivers affordability: In 2025, hourly trading could have lowered RA costs for consumers by avoiding \$105 million in excess RA purchases for summer 2025 and potentially saving an additional \$77 million annually.
- ✓ Maintains LSE Responsibility: Creates a new procurement product rather than offering relief from meeting existing requirements.
- ✓ Requires limited administrative oversight: Trades can be executed bilaterally with existing RA tracking tools, making the system administratively simple while maintaining each LSE's full responsibility to meet obligations.



Board of Directors Draft Meeting Minutes

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

Thursday, February 26 2026
3:30 PM

Attendance

Present

Renee Contreras-DeLoach (Alt. Dir.)	Michael Gerace, Chair
Skip Jorgensen	Elise Scafani
Sarah Schaefer, Vice Chair (left at 4:50 p.m.)	Mike Wilson

Absent

Carlos Diaz	Jason Ramos
Jack Tuttle	Frank Wilson
Sheri Woo	

Staff and Others Present

Name	Title
Ken Beals	Information Technology Technician
Lori Biondini	Business Planning & Finance Director
Elizabeth Burks (via teleconference)	Executive Director
Scott Burnham	NewGen Strategies & Solutions
Ronnie Chausse	Interim Finance Manager
Alanna Daley	NewGen Strategies & Solutions
Nancy Diamond	Legal Counsel
Richard Engel	Power Resources Director
Lori Taketa	Board Clerk
Eileen Verbeck	Deputy Executive Director

Open Session (Call to Order)

2. Ceremonial Item

- 2.1. Proclamation Honoring 15 Years of Dedicated Service by Humboldt Bay Municipal Water District Director Sheri Woo

Vice Chair Schaefer and other Directors expressed appreciation to Director Woo for her long service on the RCEA Board. Director Woo, attending this meeting as a member of the public and not as a voting Board member, thanked and praised the Directors and staff for their efforts during her long tenure.

5. Staff Reports

- 5.1. Executive Director's Report

Deputy Executive Director Verbeck reported that the US Department of Energy (DOE) contacted the Tribal Energy Resilience and Sovereignty (TERAS) partners to resume negotiations on the TERAS grant under certain conditions including removing community benefits and associated costs and prohibiting use of solar as an energy source. The partners agreed to resume discussions. The Directors thanked Deputy Executive Director Verbeck for her professionalism in working with Tribal partners and the DOE.

6. Consent Calendar

- 6.1. Approve Minutes of January 22, 2026, Board Meeting.
- 6.2. Accept Disbursement Report for December 2025, and Financial Reports for This Fiscal Year Through December 2025.
- 6.3. Receive Federal Activity Report.
- 6.4. Approve Amendment No. 1 to Agreement for Employment of Executive Director with Elizabeth Burks.
- 6.5. Approve First Amendment to Commercial Lease Agreement for 633 3rd Street, with Rent in the Sum of \$8,144.97 per Month and a Term Ending May 31, 2027, and Authorize the Executive Director to Execute All Applicable Documents Pending Review by RCEA Legal Counsel.
- 6.6. Adopt Resolution 2026-2 Approving a Revised RCEA Records Retention Policy and Schedule.
- 6.7. Accept RCEA Racial Justice Plan Progress Report.
- 6.8. Appoint Carol Schmitt as an At-Large Community Advisory Committee Member with a Term expiring March 31, 2028.
- 6.9. Receive Humboldt Bay Municipal Water District's Notice of Withdrawal from RCEA Joint Powers Authority.
- 6.10. Approve Amended and Restated Northern Rural Energy Network Memorandum of Agreement.

No member of the public nor the Board requested discussion of these items.

M/S: Schaefer, Scafani: Approve all Consent Calendar items.

The motion passed with a unanimous vote. Ayes: Contreras-DeLoach, Gerace, Jorgensen, Scafani, Schaefer, M. Wilson. Noes: None. Absent: Diaz, Ramos, Tuttle, F. Wilson, Woo. Abstain: None.

Due to impending loss of quorum, the agenda was rearranged to discuss New Business before Old Business.

8. Old Business

8.1. Sandrini Battery Storage Community Benefits Fund

Provide feedback and give direction to staff to:

1. Engage with EDP Renewables to achieve agreement in principle on how funds will be expended and
2. Develop a formal proposal for Board approval at a future meeting for a community benefits endowment.

The Directors did not discuss this matter due to loss of quorum. It will be included in the Board's March meeting agenda.

9. New Business

9.1. Cost of Service Rate Design Study Update and Rate Adjustment Consideration

Scott Burnham described the cost-of-service study NewGen Strategies and Solutions performed on RCEA using this and next fiscal years as test years. Mr. Burnham explained the study's process and goal of determining how much it costs to provide electricity and programs to RCEA customers, and the remaining work of dividing those costs among RCEA's customer classes. Over the two test years, keeping RCEA's current lower-than-PG&E rate, RCEA would collect roughly 7% less than actual costs. While collection rates are close to actual costs for residential customers, rates for small, medium, and large commercial, industrial and agricultural customers do not match actual costs. Maintaining the same reduced rate compared to PG&E rates and spending down reserves to maintain this rate discount would steadily drain RCEA's financial reserves, which are needed to maintain stable electricity provider operations. Staff recommended conducting significant community outreach to discuss whether and how much customer programs RCEA should offer, and to understand commercial, industrial and agricultural customer needs. Staff proposed doing this as part of updating RCEA's strategic plan, last revised in 2019. In the meantime, staff proposed continuing to charge slightly less than PG&E while closely monitoring the number of days of operating expenses held in reserve. Should the reserve amount fall below 180 days cash on hand target as specified by RCEA's Reserve Policy, staff would consult the Board on whether to increase rates as an interim measure before adopting rates based on cost of service.

The Directors discussed how the Power Charge Indifference Adjustment (PCIA) inflates RCEA customer costs. The PCIA is a charge PG&E adds to RCEA customer bills to make back what they paid to buy power on the customer's behalf while they were with PG&E. In other states with community choice aggregators, PCIAs have an end date. But in California, the charge does not sunset and sometimes increases based on its underlying formulas, as it did recently. RCEA's and other California CCAs' advocacy efforts are focusing on finding out how the PCIA is calculated to determine whether the process unfairly benefits PG&E and the state's other investor-owned utilities. The Directors supported staff's recommended approach of continuing to offer slightly lower rates than PG&E while tracking

RCEA's financial reserves. Staff will notify the Board and request action should the reserves fall below the target levels. There was no public comment on this agenda item.

9.2. California Community Power's Hydrostor Willow Rock Energy Storage Service Agreement

Power Resources Director Engel described California Community Power (CC Power) and how the joint powers authority allows small CCAs like RCEA to procure a share of larger and sometimes more innovative projects with the pooled CCA funds. The Willow Rock compressed air energy storage project offers an alternative instead of relying only on batteries for the long-duration storage capacity procurement mandated by the California Public Utilities Commission. The project has a negative net present value but is still a better value than procuring more battery storage, due to tariff risks imported batteries face.

The Directors inquired about the project site footprint. Concern was expressed about impacts to the surrounding communities, tribes and environment. There were no public comments.

M/S: M. Wilson, Schaefer: Approve Resolution 2026-3 Authorizing Participation in California Community Power's Procurement of Hydrostor's Willow Rock Advanced Compressed Air Energy Storage Project.

The motion passed with the following vote. Ayes: Contreras-DeLoach, Jorgensen, Scafani, Schaefer, M. Wilson. Noes: Gerace. Absent: Diaz, Ramos, Tuttle, F. Wilson, Woo. Abstain: None.

9.3. Harbor District Waterfront Facility Improvement Program Grant Contracting Opportunity

Due to lack of time, staff did not report on this item and the directors did not request discussion or clarification of information provided in the published staff report. There was no public comment.

M/S: Schaefer, Jorgensen: Approve entering into a grant subrecipient agreement with the Humboldt Bay Harbor, Recreational and Conservation District to perform outreach and community engagement services for the Waterfront Facility Improvement Program grant and authorize the Executive Director to execute the Agreement once finalized and any associated documents necessary to secure the grant subaward, pending review by RCEA legal counsel.

The motion passed with a unanimous vote. Ayes: Contreras-DeLoach, Gerace, Jorgensen, Scafani, Schaefer, M. Wilson. Noes: None. Absent: Diaz, Ramos, Tuttle, F. Wilson, Woo. Abstain: None.

10. Future Agenda Items

This item was not discussed at the meeting due to loss of quorum. Member of the public Walt Paniak submitted written comment requesting Board discussion of biomass pollution standards if current standards are relaxed.

Chair Gerace adjourned the meeting at 4:50 p.m. due to loss of quorum.

Lori Taketa
Clerk of the Board



Staff Report

Agenda Item # 5.2

Information

Agenda Date	March 26, 2026
To	Board of Directors
Prepared by	Lori Biondini, Business Planning and Finance Director
Subject	Profit & Loss, Balance Sheet and Monthly Disbursements Reports

Summary

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

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

Financial Impact

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

Staff Recommendation

Approve Disbursement Reports for January 2026, and Financial Reports for This Fiscal Year Through January 2026.

Attachments

1. Disbursements Report for January 1 through January 31, 2026
2. Profit & Loss Budget vs. Actual Report, July 2025 through January 2026
3. Balance Sheet as of January 31, 2026

Redwood Coast Energy Authority Disbursements Report As of January 31, 2026

Type	Date	Num	Name	Memo	Amount
Liability Check	01/02/2026	ACH	Ascensus	1/2/2025 Payroll	-14,910.06
Liability Check	01/02/2026	ACH	Ascensus	1/2/2025 Payroll	-16,410.20
Liability Check	01/02/2026	ACH	EDD	1/2/2025 Payroll	-12,186.59
Liability Check	01/02/2026	ACH	Internal Revenue Service	1/2/2025 Payroll	-38,500.43
Bill Pmt -Check	01/02/2026	ACH	Computershare	Escrow Fee for FSR, 12/18/25-12/17/26	-6,000.00
Bill Pmt -Check	01/02/2026	ACH	Latham & Watkins LLP	Aug 2025- CADEMO legal services	-40,249.60
Bill Pmt -Check	01/02/2026	ACH	Sterling Administration	FSA Healthcare Initial Funding - 50% 2026	-7,392.50
Check	01/02/2026	21963	NEM Customer	NEM Closeout 2025- reissue	-384.63
Check	01/02/2026	21964	NREN Customer	Rebate NREN Equip Res- reissue	-700.00
Check	01/02/2026	21965	NREN Customer	Rebate NREN Equip Res- reissue	-100.00
Check	01/02/2026	21966	NREN Customer	NREN Rebate	-400.00
Check	01/02/2026	21967	NREN Customer	NREN Rebate	-1,296.00
Bill Pmt -Check	01/02/2026	21968	Advanced Security Systems	01/01-3/31/25 Security Monitoring	-285.00
Bill Pmt -Check	01/02/2026	21969	AM Conservation Group, Inc.	Dec drop-shipped RESKits	-4,759.16
Bill Pmt -Check	01/02/2026	21970	City of Arcata	Oct 2025 Excessive Electricity Use Tax	-1,213.76
Bill Pmt -Check	01/02/2026	21971	City of Arcata	Oct 2025 Utility User Tax	-16,713.73
Bill Pmt -Check	01/02/2026	21972	Frontier Energy, Inc.	Oct & Nov 2025 NREN support services	-148,678.68
Bill Pmt -Check	01/02/2026	21973	Hooven & Reese, Inc.	Dec 2025 NCRN construction services	-40,027.19
Bill Pmt -Check	01/02/2026	21974	Humboldt HyCycle	Dec 2025: 4 E-Bike Vouchers	-1,800.00
Bill Pmt -Check	01/02/2026	21975	Law Offices of Susie Berlin	Nov 2025 NREN Legal Services	-765.00
Bill Pmt -Check	01/02/2026	21976	Liebert Cassidy Whitmore	ERC Membership + Liebert Library 2026	-6,050.00
Bill Pmt -Check	01/02/2026	21977	Match Strike Design	Brand Refresh: Phase II Tasks	-3,000.00
Bill Pmt -Check	01/02/2026	21978	NYLEX.net, Inc.	Onsite network support - Jan 2026	-4,909.00
Bill Pmt -Check	01/02/2026	21979	PG&E- EV	Maple Ln Garberville EVSE: 10/03/25-10/23/25	-130.80
Bill Pmt -Check	01/02/2026	21980	PG&E-Office Utility	11/13-12/12/2025 utilities for 633 3rd Street	-1,354.82
Bill Pmt -Check	01/02/2026	21981	PG&E CCA	Nov 2025 CCE Charges	-21,824.11
Bill Pmt -Check	01/02/2026	21982	Revolution Bicycles, Inc.	Dec 2025: E-Bike Vouchers	-1,200.00
Bill Pmt -Check	01/02/2026	21983	Scrapper's Edge	Single sided poster 2'x3'- staff holiday party	-33.08
Bill Pmt -Check	01/02/2026	21984	Taketa, L.	Reimbursement -headphone adapter	-6.58
Bill Pmt -Check	01/02/2026	21985	Times Printing Company	Dec mailers	-713.62
Bill Pmt -Check	01/02/2026	21986	Woodley Island Ship Shop	Dec 2025: 1 E-Bike Voucher	-400.00
Bill Pmt -Check	01/02/2026	21987	Yakovleva, Vera A.	Reimbursement- CalCCA Reg. Directors Mtg	-104.94
Paycheck	01/02/2026	ACH	Employees	Payroll	-94,038.16
Bill Pmt -Check	01/06/2026	ACH	The Energy Authority	CISO123125-DEC25	-111,765.52
Bill Pmt -Check	01/09/2026	ACH	Pitney Bowes-Rental	Mailstation Lease 12/13/25-3/12/26	-105.46
Bill Pmt -Check	01/12/2026	ACH	The Energy Authority	CISO010726	-36,934.70
Bill Pmt -Check	01/15/2026	ACH	The Energy Authority	Monthly TEA Invoice #TEA122025 Dec 2025	-2,867,512.98
Liability Check	01/16/2026	ACH	Ascensus	1/16/2026 Payroll	-15,009.61
Liability Check	01/16/2026	ACH	Ascensus	1/16/2026 Payroll	-16,551.52
Liability Check	01/16/2026	ACH	EDD	1/16/2026 Payroll	-10,442.33
Liability Check	01/16/2026	ACH	Internal Revenue Service	1/16/2026 Payroll	-38,576.33
Bill Pmt -Check	01/16/2026	ACH	CA Dept. of Tax & Fee Administration	Electrical Energy Surcharge Return Q4 2025	-39,546.00
Bill Pmt -Check	01/16/2026	ACH	CalCCA	Operational Member Dues FY 25-26 Q3	-32,958.75
Bill Pmt -Check	01/16/2026	ACH	CalPine Corporation	Dec 2025 Data management	-68,313.33
Bill Pmt -Check	01/16/2026	ACH	Humboldt Sawmill Co.	Dec 2025 Electricity Charge	-356,954.61
Bill Pmt -Check	01/16/2026	ACH	Leapfrog Power, Inc	Dec 2025 RA Invoice	-36,740.00
Bill Pmt -Check	01/16/2026	ACH	SMUD	NREN Sector needs assesment- 9/24-11/30/25	-900.00
Bill Pmt -Check	01/16/2026	ACH	Sonoma Clean Power Authority	Dec 2025 - Flex RA	-261,000.00
Bill Pmt -Check	01/16/2026	ACH	Valley Clean Energy Alliance	MTR RA Swap Agreement- Dec 2025	-24,991.00
Bill Pmt -Check	01/16/2026	ACH	Viridity Energy Solutions, Inc.	Tierra Buena RA-Dec 2025	-16,224.00
Bill Pmt -Check	01/16/2026	ACH	Yaskawa Solectria Solar	External Fans x 3 for RCAM	-394.33

Redwood Coast Energy Authority
Disbursements Report
As of January 31, 2026

Type	Date	Num	Name	Memo	Amount
Bill Pmt -Check	01/16/2026	WIRE	PG&E Voluntary Allocation	Sept 2025 Forecast Price- VA	-49,321.62
Check	01/16/2026	21988	CCE Customer	Refund for overpayment to PG&E Acct x4121	-10.98
Check	01/16/2026	21989	NREN Customer	Rebate NREN Res Equipment	-600.00
Bill Pmt -Check	01/16/2026	21990	Adventures Edge	Dec 2025: 1 E-Bike Voucher	-600.00
Bill Pmt -Check	01/16/2026	21991	Amazon.com	Monthly billing - Dec 2025	-690.27
Bill Pmt -Check	01/16/2026	21992	AT&T	RCAM Router charges 11/19-12/18/25	-163.00
Bill Pmt -Check	01/16/2026	21993	AT&T	RCAM data 12/29/25-01/28/26	-660.01
Bill Pmt -Check	01/16/2026	21994	Braun Blaising & Wynne, P.C.	Regulatory & Procurement legal -Nov 2025	-1,801.14
Bill Pmt -Check	01/16/2026	21995	Briceland Volunteer Fire Department	Rx Burn trainings: 1/11/25, 1/12/25	-8,000.00
Bill Pmt -Check	01/16/2026	21996	Busick, B.	Dec 2025 Purchase Reimbursement	-17.63
Bill Pmt -Check	01/16/2026	21997	Campton Electric Supply	Replacement parts for RCAM GE circuit breaker	-1,533.48
Bill Pmt -Check	01/16/2026	21998	City of Arcata	Nov 2025 Excessive Electricity Use Tax	-932.95
Bill Pmt -Check	01/16/2026	21999	City of Arcata	Nov 2025 Utility User Tax	-11,284.24
Bill Pmt -Check	01/16/2026	22000	City of Eureka-Water	Water service 917 & 633 3rd. St. 11/25-12/29/25	-361.80
Bill Pmt -Check	01/16/2026	22001	CPH Sponsored Programs Foundation	RCAM Task Order services	-6,685.40
Bill Pmt -Check	01/16/2026	22002	Donald Dame	CCE Consulting services- Dec 2025	-276.50
Bill Pmt -Check	01/16/2026	22003	EAN Services, LLC	Car rental- various out of town travel	-264.36
Bill Pmt -Check	01/16/2026	22004	Ed The Plumber Fitz It Right Plumbing LLC	633 3rd St. toilet repair #3	-242.43
Bill Pmt -Check	01/16/2026	22005	Humboldt Bay Coffee Co.	Office Coffee- 917 3rd St.	-34.55
Bill Pmt -Check	01/16/2026	22006	Jacobson Lawyers Group, PLLC	Litigation analysis for TERAS- 12/31/25	-3,942.00
Bill Pmt -Check	01/16/2026	22007	Law Offices of Nancy Diamond	Dec 2025 Legal Services	-6,832.00
Bill Pmt -Check	01/16/2026	22008	NewGen Strategies and Solutions, LLC	Cost of Service & Rate Design- 12/15/25	-13,316.25
Bill Pmt -Check	01/16/2026	22009	North Coast Cleaning Services, Inc.	Dec 2025 office cleaning	-1,090.00
Bill Pmt -Check	01/16/2026	22010	Optimum Business-633	633 3rd St: Phone & Internet - 01/1/26-01/31/26	-1,101.92
Bill Pmt -Check	01/16/2026	22011	Pacific Paper Company	Jan 2025 office equipment - chairs	-666.99
Bill Pmt -Check	01/16/2026	22012	PG&E- EV	Dec 2025 Maple & Carlson Park EVSE	-184.86
Bill Pmt -Check	01/16/2026	22013	Shred Aware	Shredding services - Dec 2025	-68.95
Bill Pmt -Check	01/16/2026	22014	Stephens Electrical, Inc	Dec 2025 - RRGp design-build	-79,325.00
Bill Pmt -Check	01/16/2026	22015	Times Printing Company	Jan 2025 mailers	-1,352.12
Bill Pmt -Check	01/16/2026	22016	Ubeo Business Services	633+ 917 3rd St Printer Charges: 12/06-01/05/26	-152.32
Bill Pmt -Check	01/16/2026	22017	Yaskawa Solectria Solar	VOID: External Fans x 3 for RCAM	0.00
Paycheck	01/16/2026	ACH	Avcollie, Michael	Payroll	-93,061.64
Check	01/18/2026	ACH	VISA- Commercial Card	Payment for Statement Date 12/30/25	-16,362.76
Bill Pmt -Check	01/20/2026	ACH	The Energy Authority	CISO011426	-71,300.78
Check	01/21/2026	Debit	Columbia Bank	Service Charge	-229.42
Check	01/21/2026	Debit	Columbia Bank	Service Charge	-374.18
Bill Pmt -Check	01/27/2026	ACH	The Energy Authority	CISO012126-JAN26	-69,087.72
Bill Pmt -Check	01/30/2026	ACH	Baker Tilly Advisory Group, LP	Energy Tax Credit Analysis- 12/31/25	-13,467.56
Bill Pmt -Check	01/30/2026	ACH	EDPR CA Solar Park LLC II	Dec 2025-Contract Energy	-205,766.97
Bill Pmt -Check	01/30/2026	ACH	Frontier Energy, Inc.	Dec 2025 - NREN services	-63,112.17
Bill Pmt -Check	01/30/2026	ACH	John Winzler	Office Lease - 633 3rd St.	-8,144.97
Bill Pmt -Check	01/30/2026	ACH	Mendocino Council of Governments	NREN Implementation Task Orders Q1 2026	-152,651.70
Bill Pmt -Check	01/30/2026	ACH	SMUD	NREN sector needs assesment- 12/1/25-12/31/25	-2,340.00
Bill Pmt -Check	01/30/2026	ACH	Snow Mountain Hydro, LLC	Dec 2025 Electricity	-52,138.00
Bill Pmt -Check	01/30/2026	ACH	Wex Health, Inc	Monthly COBRA Payment	-23.88
Bill Pmt -Check	01/30/2026	ACH	Viridity Energy Solutions, Inc.	Tierra Buena RA-Jan 2026	-16,224.00
Liability Check	01/30/2026	ACH	CICCS Coalition for Controlling Insurance	Jan 2026 Premiums	-68.68
Liability Check	01/30/2026	ACH	Colonial Life	Feb 2026 Premiums	-4,092.60
Liability Check	01/30/2026	ACH	EDD	1/30/26 Payroll Taxes	-9,807.38
Liability Check	01/30/2026	ACH	Internal Revenue Service	1/30/26 Payroll Taxes	-39,698.58
Liability Check	01/30/2026	ACH	Keenan	Feb 2026 Premiums	-53,724.51

Redwood Coast Energy Authority Disbursements Report As of January 31, 2026

Type	Date	Num	Name	Memo	Amount
Liability Check	01/30/2026	ACH	Principal Life Insurance Company	Feb 2026 Premiums	-126.02
Liability Check	01/30/2026	ACH	Ascensus	1/30/26 Payroll	-14,503.94
Liability Check	01/30/2026	ACH	Ascensus	1/30/26 Payroll	-16,132.23
Bill Pmt -Check	01/30/2026	WIRE	Foster Clean Power A, LLC	Oct-Dec 2025 Electricity	-74,419.17
Bill Pmt -Check	01/30/2026	WIRE	Foster Clean Power B, LLC	Oct-Dec 2025 Electricity	-72,963.22
Check	01/30/2026	22018-33	NREN Customers	NREN Rebates	-9,862.04
Check	01/30/2026	22034-50	NEM Customers	2026 NEM Term Account Closeout	-3,960.10
Bill Pmt -Check	01/30/2026	22051	Adventures Edge	Jan 2026 - E-bike vouchers	-1,000.00
Bill Pmt -Check	01/30/2026	22052	AM Conservation Group, Inc.	NREN Res Kits- RCEA Qty. 7	-732.16
Bill Pmt -Check	01/30/2026	22053	Arcata Technology Center	Site Host Reimbursement 10/01-12/31/2025	-398.53
Bill Pmt -Check	01/30/2026	22054	AT&T	RCAM charges - 01/07-02/06//26	-331.95
Bill Pmt -Check	01/30/2026	22055	Blue Lake Rancheria	Site Host Reimbursement 10/01-12/31/2025	-718.60
Bill Pmt -Check	01/30/2026	22056	Burks, E.	Reimbursement for lodging: Lobby Day B.Burks	-390.00
Bill Pmt -Check	01/30/2026	22057	Busick, B.	Jan 2026 Mileage Reimbursement	-74.68
Bill Pmt -Check	01/30/2026	22058	California Planning Roundtable	2026 Annual Dues for Elizabeth Burks- RCEA	-275.00
Bill Pmt -Check	01/30/2026	22059	Carter Properties	917 3rd Street Office Lease - Feb 2026 rent	-2,450.00
Bill Pmt -Check	01/30/2026	22060	City of Arcata	Site Host Reimbursement 10/01-12/31/2025	-1,149.26
Bill Pmt -Check	01/30/2026	22061	City of Blue Lake	Site Host Reimbursement 10/01-12/31//2025	-1,004.64
Bill Pmt -Check	01/30/2026	22062	City of Eureka - REVNet	Site Host Reimbursement 10/01-12/31/2025	-848.25
Bill Pmt -Check	01/30/2026	22063	City of Eureka - Wharfinger&NEM	Venue Rental: Wharfinger- staff mtg 3/12/26	-370.00
Bill Pmt -Check	01/30/2026	22064	City of Trinidad	Site Host Reimbursement 10/01-12/31/2025	-690.70
Bill Pmt -Check	01/30/2026	22065	Daynard Electric	633 3rd st. Electrical repairs	-225.00
Bill Pmt -Check	01/30/2026	22066	Eureka Concert and Film Center	Facility Rental for 12/18/25 Staff Holiday Party	-290.00
Bill Pmt -Check	01/30/2026	22067	Ferndale Chamber of Commerce	2026 Annual Membership	-100.00
Bill Pmt -Check	01/30/2026	22068	Humboldt Area Chapter CSDA	Humboldt CSDA Dues 2026	-50.00
Bill Pmt -Check	01/30/2026	22069	Humboldt Bay Coffee Co.	Office Coffee- 633 3rd St.	-59.10
Bill Pmt -Check	01/30/2026	22070	Kilowatt Engineering, Inc.	NMEC Program Support - NREN Dec 2025	-20,095.00
Bill Pmt -Check	01/30/2026	22071	LEAN Energy US	2026 Annual Membership- Gigawatt level	-15,000.00
Bill Pmt -Check	01/30/2026	22072	Mission Linen & Uniform Service	Jan 2026 Janitorial Service	-297.81
Bill Pmt -Check	01/30/2026	22073	NewGen Strategies and Solutions, LLC	Cost of Service & Rate Design thru 01/15/25	-11,262.50
Bill Pmt -Check	01/30/2026	22074	North Coast Unified Air Quality	Site Host Reimbursement 10/01-12/31/2025	-761.81
Bill Pmt -Check	01/30/2026	22075	NYLEX.net, Inc.	Onsite network support services - Feb 2026	-4,909.00
Bill Pmt -Check	01/30/2026	22076	Open Door Community Health Center	Site Host Reimbursement 10/01-12/31/2025	-884.07
Bill Pmt -Check	01/30/2026	22077	Pacific Paper Company	Office supplies	-160.16
Bill Pmt -Check	01/30/2026	22078	PG&E- EV	Dec. EVSE Charges	-2,971.38
Bill Pmt -Check	01/30/2026	22079	PG&E-Office Utility	Jan 2026 Utilitties	-2,107.28
Bill Pmt -Check	01/30/2026	22080	PG&E - ACV- 6674-0	ACV site utilities 12/01/25- 12/31/25	-164.29
Bill Pmt -Check	01/30/2026	22081	PG&E CCA	Dec 2025 CCE Charges	-21,873.46
Bill Pmt -Check	01/30/2026	22082	Premier Financial Group, Inc.	Advisory Fee for Q4 2025	-4,570.20
Bill Pmt -Check	01/30/2026	22083	Reider, S	Mileage Reimbursement-Jan 2026	-43.65
Bill Pmt -Check	01/30/2026	22084	Revolution Bicycles, Inc.	Jan 2026: 1 E-Bike Voucher	-400.00
Bill Pmt -Check	01/30/2026	22085	Rodriguez, Louis	Purchase reimbursement - Jan 2026	-13.19
Bill Pmt -Check	01/30/2026	22086	Southern Humboldt Chamber	2026 Annual Membership	-325.00
Bill Pmt -Check	01/30/2026	22087	St. Joseph Hospital, Eureka	Site Host Reimbursement 10/01-12/31/2025	-5,111.81
Bill Pmt -Check	01/30/2026	22088	Terry, P.	Per Diem for CEDMC EM&V Forum	-161.00
Bill Pmt -Check	01/30/2026	22089	Willow Creek Chamber of Commerce	2026 Annual Membership	-150.00
Bill Pmt -Check	01/30/2026	22090	Lake County/City Area Planning Council	Advance Payment for Task Orders 8-14	-167,766.48
Liability Check	01/30/2026	22091	Ameritas Life Insurance Corp.- Vision	Feb 2026 Premiums	-524.20
Liability Check	01/30/2026	22092	Ameritas Life Insurance Corp. - Dental	Feb 2026 Premiums	-3,088.20
Paycheck	01/30/2026	ACH	Employees	Payroll	-94,926.49
TOTAL					<u>-6,045,339.95</u>

Redwood Coast Energy Authority
Profit & Loss Budget vs. Actual
July 2025 through January 2026

	<u>Jul '25 - Jan 26</u>	<u>Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense			
Income			
Total 4 GRANTS AND DONATIONS	2,500.00		
5 REVENUE EARNED			
Total 5000 · Revenue - government agencies	7,378,140.20	11,331,517.00	65.11%
Total 5100 · Revenue - program related	480,466.17	77,000.00	623.98%
Total 5300 · Revenue - Interest Earned	749,253.63		
Total 5400 · Revenue-nongovernment agencies	287,267.79	296,090.00	97.02%
Total 5500 · Revenue - Electricity Sales	<u>40,803,229.73</u>	<u>71,539,945.00</u>	<u>57.04%</u>
Total 5 REVENUE EARNED	<u>49,698,357.52</u>	<u>83,244,552.00</u>	<u>59.7%</u>
Total Income	<u>49,700,857.52</u>	<u>83,244,552.00</u>	<u>59.71%</u>
Gross Profit	49,700,857.52	83,244,552.00	59.71%
Expense			
Total 6 WHOLESALE POWER SUPPLY	26,458,564.38	57,617,586.00	45.92%
Total 7 PERSONNEL EXPENSES	3,094,163.89	6,404,096.00	48.32%
Total 8.1 FACILITIES AND OPERATIONS	757,782.94	2,171,607.00	34.9%
Total 8.2 COMMUNICATIONS AND OUTREACH	137,196.88	363,250.00	37.77%
8.4 PROFESSIONAL & PROGRAM SRVS			
8400 · Regulatory	93,921.75	150,000.00	62.62%
Total 8410 · Contracts - Program Related Ser	4,193,328.81	6,775,186.00	61.89%
8420 · Accounting	169,503.42	228,000.00	74.34%
8430 · Legal	121,134.64	249,000.00	48.65%
8450 · Wholesale Services - TEA	628,146.99	896,946.00	70.03%
8460 · Procurement Credit - TEA	83,045.77	572,390.00	14.51%
8470 · Data Management - Calpine	477,932.89	808,002.00	59.15%
8480 · Customer Billing - PG&E	<u>153,073.13</u>	<u>256,634.00</u>	<u>59.65%</u>
Total 8.4 PROFESSIONAL & PROGRAM SRVS	<u>5,920,087.40</u>	<u>9,936,158.00</u>	<u>59.58%</u>
Total 8.6 INCENTIVES & REBATES	<u>206,183.06</u>	<u>1,622,655.00</u>	<u>12.71%</u>
Total 9 NON OPERATING COSTS	<u>61,010.58</u>	<u>129,200.00</u>	<u>47.22%</u>
Total Expense	<u>36,634,989.13</u>	<u>78,244,552.00</u>	<u>46.82%</u>
Net Ordinary Income	<u>13,065,868.39</u>	<u>5,000,000.00</u>	<u>261.32%</u>
Net Income	<u><u>13,065,868.39</u></u>	<u><u>5,000,000.00</u></u>	<u><u>261.32%</u></u>

Redwood Coast Energy Authority
Balance Sheet
As of January 31, 2026

	<u>Jan 31, 26</u>
ASSETS	
Current Assets	
Checking/Savings	
1010 · Petty Cash	300.00
1060 · Umpqua Checking Acct 0560	332,635.39
1071 · Umpqua Deposit Cntrol Acct 8215	4,338,577.87
1075 · Umpqua Reserve Account 2300	27,073,371.64
1077 · JP Morgan Chase Act 74999	386,207.84
1078 · CA CLASS Reserve Fund 0001	13,279,937.84
Total Checking/Savings	<u>45,411,030.58</u>
Total Accounts Receivable	2,949,892.24
Other Current Assets	
1101 · Allowance for Doubtful Accounts	-9,167,260.50
1103 · Electricity Receivable	18,870,879.13
1120 · Inventory Asset	21,822.24
1205 · Prepaid Insurance	-180.79
1210 · Retentions Receivable	100,658.82
Total Other Current Assets	<u>9,825,918.90</u>
Total Current Assets	<u>58,186,841.72</u>
Total Fixed Assets	10,632,617.82
Other Assets	
1700 · Security Deposits	795,336.40
Total Other Assets	<u>795,336.40</u>
TOTAL ASSETS	<u>69,614,795.94</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Total Accounts Payable	3,819,081.15
Total Credit Cards	6,169.77
Other Current Liabilities	
2002 · Deposits Refundable	1,593,220.01
2011 · NEM Escrow Liability	403,138.14
2013 · Unearned Revenue	5,030,325.63
Total 2100 · Payroll Liabilities	<u>229,052.06</u>
Total 2200 · Accrued Expenses	<u>14,582.04</u>
Total Other Current Liabilities	<u>7,270,317.88</u>
Total Current Liabilities	<u>11,095,568.80</u>
Total Long Term Liabilities	<u>5,723,553.38</u>
Total Liabilities	16,819,122.18
Equity	
3900 · Fund Balance	39,729,805.37
Net Income	13,065,868.39
Total Equity	<u>52,795,673.76</u>
TOTAL LIABILITIES & EQUITY	<u>69,614,795.94</u>



Staff Report

Agenda Item # 5.3

Information

Agenda Date	March 26, 2026
To	Board of Directors
Prepared by	Faith Carlson, Regulatory and Legislative Policy Manager Kyle Groben, Regulatory and Legislative Policy Intern
Subject	Federal Activity Report

Summary

The attached report was generated by the Local Energy Aggregation Network (LEAN Energy) lobbyist. LEAN is a non-profit organization founded in 2011 that focuses on the success and advancement of CCA programs across the nation through support, resources, and expertise. Their core services consist of outreach, CCA market analysis, regulatory and legislative affairs, federal engagement, and market development.

After the LEAN monthly report was finalized, the U.S. strikes on Iran pushed energy issues further into the spotlight. Oil costs have jumped over 6% since the attacks began, as Iranian forces closed the Strait of Hormuz which typically sees 20% of waterborne oil and gas shipments from the Persian Gulf. This has caused the price of oil per barrel to rise as high as \$119/barrel, nearly double the price from two weeks prior. Although many of the details of the plan are unknown, President Trump announced plans on March 3 to provide insurance guarantees for maritime trade and to have the Navy escort ships through the Strait of Hormuz. The rising energy prices have dominated congressional discussions since the conflict in the Middle East began, with both sides of the aisle weighing in. While the attacks on Iran could lead to energy policy taking center stage ahead of this year's midterm elections, the congressional focus on the attacks may overshadow other energy policy efforts. As lawmakers devote floor time to debating the conflict, efforts such as permitting reform negotiations or addressing electricity cost drivers could be delayed or sidelined.

Alignment with RCEA's Strategic Plan

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

The cost of LEAN membership and staff time required to track federal activity are included in the RCEA budget.

Staff Recommendation

Receive federal activity report.

Attachments

1. LEAN CCA Monthly Federal Report



Executive Summary

In February, Congress spent much of its time debating the ongoing funding lapse facing the Department of Homeland Security (DHS), which began on February 13, as well as U.S. intervention in Venezuela, leaving limited floor time for energy issues.

Congressional actions that occurred over the month and were monitored by LEAN included the House passing legislation that would roll back certain energy efficiency standards and funding; there are currently no companion bills in the Senate. The Senate Energy and Natural Resources Committee also held a hearing on the nominations of David LaCerte to serve another term on the Federal Energy Regulatory Commission and Kyle Haustveit to be Undersecretary of Energy at the Department of Energy.

The Administration generated several noteworthy headlines as well. President Trump delivered the State of the Union address, highlighting his administration's data center policy. In addition, the Environmental Protection Agency announced plans to repeal the 2009 Endangerment Finding, and the Treasury Department and Internal Revenue Service released initial guidance on the foreign entity of concern provisions for clean energy tax credits.

Finally, the Supreme Court struck down tariffs enacted by President Trump under the International Emergency Economic Powers Act. In response, President Trump announced plans to implement a 15 percent global tariff rate, while companies have begun seeking refunds for billions of dollars paid under the invalidated tariffs.

Congressional Actions

1. House Passes Energy Efficiency Rollback Legislation

During the week of Feb. 23, the House passed two bills, the "Home Appliance Protection and Affordability Act" (H.R. 4626) and the "Homeowner Energy Freedom Act" (H.R. 4758). On Feb. 24, the House passed H.R. 4626 by a vote of 217-190, with seven Democrats joining Republicans. The bill, sponsored by Rep. Rick Allen (R-GA), would give the Energy Secretary greater authority to repeal energy efficiency standards if they are found to raise upfront costs, are technologically unfeasible, or would impact the products' availability. Beyond this, the bill would prohibit new efficiency standards if it were deemed that the increase to the upfront cost is not recouped by the projected consumer savings within three years. On Feb. 25, the House passed H.R. 4758 by a vote of 210-199, along party lines. The bill would repeal funds from the Inflation Reduction Act designed to provide rebates to help low- and middle-income households pay for home energy efficiency improvements, as well as workforce-training funds. **The passage of these bills comes as part of a broader effort by House Republicans to rollback energy efficiency programs.**

2. Senate Energy and Natural Resources Committee Advances Energy Nominees

On Mar. 4, the Senate Energy and Natural Resources Committee advanced the nominations of Federal Energy Regulatory Commission (FERC) Commissioner David LaCerte by a vote of 12-8 and



Kyle Haustveit by a vote of 11-9, mostly along party lines. The nominees will now advance to the full Senate for consideration. Commissioner LaCerte, who was previously sworn in in October for a partial term lasting through June 2026, has been nominated for another term ending in June 2031. Haustveit, who currently serves as the assistant secretary for the Office of Hydrocarbons and Geothermal Energy, has been nominated as Department of Energy (DOE) Undersecretary of Energy.

The Committee's vote followed a Feb. 25 hearing, where members questioned the nominees on several current energy policy issues. Commissioner LaCerte faced questions regarding permitting delays for building new transmission lines and suggested that new baseload power generation should be built close to power demand centers, in order to avoid long distance transmission. **Commissioner LaCerte's renomination would maintain the 3-2 Republican majority on FERC.** Haustveit faced questions from Committee Ranking Member Martin Heinrich (D-NM) regarding his commitment to expanding energy generation from all sources, **to which Haustveit emphasized support for a "best of the above" approach to energy deployment and stated that he will prioritize affordability and reliability.** Sen. Lisa Murkowski (R-AK) pushed back on his comments, stating that the federal government should not be picking winners and losers, and that DOE has a responsibility to support a broad range of energy sources, including renewables.

Administration Actions

1. EPA Repeals 2009 Endangerment Finding

On Feb. 12, President Trump and U.S. Environmental Protection Agency (EPA) Administrator Lee Zeldin announced the **repeal of the 2009 Endangerment Finding, a technical conclusion that greenhouse gases (GHGs) endanger public health and welfare, which serves as the legal underpinning for all other federal regulatory control of GHGs.** In its announcement, EPA stated that it reevaluated the legal basis for the finding and the Clean Air Act (CAA) in light of subsequent legal developments, concluding that Section 202(a) of the CAA does not authorize EPA to regulate motor vehicle and engine emissions to address global climate change and, therefore, does not provide a valid legal foundation for the Endangerment Finding or the regulations that followed. EPA further asserted that the 2009 determination exceeded the agency's statutory authority and that policy decisions of such economic and national significance rest with Congress, not the agency. The first lawsuits challenging the repeal were filed on Feb. 18, following its publication in the *Federal Register*. These lawsuits are expected to be accompanied by at least one other, from Democratic-led states. All the legal challenges filed to the repeal will likely be consolidated to the D.C. Circuit Court of Appeals.

2. President Trump Unveils Data Center Agreement

On Feb. 24, President Trump delivered his State of the Union address where he discussed his **"Ratepayer Protection Pledge" promising to prevent rising energy costs associated with data center development, an issue that LEAN has been tracking.** In his discussion of energy policy, President Trump emphasized his stance on data centers by restating his argument that major tech companies should shoulder more responsibility for powering AI infrastructure, rather than relying on the existing grid and pushing costs onto everyday customers. Following the address, on March 4, President Trump officially unveiled the agreement at a White House ceremony. As part of the pledge, companies who signed on, such as Google, Microsoft, Meta, Oracle, xAI, OpenAI and Amazon, agreed to protect



ratepayers from increased energy costs by building or paying for the energy needs of their data centers. Beyond this, the companies agreed to train and hire individuals within the communities the data centers are located, in order to promote jobs and economic growth for these communities. In return for agreeing to the pledge, President Trump is offering faster permitting and approval of power projects. However, as a nonbinding agreement, the administration has no official mechanisms for enforcing the deal.

Congressional Republicans expressed their approval for the President's pledge, with Sen. Josh Hawley (R-MO) stating that he would support legislation to allow data center developers to build their own power supply. However, Senate Democrats such as Sen. Mark Kelly (D-AZ) were less supportive, arguing that such an agreement does not provide enough guarantees against costs for ratepayers.

3. Treasury Department Issues Initial FEOC Tax Guidance

On Feb. 12, the Treasury Department and Internal Revenue Service issued initial guidance regarding the foreign entity of concern (FEOC) restrictions placed on clean energy tax credits by the One Big Beautiful Bill Act, an issue that LEAN has been tracking. Certain clean energy tax credits — including the clean electricity production credit (Section 45Y), clean electricity investment credit (Section 48E), and advanced manufacturing production credit (Section 45X) — may be denied if a project receives “material assistance” from a prohibited foreign entity (PFE), which includes companies that are owned, controlled, or influenced by certain foreign countries identified as covered nations, such as China, Russia, Iran, and North Korea. Of note to CCAs, the guidance states that the administration intends to propose regulations regarding the definition of PFE and the calculation of the material assistance restrictions that determine how much of a project's components can be linked to a covered foreign nation before losing tax credit eligibility. Beyond this, the notice includes interim safe harbor guidance to calculate the material assistance cost ratios prior to the release of these regulations.

Judicial Actions

1. Supreme Court Strikes Down Tariffs

The Supreme Court issued a ruling on Feb. 20, striking down the sweeping tariffs imposed by President Trump. In a 6-3 decision, with Chief Justice John Roberts and Justices Amy Coney Barrett and Neil Gorsuch joining the three liberal justices, ruled that the International Emergency Economic Powers Act (IEEPA) does not authorize the president to impose tariffs, rejecting the administration's expansive reading of the statute. The majority opinion noted that Congress must clearly authorize executive action on economically and significant matters under the major questions doctrine. Last February, President Trump had cited the illicit drugs coming across the U.S. border and a lack of reciprocity in bilateral trade as national emergencies that granted him the authority to impose tariffs under IEEPA. While the ruling invalidates many of the sweeping tariffs the Trump administration has imposed, sector specific tariffs, such as those on aluminum and copper, will remain in place as they rely on separate legal authorities and were not challenged in this case. **The court's decision is expected to impact most industries, including the energy sector. Many companies will likely be seeking refunds for the billions paid in tariffs that have now been invalidated.** In response to the ruling, President Trump announced he will implement up to a 15 percent global tariff rate, the maximum allowed under statute.

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Staff Report

Agenda Item # 5.4

Information

Agenda Date	March 26, 2026
To	Board of Directors
Prepared by	Lori Taketa, Clerk of the Board
Subject	Community Advisory Committee At-Large Member Appointment

Background

RCEA's Board established the Community Advisory Committee (CAC) to support RCEA public engagement efforts and provide decision-making support and input. CAC members helped educate Humboldt County residents about community choice aggregation and gathered community input during the Community Choice Energy (CCE) program's launch period. Staff routinely ask the CAC for input on issues such as energy efficiency kit contents and potential uses for the Sandrini Battery Storage Project's Community Benefits Fund.

CAC applicants and appointed members must commit to supporting RCEA's mission and to align their advice with the long-term success of the agency. The CAC is a Brown Act, California open meeting law compliant body. CAC members are subject to all applicable conflict of interest laws. Appointees must complete a Fair Political Practices Commission Statement of Economic Interest, a public document disclosing the member's personal financial interests.

Each Board Director may nominate a CAC member to serve a 2-year term. The County may nominate up to three CAC members. Two at-large seats are filled through an open application process every two years. At-large incumbents Colin Fiske and Pliny McCovey decided to end their CAC service at the end of this 2-year term on March 31.

Summary

The Board appointed Carol Schmitt to fill one of two at-large CAC vacancies at the February 26 meeting. Staff reopened the at-large application period and received an application from Hope Sakho. CAC liaisons and at-large application review committee members Sarah Schaefer and Scott Bauer reviewed Ms. Sakho's application and enthusiastically supported her nomination.

Hope Sakho majored in Energy Systems Engineering at Cal Poly Humboldt and currently works as the Bear River Rancheria's Renewable Energy Coordinator.

Should Ms. Sakho be appointed to fill the second at-large seat on the CAC, four member-nominated committee vacancies (Blue Lake Rancheria, Fortuna, Rio Dell, Yurok Tribe) will remain.



Equity Impacts

CAC members have opportunities to further RCEA goals that benefit underserved population segments; promote racially-diverse inclusion in energy infrastructure or policy decision making; access to energy, energy efficiency services and freedom from pollution. Staff recommend considering these goals as well as Committee member diversity and inclusion when appointing members to fill these vacancies.

Alignment with RCEA's Strategic Plan

The CAC's work supports RCEA's public engagement efforts and provides decision-making support and input to the Board for the implementation of the agency's strategic plan goals.

Financial Impact

CAC member appointments do not affect the adopted RCEA budget.

Staff Recommendation

Appoint Hope Sakho to a Community Advisory Committee at-large seat for a two-year term ending on March 31, 2028.

Attachments

None.



Staff Report

Agenda Item # 5.5

Information

Agenda Date	March 26, 2026
To	Board of Directors
Prepared by	Lori Biondini, Business Planning and Finance Director
Subject	Amendment 3 to TEA Task Order 1, Credit Solutions Terms

Summary

Authorize Amendment 3 to 2021 Task Order 1 for Operational Services with The Energy Authority, Inc. (TEA), which updates the Credit Solution terms and conditions and corrects a section referring to missing Exhibits. The Credit Solution fee structure in the attached agreement is redacted as commercially sensitive business terms that, if made publicly available, may lead to loss of competitive advantage. Structures such as these are unique to individual TEA customers and are based on financial and business information specific to the business relationship between TEA and RCEA. Financial contact information has also been redacted due to security reasons.

Credit Solution

The Monthly Credit Solution Fee owed to TEA is determined by RCEA's average cash balance or credit rating. Amendment 3 would slightly amend the fee structure in RCEA's favor. Amendment 3 would also change the calculation of RCEA's average cash balance to include investment accounts.

Deposit Account Control Agreements (DACAs)

The specific form of DACA, referred to in Task Order 1 as Exhibits, is recently changed by RCEA's bank, Columbia Bank, prompting RCEA and TEA's legal counsel to agree on removing the references and adding descriptive terms about the DACAs instead.

Background

RCEA has engaged with TEA for power portfolio management and other services since 2016 through a Resource Management Agreement and issued Task Orders for specific services as needed. Task Order 1 for Operational Services includes terms by which TEA procures short-term wholesale energy on behalf of RCEA. One of these terms is a Credit Solution which describes how TEA extends credit to RCEA through a transaction fee which is based on RCEA's perceived credit risk. The Credit Solution terms were last updated via Amendment 2 to 2021 Task Order 1 for Operational Services in May 2024.



Equity Impacts

Operational efficiency; not directly applicable.

Alignment with RCEA's Strategic Plan

Operational efficiency; not directly applicable.

Financial Impact

Approving Amendment 3 may reduce Professional and Program Service expenses by tens of thousands of dollars per year. Last fiscal year RCEA paid the lowest Credit Solution Fee per megawatt-hour, for a total of \$142,357. Although the amount of short-term wholesale energy that TEA procures for RCEA varies month-to-month based on load and RCEA's overall energy portfolio, the Credit Solution Fees going forward will be reduced if RCEA's cash accounts show a consistent combined balance near or at the current cash reserve target.

Staff Recommendation

Authorize Amendment 3 to 2021 Task Order for Operational Services with The Energy Authority, Inc. and Authorize the Executive Director to Execute the Amendment and All Associated Documents.

Attachments

1. Amendment 3 to 2021 Task Order 1 for Operational Services with The Energy Authority, Inc.

Amendment No. 3 to 2021 Task Order 1

This Amendment No. 3 to 2021 Task Order 1 for Operational Services (“Amendment No. 3”) is entered into effective as of January 1, 2026 (the “Amendment No. 3 Effective Date”), subject to the terms and conditions of the 2021 Task Order 1 for Operational Services dated the 1st day of April, 2021, as amended September 24, 2021 and April 1, 2024 (collectively, “Task Order 1”) between **The Energy Authority, Inc.** (“TEA”) and **Redwood Coast Energy Authority** (“RCEA”). TEA and RCEA are sometimes referred to herein individually as a “Party,” or collectively as the “Parties.”

Recitals

WHEREAS, pursuant to Task Order 1, TEA provides a Credit Solution, as defined therein, that enables RCEA to transact with wholesale market participants for all short-Term Transactions;

WHEREAS, the Credit Solution is subject to RCEA meeting certain obligations, including maintaining minimum balances in the Lockbox Account and the Reserve Account (each as defined therein), maintaining in full force and effect deposit account control agreements, and paying a monthly Credit Solution Fee, as defined therein, based on RCEA’s total monthly energy requirements; and

WHEREAS, the Parties wish to amend Task Order 1 to revise the Credit Solution Fee and form of the deposit account control agreement as provided herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the following terms and conditions.

Terms and Conditions

1. Amendments to Task Order 1. The Parties hereby agree to amend Task Order 1 as follows:

A. Section 4.1.3 (Credit Solution) is hereby deleted in its entirety and replaced with the following:

“4.1.3 Credit Solution.

For the Credit Solution defined in Section 2 of this 2021 Task Order 1, RCEA shall pay TEA on a monthly basis the Credit Solution Fee shown in the table below multiplied by RCEA's total monthly wholesale energy requirements (the "Credit Solution Fees"), in addition to any amounts owed under Section 4.1.1 and 4.1.2 contained herein. Collectively, the Operational Fees and Credit Solution Fees shall be referred to as "Monthly Service Fees.

	Monthly Credit Solution Fee (\$ per megawatt-hour of wholesale load)				
Average Cash Balance or Credit Rating**	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
January 1, 2026 and continuing under any future Renewal Terms as provided for in Section 3.1	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

** Average amount based upon the combined daily balance in Reserve, Lock-Box Pledge and investment Accounts maintained per RCEA’s Investment Policy during preceding 90 days, calculated at the beginning of each month. Credit ratings are the lowest rating to be provided by Standard & Poor’s, Moody’s, or Fitch Rating Services.”

B. Section 2.1 (Lock-Box Pledge Account) and Section 2.2 (Reserve Account) are hereby amended to delete references to Exhibit A and Exhibit B as follows:

1) **Section 2.1(1):** Delete second sentence in its entirety and replace with the following:

“Accordingly, as a condition to TEA entering into Transactions on RCEA’s behalf, RCEA shall continue to maintain in full force and effect a deposit account control agreement, as approved and executed by the Parties (the “Control Agreement”).”

2) **Section 2.2(1):** Delete second sentence in its entirety and replace with the following:

“Accordingly, as a condition to TEA entering into Transactions on RCEA’s behalf, RCEA shall continue to maintain in full force and effect a deposit account control agreement, as approved and executed by the Parties (the “Reserve Control Agreement”).”

The remainder of these Sections 2.1 and 2.2 remain in full force and effect.

C. Section 7.6 (Payment Information) is hereby amended to update the contact information related to payment as follows:

The Energy Authority, Inc.

[REDACTED]
[REDACTED]
[REDACTED]

The remainder of this Section 7.6 remains in full force and effect.

2. General.

A. Headings. Headings or captions contained in this Amendment No. 3 are solely for the convenience of the Parties and shall not affect the construction or interpretation of any of the provisions of this Amendment No. 3.

B. Amendment. Except as otherwise provided in this Amendment No. 3, Task Order 1 remains in full force and effect. This Amendment No. 3 may be amended by an instrument in writing signed by an authorized representative of each Party.

C. Counterparts and Electronic Signatures. This Amendment No. 3 may be executed in counterparts, each of which shall constitute an original, but all of which shall constitute one agreement. Electronic signatures of authorized representatives of the Parties to this Amendment No. 3, in PDF or other mutually acceptable digital formats (e.g., DocuSign or Adobe Sign), shall be deemed originals for all purposes and shall have the same force and effect as manually executed original signatures.

Signatures appear on following page

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment No. 3 to be executed by their respective authorized representatives as of the Amendment No. 3 Effective Date.

The Energy Authority, Inc.

Redwood Coast Energy Authority

By: _____
Name: Joanie C. Teofilo
Title: President and CEO

By: _____
Name:
Title:

ATTEST:

Name:
Board Clerk



Staff Report

Agenda Item # 7.1

Information

Agenda Date	March 26, 2026
To	Board of Directors
Prepared by	Forrest Novotny, Power Resources Specialist Matias Concoby, Power Resources Analyst
Subject	Analysis of Changes to RCEA's CCE Customer Load

Background

As part of their semiannual energy risk management report presented to the Board at their May 2025 meeting, staff indicated that the electric load served by RCEA's community choice energy (CCE) program has been declining year over year. Board members expressed interest in hearing a more detailed report on this at a future meeting.

Summary

The decline in load appears to be due to a combination of factors, and it is not clear whether the decline will continue. At this meeting, staff will discuss and quantify the change in load and factors that appear to be contributing to it.

Equity Impacts

None - this is an informational item presented per Board members' request.

Alignment with RCEA's Strategic Plan

None - this is an informational item presented per Board members' request.

Financial Impact

None - this is an informational item presented per Board members' request.

Staff Recommendation

None – informational only.

Attachments

None – a slide presentation will be reviewed with the Board at the meeting.

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Staff Report

Agenda Item # 7.2

Information

Agenda Date	March 26, 2026
To	Board of Directors
Prepared by	Faith Carlson, Regulatory and Legislative Policy Manager Kyle Groben, Regulatory and Legislative Policy Intern
Subject	Diablo Canyon Operations Extension – Policy Decision Making

Summary

The report presents an update on the operations and extension of Diablo Canyon Power Plant (DCPP), explaining its background, recent and pending permitting processes, existing RCEA policy, and recent policy developments.

Background

Diablo Canyon Nuclear Power Plant Operations and Extension

DCPP is a nuclear power plant operated by Pacific Gas and Electric (PG&E). DCPP is located near Morro Bay in San Luis Obispo County on the central coast and was opened in 1985. As of 2013, DCPP is the only operational nuclear plant in California. It is composed of two 4-loop pressurized water reactors. These two units produce approximately 9% of California's energy generation at 18,000 GW hours annually, equivalent to roughly 10% of energy in the California grid.

DCPP utilizes once-through cooling system (OTC), drawing ocean water which condenses steam that drives the turbines. This water is recycled and is returned to the ocean at no warmer than 22 degrees Fahrenheit above the nearby ocean's ambient temperature. This has contributed to a unique marine habitat atypical to the central coast.¹

DCPP is situated in proximity to three fault lines (Shoreline, Hosgri, and San Andreas) and is designed to be able to withstand an earthquake of 7.5 magnitude.

¹ <https://www.nrc.gov/docs/ML1116/ML11166A179.pdf>

In 2016, PG&E applied to schedule retirement of the plant for 2025, citing increasing operations costs. The California Public Utilities Commission (CPUC) approved this application September 2020.²

August 2020 a heat wave led to load spikes, and the state saw rolling outages due to insufficient reliability resources.³ In September of 2022, during another heat wave, policymakers became concerned that with DCCP replacement resources not yet online, the state could see an increase in future outages. As a result, the California state legislature passed SB 846 (Dodd, 2022). SB 846 invalidates the CPUC's approval to retire the plant and requires PG&E and state agencies "to take all actions necessary and prudent to extend Diablo Canyon powerplant operations." This bill also authorized a loan of \$1.4 billion to PG&E to facilitate the extension. As a result, the CPUC issued a decision in December of 2023 to extend operation of DCCP's two generating units to 10/31/2029 and 10/31/2030.⁴

Recent and Pending Permitting Processes

Various federal and state permits are required to extend the operations of DCCP. Federal permits are pending and state permits have been granted with expirations set for 2029 and 2030.

Federal Permitting

It is common practice for the United States Nuclear Regulatory Commission (NRC) to issue license renewals for 20-year durations. The license renewal process consists of a safety review and an environmental review. NRC staff has released both a final Safety Evaluation⁵ and Environmental Impact Statement.⁶ NRC staff's recommendation is that the adverse environmental impacts of license renewal for Diablo Canyon are not so great that preserving the option of license renewal for energy-planning decision-makers would be unreasonable. This recommendation has been outstanding since June 2025. The NRC's licensing decision has been on hold pending receipt of required Federal certifications.⁷

State Permitting

DCCP has received the following California permit approvals.

The Central Coast Regional Water Quality Control Board approved on February 26 and 27, 2026:

- National Pollutant Discharge Elimination System (NPDES)

² CPUC Decision Approving Retirement of Diablo Canyon Nuclear Power Plant [205090240.PDF \(ca.gov\)](#)

³ [CAISO, CPUC, CEC Issue Final Report on Causes of August 2020 Rotating Outages](#)

⁴ Decision Implementing Senate Bill 846 [499622197.PDF \(ca.gov\)](#)

⁵ <https://www.nrc.gov/docs/ML2515/ML25153A508.pdf>

⁶ <https://www.nrc.gov/docs/ML2515/ML25156A357.pdf>

⁷ <https://www.nrc.gov/reactors/operating/licensing/renewal/applications/diablo-canyon>

- Expires 5 years after effective date of 2/26/2026
- Clean Water Act section 401 Water Quality Certification.
 - Expires with NRC license

The California Coastal Commission approved on December 11, 2025:

- Coast Zone Management Act Consistency Certification
 - Expires with NRC license
 - Requirements for PG&E with this certification include:
 - Protect 4,500 acres of North Ranch
 - Establish purchasing option for Wild Cherry Canyon
 - Dedicate 25 miles of new public trails
 - Contribute \$10 million for trail development and maintenance
- Coast Development Permit
 - Expires Oct. 31, 2029, for Unit 1
 - Expires Oct. 31, 2030, for Unit 2

RCEA's Existing Nuclear Policies

RCEA's customers, like all other electricity users served by providers subject to CPUC regulation, are required to pay a portion of the costs of operating DCPP. RCEA, along with most other California electricity providers, automatically receives an allocation of the reliability benefits (a.k.a. Resource Adequacy or RA) from DCPP. There is an additional option to receive an annual allocation of clean energy attributes alongside those already received reliability benefits associated with the plant. For calendar years 2025 and 2026, RCEA's board has chosen to accept the allocation.

In response to the extension, RCEA's Board adopted the following policies.

2026 Regulatory and Legislative Policy Platform:

Advocate for permanent waste solutions for nuclear plants and oppose policies that extend the life of Diablo Canyon Nuclear Power Plant.

Energy Risk Management Policy:

In keeping with community values identified by RCEA in developing its CCA program, neither energy nor resource adequacy (RA) will be procured from the following generation sources:

- *Nuclear generation*
- *Coal generation*

Exceptions to this prohibition may be needed for occasional short-term transactions, such as procurement of replacement RA. Per current State policy on the extension of Diablo Canyon Nuclear Power Plant operations through 2030 with cost recovery via the Public Purpose Programs charge on ratepayer bills, RCEA expects to be offered an allocation of its pro rata

share of this power annually until plant closure. Each year during the extended operating period, RCEA staff will ask the Board to consider accepting this allocation under short-term exceptions to the above policy...

Although RCEA's Energy Risk Management Policy generally prohibits procurement of carbon-free nuclear energy, the RCEA Board has made an exception to procure energy from the Diablo Canyon nuclear power plant to be evaluated annually given that RCEA ratepayers are required to help pay for the extended operation of this facility to meet statewide electric reliability needs.

Recent Policy Developments

Regulatory Policy Developments

With the DCPD operations extension, PG&E continues to file annual applications with its DCPD forecasts of operating expenses and revenues through 2030 when the operating extension fully expires. RCEA works with CalCCA to advocate for these key positions:

- Volumetric Performance Fee (VPF)⁸ spend authorized by statute for critical public purpose projects should be spent on projects that benefit all customers, including CCA customers, and
- Ensure PG&E's forecasts for substitution capacity cost for DCPD extended operations are reasonable and correct.

Legislative Policy Developments

While this renewed federal license would be effective for 20 years, state legislature will still dictate DCPD's eligibility to operate beyond the current 5-year extension. At this moment, there have been no bills proposed that would extend the state's scheduled DCPD retirement date. However, in February, the city of San Luis Obispo as well as San Luis Obispo County Board of Supervisors wrote letters to Senator John Laird and Assemblymember Dawn Addis formally requesting their support for state legislation that would extend operations at DCPD.

In the event that legislation is introduced to address DCPD, staff suggests the following engagement strategy in alignment with the Board's existing policies:

- RCEA will continue to take positions related to the allocation of costs and benefits of DCPD operations while opposing the extension overall.

⁸ Volumetric Performance Fees are collected in place of a return for PG&E's investors. These fees can be used for approved DCPD expenses. Any surplus funds can be used towards accelerating customer and generator interconnections, accelerating actions needed to bring renewable and zero-carbon energy online and modernize the electrical grid, accelerating building decarbonization, workforce and customer safety, communications and education, and increasing resiliency and reducing operational and system risk.

- This may include positions related to Volumetric Performance Fees, continuing or modifying the methodology for allocation of Resource Adequacy and clean energy attributes, or positions related to statewide resource planning.

If the Board wishes to modify the position related to DCPD retirement, at this time, other position options include varying re-authorization periods, such as 5-year intervals versus a full 20-year extension, and whether the Legislature should retain control over the retirement timeline or if the CPUC should have that authority.

Alignment with RCEA’s Strategic Plan

By 2025 100% of RCEA’s power mix will be from a combination of state designated renewable energy sources—solar, wind, biomass, small hydroelectric, and geothermal—and state-designated net-zero-carbon-emission existing large hydroelectric facilities.

Equity Impacts

Nuclear plant operations pose a number of equity related concerns including considerations of who is most likely to be harmed in the event of an accident at the plant and by transport and long-term storage of nuclear waste.

Financial Impact

Acceptance of the 2025 DCPD allocation led to a surplus in RCEA’s clean power portfolio. This resulted in \$300,000 of revenue from resales of surplus power. While markets vary over time, this figure may be indicative of the value RCEA would receive if DCPD were further extended.

Staff Recommendation

Give direction to staff on statewide and federal engagement strategy related to Diablo Canyon Power Plant.

Attachments

None.

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Staff Report

Agenda Item # 7.3

Information

Agenda Date	March 26, 2026
To	Board of Directors
Prepared by	Richard Engel, director of power resources Lori Biondini, director of business planning and finance
Subject	Additional Authorizations for Pre-Pay Bond Financing

Background

In November 2025, RCEA’s Board authorized the executive director to take the necessary steps to establish an energy pre-payment bond financing transaction, in partnership with Desert Community Energy (DCE), as part of the broader efforts to address RCEA’s costs and long-term financial stability. Renewable energy pre-payment bonds, or “pre-pays,” are allowed under U.S. Treasury regulations as a way for public utilities, including Community Choice Aggregators (CCAs) like RCEA, to reduce the cost of wholesale energy. Municipal utilities across the country have used pre-pays to contract natural gas or electricity at discounted prices for many years, and California CCAs have been completing pre-pay transactions since 2021 to achieve substantial savings for customers.

As part of the November authorization, RCEA entered into an agreement with Tyler Noble at MG Advisory Corp., a municipal advisor/fiduciary, to assist with bond pricing, negotiating, and contracting with the various counterparties necessary to complete the pre-pay, and are working to finalize an agreement with Chapman and Cutler LLP (Chapman) for specialized legal services. Chapman was procured by San Diego Community Power (SDCP) for similar services in August 2024 and, because RCEA’s procurement policy¹ allows the use of cooperative purchasing (also referred to as “piggybacking”), staff at RCEA and DCE worked to secure the services under the same terms secured by SDCP two years ago. The total shared cost of these legal services as previously authorized by the Board will not exceed \$300,000 and, with the exception of certain agreed-to minimum costs, will be contingent on completing the pre-pay.

Summary

With these initial steps well under way, Staff is recommending selecting a pre-pay supplier, applying to become a member of the California Community Choice Financing Authority, and engaging with tax and bond legal counsel. Additional steps to advance the pre-pay transaction would be brought back to the Board for approval at a future meeting.

¹ <https://redwoodenergy.org/wp-content/uploads/sites/850/2024/12/Purchasing-and-Procurement-Policy.pdf>



Pre-Pay Energy Supplier

RCEA and DCE released a joint Request for Proposals (RFP) for a pre-pay energy supplier counterparty on February 9, 2026. Four proposals were received and reviewed by a selection committee made up of Staff from both CCAs. The committee chose to interview two respondents and contacted their references. Staff recommends the Board authorize selecting Goldman Sachs as RCEA and DCE's pre-pay energy supplier, which offers a large and more diverse bond recipient pool, is offering the lowest fees, and has a larger back-office team to provide ongoing support to the CCA teams after the transaction is completed.

California Community Choice Financing Authority (CCCFA)

Staff also request authorization to apply for membership with CCCFA, a California joint powers authority founded in 2021 by five CCAs for the express purpose of serving as a low-cost conduit to issue the bonds for CCA pre-pay transactions. It is currently the only viable option for pre-pay issuance for RCEA but also offers competitive costs for bond issuance services. If accepted as an Associate Member, RCEA will pay an initial membership fee of \$50,000 and agree to pay an equal share of annual operating costs that are not otherwise covered by collected transaction fees from new bond issuance to other members.

To join CCCFA, the RCEA Board must adopt a resolution approving the execution and delivery of the CCCFA Joint Powers Agreement. Following receipt of the signed resolution, CCCFA will include on the agenda for the next available CCCFA Board meeting the approval of the CCA's membership and the execution of the applicable amendment of the CCCFA Joint Powers Agreement. In addition to the resolution and agreement language, the current CCCFA procedures are included with this report as an attachment.

Tax and Bond Counsel

The third recommended authorization will allow RCEA and DCE to engage with tax and bond counsel. The role of bond counsel is unique to municipal finance and will prepare documents like the Trust Indenture that governs the terms of the pre-payment bonds, the cash flows, and the security for the payment of the pre-payment bonds. At closing, the bond counsel delivers an opinion on the validity and security of the bonds, and tax counsel delivers an opinion on the tax-exempt status of the bonds. Tax and bond counsel may be engaged by CCCFA, alternatively, but Staff is requesting authorization to engage directly to expedite the process, for a total shared cost not to exceed \$350,000 contingent on completing the pre-pay transaction and paid out of the bond proceeds.

Future decision-points to be brought to the Board will include size (megawatt hours), cash flow savings and other components of the final bond package, and the on-going work to apportion costs of the pre-pay equitably with DCE.

Equity Impacts

Not applicable – prepayment is being pursued as a cost savings measure for RCEA.



Alignment with RCEA's Strategic Plan

Not applicable – prepayment is being pursued as a cost savings measure for RCEA.

Financial Impact

The immediate financial impact is the expense of \$50,000 to pay the CCCFA membership fee, and up to a \$20,000 transaction fee for CCCFA to complete the bond issuance. These costs are included in RCEA's Fiscal Year 2025-2026 budget under Professional and Program Services and will be included in the draft budget for next fiscal year if the full amount is not accrued by the end of June. These costs can be included in the bond proceeds and paid back to RCEA if needed. Once the deal closes, RCEA may have to issue, through bond proceeds, cash as a member of CCCFA to cover operational costs. In recent years there have been no cash calls, however, in the current year there was a cash call of \$33,000 to each member. CCCFA currently has a working group of founding members evaluating how to most equitably share the burden of these cash calls on a pro-rata basis but for now they are per member. As an associate member of CCCFA, RCEA would not be able to participate materially in these conversations or have a deciding vote.

All contingent fees for shared services will be split between RCEA and DCE at an equitable rate to be determined by the energy volume included in the transaction or a similar method and paid with bond proceeds. If the transaction does not proceed, aside from the above-described CCCFA fees, a rating agency fee (estimated at \$250,000 to be split with DCE) would be payable. In a worst-case scenario of terminating the pre-pay transaction early due to any party's inability to perform, RCEA's power purchase contracts would simply revert to current arrangements and cease realizing the discount. The debt obligation is non-recourse; RCEA has no liability for bond repayment in the event of a default by the supplier.

Pre-payment financing is a long-term financial strategy that allows tax-exempt entities such as CCAs to achieve substantial savings on power procurement by capitalizing on the spread between tax-exempt and taxable interest rates. Staff's primary objective in recommending that RCEA complete a pre-pay transaction is to secure meaningful reductions in energy procurement costs. Based on preliminary analysis, the transaction is projected to generate approximately \$1.5 million to \$2 million in annual savings for RCEA, though actual results will depend on the energy contracts included in the transaction and prevailing market conditions. The targeted annual savings will serve as a critical factor during negotiations with the counterparty. Staff expect to provide a more refined estimate at a subsequent board meeting as discussions advance.

Staff Recommendation

Authorize the Executive Director to take additional steps required towards completing an energy pre-payment bond financing transaction, including:

- 1.) Select Goldman Sachs to fulfill the roles of Counterparty Supplier and Intermediary Bank;



- 2.) Adopt Resolution No. 2026-4, authorizing RCEA to join the California Community Choice Financing Authority (CCCFA), as the bond issuer, at a cost of \$50,000 for the membership entry fee and up to \$20,000 to cover a transaction fee for issuance of the bonds; and
- 3.) Select and negotiate an agreement with a Tax and Bond Counsel at a total shared cost not to exceed \$350,000.

Attachments

1. Resolution 2026-4 to Approve and Authorize Execution of a Joint Powers Agreement Providing RCEA Associate Membership to the California Community Choice Financing Authority to Issue Municipal Bonds for Energy Prepay Transactions
2. CCCFA Joint Powers Agreement
3. CCCFA's Summary of Policies and Procedures for the Issuance of Renewable Energy Prepayment Bonds

**RESOLUTION NO. 2026-4
OF THE BOARD OF DIRECTORS
OF THE REDWOOD COAST ENERGY AUTHORITY**

**TO APPROVE AND AUTHORIZE THE EXECUTION OF A JOINT POWERS
AGREEMENT PROVIDING REDWOOD COAST ENERGY AUTHORITY
ASSOCIATE MEMBERSHIP TO THE CALIFORNIA COMMUNITY CHOICE
FINANCING AUTHORITY TO ISSUE MUNICIPAL BONDS
FOR ENERGY PREPAY TRANSACTIONS**

WHEREAS, Redwood Coast Energy Authority (RCEA) will achieve significant power procurement cost savings through the prepayment of existing long-term energy supply contracts;

WHEREAS, such energy prepayment uses a public agency's tax-exempt status to access the municipal bond market, which is best achieved through a bond issuing entity;

WHEREAS, the California Community Choice Financing Authority ("CCCFA") is a joint exercise of powers agency established under California Government Code section 6500 et seq. (the "JPA Law") and a Joint Powers Agreement (the "CCCFA Joint Powers Agreement") among various public agency California Community Choice Aggregators ("CCAs") for the purpose of undertaking the financing and refinancing of energy prepayments that can be financed with tax advantaged bonds on behalf of one or more of its members by, among other things, issuing or incurring bonds and entering into related contracts;

WHEREAS, RCEA is both a CCA, as such term is defined in Section 331.1 of the Public Utilities Code of the State of California (the "Public Utilities Code") which has implemented a CCA program pursuant to Section 366.2 of the Public Utilities Code, and a public agency formed under the JPA Law;

WHEREAS, RCEA possesses the power to purchase and sell electric energy and enter into related contracts for such purposes and, therefore, is qualified to become a member of CCCFA under the CCCFA Joint Powers Agreement;

WHEREAS, for CCCFA to finance or refinance energy prepayments and issue bonds on behalf of RCEA, RCEA must become an Associate Member of CCCFA, as such term is defined in the CCCFA Joint Powers Agreement;

WHEREAS, RCEA has determined that CCCFA is the best-fit least-cost option for a bond issuing entity to enable RCEA to participate in one or more energy prepayment transactions and therefore RCEA desires to become an Associate Member of CCCFA;

WHEREAS, to become an Associate Member of CCCFA, the Board of Directors of RCEA must (1) file an executed counterpart of the CCCFA Joint Powers Agreement with CCCFA, together with a copy of the resolution of the Board of Directors of RCEA approving the CCCFA Joint Powers Agreement, and requesting to be added as an Associate Member of CCCFA; (2)

request the approval by the Board of Directors of CCCFA; and (3) agree in writing to pay CCCFA a share of organization, planning and other costs and charges as determined by the Board of CCCFA to be appropriate, if any;

WHEREAS, on March 11, 2022, the CCCFA Board established a new membership entry fee of \$50,000 for a new associate member’s portion of organization, planning, and other costs, in addition to each member’s equal share of general and administrative costs as determined by the CCCFA Board;

WHEREAS, on December 16, 2022, the CCCFA Board established a transaction fee of \$20,000 to cover the “Prepayment Project” costs as defined in Section 1.11 of the CCCFA Joint Powers Agreement; and

WHEREAS, under the JPA Law and the CCCFA Joint Powers Agreement, CCCFA is a public entity separate and apart from the parties to the CCCFA Joint Powers Agreement, and the debts, liabilities, and obligations of the CCCFA will not constitute debts, liabilities, or obligations of the Redwood Coast Energy Authority.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of RCEA hereby finds, declares, and resolves as follows:

1. The above recitals are true and correct.
2. The CCCFA Joint Powers Agreement on file with the Clerk of the Board of RCEA is hereby approved. The Executive Director is authorized and directed, on behalf of RCEA, to execute the CCCFA Joint Powers Agreement, and request that RCEA become an Associate Member of CCCFA.
3. Redwood Coast Energy Authority hereby agrees to pay CCCFA for its share of organization, planning and other costs and charges as determined by the Board of CCCFA to be appropriate.
4. The Executive Director of RCEA is hereby authorized and directed, jointly and severally, to execute and deliver any and all documents, agreements and instruments and to do any and all things which they may deem necessary or advisable to carry out, give effect to and comply with the terms and intent of the CCCFA Joint Powers Agreement and this Resolution.
5. This Resolution shall take effect immediately upon its adoption.

Adopted this 26th day of March 2026.

Michael Gerace
Chairperson of the Board of Directors

Lori Taketa
Clerk of the Board, RCEA

CLERK'S CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of Resolution No. 2026-4 passed and adopted at a regular meeting of the Redwood Coast Energy Authority, County of Humboldt, State of California, held on the 26th day of March 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Clerk of the Board, Redwood Coast Energy Authority

CALIFORNIA COMMUNITY CHOICE FINANCING AUTHORITY JOINT POWERS AGREEMENT

This Joint Powers Agreement (this "Agreement") is made by and among those public agencies who are signatories to this Agreement, and those public agencies which may hereafter become signatories to this Agreement (all such parties, except those which have withdrawn as provided herein, are referred to herein as the "Members" and those parties initially executing this Agreement are referred to as the "Founding Members"), creating a separate joint powers agency, which is named "California Community Choice Financing Authority" ("CCCFA").

WITNESSETH

WHEREAS, each Member is a "community choice aggregator," as that term is defined in Section 331.1 of the Public Utilities Code of the State of California (the "Public Utilities Code"), having duly adopted, established and implemented a community choice aggregation program pursuant to Section 366.2 of the Public Utilities Code, with the authority to group retail electricity customers to solicit bids, broker, and contract for electricity and energy services for those customers, and to enter into agreements for services to facilitate the sale and purchase of electricity and other related services, and to study, promote, develop, conduct, operate and manage energy-related programs; and

WHEREAS, each Member is a "public agency," as that term is defined in Section 6500 of the Government Code of the State of California (the "Government Code"); and

WHEREAS, Chapter 5 of Division 7 of Title 1 of the Government Code, being Section 6500 and following (the "Act"), authorizes a joint exercise by two or more public agencies of any power which is common to each of them and the creation of an entity that is separate from the parties to the joint exercise of powers agreement; and

WHEREAS, it is to the mutual benefit of the Members and in the public interest that an agency by the name of the California Community Choice Financing Authority be created, by which the Members jointly exercise for their common benefit and for the purposes specified herein certain powers that they have in common or are otherwise provided for by applicable law, including but not limited to (i) the acquisition and operation of power supplies, resource adequacy and renewable attributes, and (ii) the provision of other energy services or programs which may be of benefit to one or more Members; and

WHEREAS, the Act conveys upon joint exercise of powers authorities certain additional powers, including but not limited to the power to issue revenue bonds and incur other evidences of indebtedness for such purposes as are specified in the Act; and

WHEREAS, CCCFA's purpose is to assist Members by undertaking the financing or refinancing of energy prepayments that can be financed with tax advantaged bonds on behalf of one or more of the Members by, among other things, issuing or incurring Bonds (as such term is defined herein) and entering into related contracts with Members.

NOW, THEREFORE, the Members, for and in consideration of the mutual promises and agreements herein contained, do hereby agree as follows:

Article I. DEFINITIONS

In addition to the other terms defined herein, the following terms, whether in the singular or in the plural, when used herein and initially capitalized, shall have the meanings specified throughout this Agreement.

Section 1.01 “**Act**” means Chapter 5 of Division 7 of Title 1 of the Government Code (Section 6500 *et seq.*), as supplemented and amended from time to time, including without limitation the Marks-Roos Local Bond Pooling Act of 1985.

Section 1.02 “**Agreement**” means this Joint Powers Agreement, as it may be supplemented and amended from time to time in accordance with the terms hereof.

Section 1.03 “**Associate Member**” means any Public CCA Agency that is a signatory to this Agreement and that has met the requirements of Section 3.02 below to become an Associate Member. The term “Associate Member” shall, however, exclude any Associate Member which shall have withdrawn or been excluded from CCCFA pursuant to Section 3.04 below.

Section 1.04 “**Board**” means the Board of Directors of CCCFA as established by this Agreement.

Section 1.05 “**Bonds**” means bonds, notes, commercial paper, installment purchase, lease purchase and similar agreements and certificates of participation therein, and any other evidences of indebtedness.

Section 1.06 “**CCCFA**” means the California Community Choice Financing Authority, the Joint Powers Authority established by this Agreement.

Section 1.07 “**Director**” means each Director duly appointed and serving on the Board as provided in Article IV of this Agreement.

Section 1.08 “**Founding Member**” means each of the Public CCA Agencies initially executing this Agreement, and any Public CCA Agency that becomes a Founding Member pursuant to Section 3.01 below. The term “Founding Member” shall, however, exclude any Founding Member which shall have withdrawn or been excluded from CCCFA pursuant to Section 3.04 below. The initial Founding Members are Central Coast Community Energy, East Bay Community Energy, Marin Clean Energy, and Silicon Valley Clean Energy.

Section 1.09 “**Government Code**” means the Government Code of the State of California.

Section 1.10 “**Member**” means a Founding Member or an Associate Member.

Section 1.11 “**Prepayment Project**” means, in connection with the financing or refinancing of energy prepayments that can be financed with tax advantaged bonds and other obligations: (i) the purchase and sale of electric energy and associated capacity and environmental attributes, (ii) the design, acquisition, maintenance, or operation of any Public Capital Improvement (as defined in the Act) or other facility or improvement, or the leasing thereof, (iii) the provision of working capital, and (iv) any other project, program, public capital improvement or purpose authorized by the Act or other law to be undertaken, financed, or refinanced by CCCFA, subject to CCCFA’s approval of an application from one or more Members for support of such project, program, public capital improvement or authorized purpose and in connection with the financing or refinancing of energy prepayments that can be financed with tax advantaged bonds and other obligations.

Section 1.12 “**Prepayment Project Contract**” means a contract among any Members and CCCFA in connection with the undertaking, financing or refinancing of a Prepayment Project by such Members and CCCFA in accordance with the terms of this Agreement.

Section 1.13 “Public CCA Agency” means any community choice aggregator, as such term is defined in Section 331.1 of the Public Utilities Code, that is a public agency, as such term is defined in the Act, which has implemented a CCA program pursuant to Section 366.2 of the Public Utilities Code.

Section 1.14 “Public Utilities Code” means the Public Utilities Code of the State of California.

Article II. FORMATION OF AUTHORITY

Section 2.01 Creation of CCCFA. Pursuant to the Act, there is hereby created a public entity, to be known as the “California Community Choice Financing Authority,” which shall be a public entity separate and apart from its Members. The debts, liabilities and obligations of CCCFA shall not constitute debt, liabilities or obligations of any Member.

Section 2.02 Purpose. This Agreement is made, and CCCFA is being established, pursuant to the Act to provide for the joint exercise of powers common to the parties hereto to assist the Members in financing or refinancing energy prepayments that can be financed with tax advantaged bonds and other obligations on behalf of one or more of the Members, including by undertaking, financing or refinancing Prepayment Projects on behalf of one or more of the Members and/or CCCFA, all as further described in Section 2.03 hereof. CCCFA will fulfill the purposes of this Agreement by, among other things, undertaking the sale and issuance or incurrence of Bonds to finance or refinance Prepayment Projects on behalf of one or more of the Members and/or CCCFA in accordance with the Act. CCCFA is not being formed for the purposes of providing municipal services within the meaning of Section 6503.6 or Section 6503.8 of the Act.

Section 2.03 Powers. CCCFA, in its own name, shall have any and all power to undertake Prepayment Projects on behalf of one or more of the Members and/or CCCFA, and to finance or refinance such Prepayment Projects through the sale and issuance or incurring of Bonds for the purposes set forth in Section 2.02 hereof. CCCFA is empowered to exercise any and all common powers of the Members, and any other powers provided to it by any applicable laws, beneficial for the issuance or incurrence from time to time of such Bonds pursuant to Article VII hereof. Without limiting the generality of the foregoing, CCCFA, in its own name, shall have the power:

- (a) to acquire, purchase, finance, operate, maintain, utilize and/or dispose of one or more Prepayment Projects and any facilities, programs or other authorized costs relating thereto;
- (b) to make and enter contracts (including without limitation interest rate, commodity, basis and similar hedging contracts intended to hedge payment, rate, cost or similar exposure);
- (c) to employ agents and employees;
- (d) to acquire, manage, maintain or operate any building, works or improvements;
- (e) to acquire, hold, lease or dispose of property;
- (f) to incur debts (including without limitation through the issuance or incurrence of Bonds), liabilities or obligations (which shall not constitute debts, liabilities, or obligations of any of the Members);
- (g) to sue and be sued in its own name;
- (h) to receive gifts, contributions and donations of real or personal property, funds, services and other forms of assistance from any source;
- (i) to receive, collect, invest and disburse moneys;
- (j) to apply for, accept, and receive all licenses, permits, grants, loans or other aids from any federal, state, or local public agency;
- (k) to make and enter into service agreements relating to the provision of services necessary to plan, implement, operate and administer energy-related programs;
- (l) to defend, hold harmless, and indemnify, to the fullest extent permitted by law, each Member from any liability, claims, suits, or other actions;

- (m) to exercise any other power and take any other action permitted by law to accomplish the purposes of this Agreement.

Such powers shall be exercised by CCCFA subject only to such restrictions upon the manner of exercising such power as are imposed upon Silicon Valley Clean Energy in the exercise of similar powers, as provided in Section 6509 of the Act, and, should Silicon Valley Clean Energy withdraw or be excluded from this Agreement pursuant to Section 3.04 hereof, the manner of exercising any power shall be subject only to the restrictions upon the manner of exercising such powers as are imposed upon Marin Clean Energy in the exercise of similar powers; *provided, however*, that nothing herein shall limit the powers of CCCFA under Article 4 of the Act.

Any Bonds issued or incurred by CCCFA shall not constitute general obligations of CCCFA, but shall be payable solely from the moneys pledged to the payment of principal of or interest on such Bonds under the terms of the resolution, indenture, trust agreement or other instrument pursuant to which the Bonds are issued or incurred, as further described in Article VII hereof. Such Bonds shall not constitute debts, liabilities or obligations of the Members.

Any of the Prepayment Projects acquired, financed or refinanced by CCCFA shall be operated by a Member or CCCFA for and on behalf of CCCFA, either directly or pursuant to contract or agreement with a third party designated by the applicable Member or Members and approved by CCCFA. None of the Members or CCCFA shall have liability for the breach, negligence or willful misconduct of any such third party.

Article III. MEMBERSHIP

Section 3.01 Founding Members. A Public CCA Agency will be qualified to join as a Founding Member only if it possesses the power to purchase and sell electric energy and enter into related contracts for such purposes. Public CCA Agencies may be added as parties to this Agreement and become Founding Members, and existing Associate Members may be elevated to Founding Members, upon: (1) the filing by such Public CCA Agency with the Board of an executed counterpart of this Agreement, together with a copy of the resolution of the governing body of such Public CCA Agency approving this Agreement and the execution and delivery hereof, and requesting to be added as a Founding Member of CCCFA; (2) the approval at a regular or special meeting of the Board by at least two-thirds (2/3) of the entire Board, and the adoption of a resolution of the Board approving the addition of such Public CCA Agency as a Founding Member; and (3) the deposit with, or the written agreement to pay to, CCCFA a share of organization, planning and other costs and charges as determined by the Board to be appropriate, if any. Upon satisfaction of such conditions, the Board shall file such executed counterpart of this Agreement as an amendment hereto, effective upon such filing. Upon completion of the foregoing, the Public CCA Agency shall become a Founding Member for all purposes of this Agreement.

Section 3.02 Associate Members. A Public CCA Agency will be qualified to join as an Associate Member only if it possesses the power to purchase and sell electric energy and enter into related contracts for such purposes. Public CCA Agencies may be added as Associate Members of CCCFA upon: (1) the filing by such Public CCA Agency with the Board of an executed counterpart of this Agreement, together with a copy of the resolution of the governing body of such Public CCA Agency approving this Agreement and the execution and delivery hereof, and requesting to be added as an Associate Member of CCCFA; (2) the approval at a regular or special meeting of the Board by a majority vote of the Directors in attendance, provided a quorum is established and maintained, and the adoption of a resolution of the Board approving the addition of such Public CCA Agency as an Associate Member; and (3) the deposit with, or the written agreement to pay to, CCCFA a share of organization, planning and other costs and charges as determined by the Board to be appropriate, if any. Upon satisfaction of such conditions, the Board shall file such executed counterpart of this Agreement as an amendment hereto, effective upon such filing. Upon completion of the foregoing, the Public CCA Agency shall become an Associate Member for all purposes of this Agreement.

Section 3.03 Cost Allocations.

- (a) Unless otherwise determined by a two-thirds (2/3) vote of the entire Board, each Member shall pay an equal share of one Member one share for general and administrative costs as determined by the Board associated with all operations of CCCFA. General and administrative costs do not include any costs that relate solely to any specific Prepayment Project Contract.
- (b) The costs of each Prepayment Project shall be allocated solely to the Member or Members undertaking or participating in such Prepayment Project or on whose behalf CCCFA undertakes such Prepayment Project, which allocation shall be described in a Prepayment Project Contract relating to such Prepayment Project.

Section 3.04 Withdrawal or Exclusion of Member.

- (a) Any Member may withdraw from CCCFA upon the following conditions:
 - (i) The Member shall have filed with the Board Secretary a certified copy of a resolution of its governing body expressing its desire to so withdraw. If a Founding Member files a resolution to withdraw with the Board Secretary, that Founding Member no longer has any voting rights on the Board;
 - (ii) Members undertaking or participating in Prepayment Projects or on whose behalf CCCFA undertakes a Prepayment Project shall remain subject to the cost allocation, participation and withdrawal terms and conditions, as applicable, set forth in the applicable Prepayment Project Contract; and
 - (iii) Prior to the Board accepting the Member's filing of such resolution, any Member so terminating shall be obligated to pay its share of general and administrative costs then due. However, this obligation shall take into account any refunds due to the Member and shall not extend to debts, liabilities and obligations of CCCFA. The debts, liabilities and obligations of CCCFA shall not constitute debt, liabilities or obligations of any Member.
 - (iv) No such withdrawal shall, or shall be permitted if it would, result in (a) CCCFA having fewer than three Founding Members; or (b) the dissolution of CCCFA so long as any Bonds remain outstanding under any resolution, indenture, trust agreement or other instrument pursuant to which such Bonds are issued or incurred.
- (b) Upon compliance with the conditions specified in Section 3.04(a), the Board shall accept the withdrawing Member's resolution and the withdrawing Member shall no longer be considered a Member for any reason or purpose under this Agreement and its rights and obligations under this Agreement shall terminate. The withdrawal of a Member shall not affect any obligations of such Member under any Prepayment Project Contract or other program agreement.
- (c) Any Member which has (i) defaulted under this Agreement, a Prepayment Project Contract, or other program agreement, (ii) if such Member is a Founding Member, failed to appoint a Director to serve on the Board in accordance with Section 4.02 below, or (iii) failed to pay any required share of costs in accordance with Sections 3.01, 3.02, and 3.03 above, may have its rights under this Agreement terminated and may be excluded from participation in CCCFA by the vote (taken at a regular or special meeting of the Board) of at least two-thirds (2/3) of the entire Board (including the Director representing the defaulting Member, if such Member is a Founding Member). Prior to any vote to terminate participation of any Member, written

notice of the proposed termination and the reason(s) for such termination shall be delivered to the Member whose termination is proposed at least 60 days prior to the Board meeting at which such matter shall first be discussed as an agenda item. The written notice of the proposed termination shall specify the particular provisions of this Agreement or a Prepayment Project Contract or other program agreement which the Member has allegedly defaulted on, or whether the proposed termination is based on failure to appoint a Director (if such Member is a Founding Member) or pay any required share of costs. The Member subject to possible termination shall have the opportunity to cure the violation prior to the meeting at which termination will be considered. At the meeting where termination of the Member is considered, the Member shall be given the opportunity to respond to any reasons and allegations that may be cited as a basis for termination prior to a termination vote. Any excluded Member shall continue to be liable for its obligations under any Prepayment Project Contract or other program agreement and for any unpaid contribution, payment, or advance approved by the Board prior to such Member's exclusion. No such termination shall, or shall be permitted if it would, result in (a) CCCFA having fewer than three Founding Members; or (b) the dissolution of CCCFA so long as any Bonds remain outstanding under any resolution, indenture, trust agreement or other instrument pursuant to which such Bonds are issued or incurred.

- (d) The withdrawal or termination of a Member shall not affect the provisions or obligations set forth in Article VIII or Section 11.04 below.

Section 3.05 Contributions and Advances. Contributions or advances of public funds and of personnel, equipment or property may be made to CCCFA by any Member for any of the purposes of this Agreement. Payment of public funds may be made to defray the cost of such purpose. Any such advance shall be made subject to repayment, and shall be repaid in the manner agreed upon by such Member and CCCFA at the time of making such advance. It is mutually understood and agreed that no Member is under any obligation to make advances or contributions to CCCFA to provide for the costs and expenses of administration of CCCFA, even though any Member, in its sole discretion, may do so. Any Founding Member may allow the use of personnel, equipment or property in lieu of other contributions or advances to CCCFA.

Article IV. POWERS OF BOARD & MANAGEMENT OF CCCFA

Section 4.01 Board. CCCFA shall be administered by a Board which shall consist of one Director representing each Founding Member. Such Board shall be the governing body of this CCCFA, and, as such, shall be vested with the powers set forth in this Agreement, and shall execute and administer this Agreement in accordance with the purposes and functions provided herein. The Board shall have the authority to provide for the general management and oversight of the affairs, property and business of CCCFA.

Section 4.02 Appointment and Vacancies. Each Director shall be the Chief Executive Officer, General Manager, Executive Director, or designee of the Chief Executive Officer, General Manager, or Executive Director, of each Founding Member and shall be appointed by and serve at the pleasure of the Founding Member that the Director represents, and may be removed as Director by such Founding Member at any time. If at any time a vacancy occurs on the Board, a replacement shall be appointed by the Founding Member to fill the position of the previous Director in accordance with the provisions of this Article IV within 60 days of the date that such position becomes vacant or the Founding Member shall be subject to the exclusion procedures in Section 3.04(c) above. Each Director may appoint an alternate to serve in their absence.

Section 4.03 Notices. The Board shall comply with the applicable provisions of Sections 6503.5, 6503.6 and 53051 of the Government Code requiring the filing of notices and a statement with the Secretary of State and the State Controller.

Section 4.04 Committees. The Board may create committees to provide advice to the Board or conduct the business of CCCFA subject to delegation of authority from the Board as permitted in the bylaws and any applicable laws.

Section 4.05 Director Compensation. Compensation for work performed by Directors, including alternates, on behalf of CCCFA shall be borne by the Founding Member that appointed the Director. The Board, however, may adopt by resolution a policy relating to the reimbursement of expenses incurred by Directors.

Section 4.06 Board Officers. At its first meeting in every second calendar year, the Board shall elect or re-elect a Chair and a Vice-Chair, each of whom shall be selected from among the Directors and shall also appoint or re-appoint a Secretary, and a Treasurer/Controller, each of whom may, but need not, be selected from among the Directors.

- (a) **Chair and Vice-Chair.** The duties of the Chair shall be to preside over the Board meetings, sign all ordinances, resolutions, contracts and correspondence adopted or authorized by the Board, and to help ensure the Board's directives and resolutions are carried out. In the absence or inability of the Chair to act, the Vice Chair shall act as Chair.
- (b) **Treasurer/Controller.** The Board shall appoint a qualified person to act as the Treasurer/Controller, who does not need to be a Director. Where a certified public accountant has been designated as Treasurer/Controller of CCCFA, the auditor of one of the Founding Members or of a county in which one of the Founding Members is located shall be designated as auditor of CCCFA. Subject to the provisions of any resolution, indenture, trust agreement or other instrument providing for a trustee or other fiscal agent in connection with any Bonds, and, except as may otherwise be specified by resolution of CCCFA, the Treasurer/Controller shall be the depository of CCCFA to have custody of all the money of CCCFA, from whatever source, and, as such, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Government Code. The Treasurer/Controller is hereby designated as the public officer or person who has charge of, handles, or has access to any property of CCCFA, and such officer shall file an official bond in an amount determined from time to time by the Board as required by Section 6505.1 of the Government Code. The Treasurer/Controller shall cause an independent audit to be made by a certified public accountant, or public accountants, in compliance with Section 6505 of the Government Code. The Treasurer/Controller shall also create or caused to be created a report in writing on the first day of each fiscal quarter to CCCFA and each Founding Member, which report shall describe the amount of money held by the Treasurer/Controller, the amount of receipts since the last such report, and the amount paid out since the first such report.
- (c) **Secretary.** The Secretary shall be responsible for keeping the minutes of all meetings of the Board and all other official records of CCCFA, and responding to public records requests of the JPA.

Section 4.07 Management of CCCFA. The Board may appoint a part-time or full-time General Manager, and may appoint one or more part-time or full-time Assistant General Managers, to serve at the pleasure of the Board. If a General Manager has been appointed, the General Manager shall be responsible for the day-to-day operation and management of CCCFA. If no General Manager shall have been appointed, the Treasurer/Controller shall be responsible for the day-to-day operation and management of CCCFA. The General Manager, if any, and the Treasurer/Controller may each enter into and execute contracts in accordance with the policies established and direction provided by the Board, and shall file an official bond in the amount determined from time to time by the Board.

Section 4.08 Other Officers and Employees. The Board shall have the power to appoint such other officers, deputies, legal counsel (which may be the legal counsel to one or more of the Members) and staff as it may deem necessary who shall have such powers, duties and responsibilities as are determined by the Board, and to retain independent accountants, legal counsel, engineers and other consultants. The Founding Members may contract with CCCFA to provide staff to perform services for CCCFA, but such employees shall at all times, and for all purposes including benefits and compensation, remain employees of the Founding Member only.

Section 4.09 Budget. The budget shall be approved by the Board. The Board may revise the budget from time-to-time as may be reasonably necessary to address contingencies and expected expenses. All subsequent budgets of CCCFA shall be approved by the Board in accordance with rules as may be adopted by the Board from time to time. All expenditures must be made in accordance with the adopted budget.

Section 4.10 Fiscal Year. Unless changed by resolution of the Board, the fiscal year of CCCFA shall be the period from January 1 of each year to and including the following December 31.

Article V. MEETINGS OF THE BOARD

Section 5.01 Regular Meetings. The Board shall hold at least one regular meeting per year, but the Board may provide for the holding of regular meetings at more frequent intervals. The date, hour and place of each regular meeting shall be fixed by resolution of the Board. Regular meetings may be adjourned to another meeting time.

Section 5.02 Special Meetings. Special and emergency meetings of the Board may be called in accordance with the provisions of Government Code Sections 54956 and 54956.5, as amended.

Section 5.03 Brown Act Compliance. All meetings of the Board shall be conducted in accordance with the provisions of the Ralph M. Brown Act (Government Code Section 54950 *et seq.*), and as augmented by rules of the Board not inconsistent therewith. Directors may participate in meetings telephonically or by other electronic means, with full voting rights, to the extent permitted by law.

Section 5.04 Minutes. The Secretary shall cause to be kept minutes of the meetings of the Board, both regular and special, and shall cause a copy of the minutes to be forwarded promptly to each Director.

Section 5.05 Quorum. A quorum of the Board shall consist of a majority of the Directors, except that less than a quorum may adjourn from time to time in accordance with law.

Section 5.06 Voting. Each Founding Member shall have one vote, which may be cast on any matter before the Board by each Director or alternate. Except to the extent otherwise specified in this Agreement, or by law, a vote of the majority of the Directors in attendance shall be required and sufficient to constitute action, provided a quorum is established and maintained.

(a) Special Voting Requirements as specified in this Agreement:

- (i)** Action of the Board on the matters set forth in Section 3.01 related to addition of Founding Members shall require the affirmative vote of at least two-thirds (2/3) of the Entire Board.
- (ii)** Action of the Board on the matters set forth in Section 3.04(c) related to involuntary termination of a Member shall require the affirmative vote of at least two-thirds (2/3) of the entire Board.

- (iii) Action of the Board on the matters set forth in Section 9.01 related to termination of this Agreement shall require the affirmative vote of at least two-thirds (2/3) of the entire Board approved by resolution of each Founding Member's governing body.
- (iv) Action of the Board to amend any other provision of this Agreement shall be subject to the voting requirements set forth in Section 11.03 below.

Section 5.07 Rules and Regulations. CCCFA may adopt, from time to time, by resolution of the Board such bylaws, policies or rules and regulations for the conduct of its meetings and affairs as may be required.

Article VI. PREPAYMENT PROJECTS

Section 6.01 Prepayment Projects. The Board has the power, upon majority vote of the Directors in attendance, provided a quorum is established and maintained, to approve the application of any Member for the undertaking, financing, or refinancing of any Prepayment Projects within the purpose and power of CCCFA and to adopt guidelines for their implementation.

Section 6.02 Prepayment Project Contract. The costs and other expenses of each Prepayment Project, including without limitation applicable administrative costs of CCCFA with respect to the Prepayment Project, shall be allocated solely to the Member or Members undertaking or participating in such Prepayment Project or on whose behalf CCCFA undertakes such Prepayment Project, which allocation shall be described in a Prepayment Project Contract relating to such Prepayment Project, which will be separate and distinct from this Agreement.

Article VII. BONDS AND OTHER INDEBTEDNESS

In addition to the other powers conferred on CCCFA by this Agreement, CCCFA shall have the power to issue, incur, sell and deliver Bonds in accordance with the provisions of the Act and other applicable laws for the purpose of acquiring, undertaking, financing, or refinancing one or more Prepayment Projects. The terms and conditions of the issuance or incurrence of any such bonds or indebtedness shall be set forth in a resolution, indenture trust agreement, or other instrument pursuant to which the Bonds are issued or incurred, as required by law and as approved by the Board. CCCFA's debts, liabilities and obligations with respect to Bonds issued or incurred under this Agreement and contracts or obligations entered into to carry out the purposes for which Bonds are issued or incurred, shall not constitute a debt, liability or obligation of any of the Members.

Any Bonds issued or incurred by CCCFA shall not constitute general obligations of CCCFA, but shall be payable solely from the moneys pledged to the payment of principal of or interest on such Bonds under the terms of the resolution, indenture, trust agreement or other instrument pursuant to which the Bonds are issued or incurred.

Article VIII. LIMITATION ON LIABILITY OF MEMBERS

Section 8.01 Pursuant to Section 6508.1 of the Government Code, no debt, liability or obligation of CCCFA shall be a debt, liability or obligation of any Member. Nothing contained in this Article VIII shall in any way diminish the liability of any Member with respect to any Prepayment Project Contract such Member enters into pursuant to this Agreement.

Section 8.02 Notwithstanding anything to the contrary in this Agreement or otherwise, CCCFA shall not have the power to and shall not enter into any retirement contract with any public retirement system (as defined in Section 6508.1 of the Government Code) for any reason. The provision in this paragraph is intended to

benefit Members and to be a confirming, irrevocable obligation of CCCFA which may be enforced by Members individually or collectively.

Article IX. TERM; TERMINATION; LIQUIDATION; DISTRIBUTION

Section 9.01 Term and Termination. This Agreement shall become effective when at least three Founding Members execute this Agreement. This Agreement shall continue in full force and effect until terminated as provided in this Article; *provided, however*, this Agreement cannot be terminated while either (a) any Bonds of CCCFA remain outstanding under the terms of the resolution, indenture, trust agreement or other instrument pursuant to which such Bonds are issued or incurred, or (b) CCCFA is the owner, lessor or lessee of any real or personal property financed from the proceeds of any Bonds. This Agreement may be terminated by a two-thirds (2/3) vote of the entire Board that is approved by resolution of each Founding Member's governing body; *provided, however*, that this Agreement and CCCFA shall continue to exist after termination for the purpose of disposing of all claims, distribution of assets and all other functions necessary to conclude the obligations and affairs of CCCFA. In any event, CCCFA shall cause all records regarding its formation, existence, the Prepayment Projects, any Bonds issued or incurred by it and proceedings pertaining to its termination to be retained for at least six years (or as otherwise required by law) following termination of CCCFA or final payment of any Bonds issued or incurred by CCCFA, whichever is later.

Section 9.02 Liquidation; Distribution. Upon termination of this Agreement, the Board shall liquidate the business and assets and the property of CCCFA as expeditiously as possible, and distribute any net proceeds, after the conclusions of all debts and obligations of CCCFA, to any Members in proportion to the contributions made or in such manner as otherwise provided by law. The Board is vested with all powers of CCCFA for the purpose of concluding and dissolving the business affairs of CCCFA. Notwithstanding the foregoing, no dissolution of CCCFA shall be permitted while either (a) any Bonds of CCCFA remain outstanding, or (b) CCCFA is the owner, lessor or lessee of any real or personal property financed from the proceeds of any Bonds.

ARTICLE X. ACCOUNTS AND REPORTS

Section 10.01 Establishment and Administration of Funds. CCCFA is responsible for the strict accountability of all funds and reports of all receipts and disbursements. It will comply with every provision of law relating to the establishment and administration of funds, including without limitation Section 6505 of the Government Code. CCCFA shall establish and maintain such funds and accounts as may be required by good accounting practice or by any provision of any resolution, indenture or other instrument of CCCFA securing its bonds or other indebtedness, except insofar as such powers, duties and responsibilities are assigned to a trustee appointed pursuant to such resolution, indenture or other instrument. The books and records of CCCFA shall be open to inspection at all reasonable times to each Member and its representatives.

Section 10.02 Annual Audits and Audit Reports. The Treasurer/Controller shall cause an annual independent audit of the accounts and records of CCCFA to be made by a certified public accountant or public accountant in accordance with all applicable laws. If permitted by applicable law and authorized by the Board, the audit(s) may be conducted at the longer interval authorized by applicable law. A report of the financial audit will be filed as a public record with each Member not later than 270 days after the close of the fiscal year or fiscal years under examination. CCCFA will pay the cost of the financial audit and charge the cost against the Members in the same manner as other administrative costs.

ARTICLE XI. GENERAL PROVISIONS

Section 11.01 Conflict of Interest Policy. CCCFA, unless otherwise exempt, shall adopt a conflict of interest policy as required under applicable laws of the State of California. Counsel to CCCFA for financing

matters, including bond counsel, shall not be considered a consultant or other designated position for purposes of the conflict of interest policy.

Section 11.02 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties. Except to the extent expressly provided herein, neither a Member nor CCCFA may assign any right or obligation under this Agreement without the consent of all other Members.

Section 11.03 Amendments. Subject to any requirements of law, a two-thirds (2/3) vote of the entire Board will be required to amend Articles II, III, VIII, and IX of this Agreement, and an amendment of Section 8.02 and Section 11.03 of this Agreement shall require an affirmative vote of the entire Board. Once an amendment of Articles II, III, VIII, or IX is adopted by the Board, the amendment must be approved by two-thirds of the Founding Members pursuant to each Founding Member's applicable approval process, and an amendment of Section 8.02 and Section 11.03 of this Agreement shall require an affirmative vote of all Founding Members pursuant to each Founding Member's applicable approval process. All other provisions of this Agreement may be amended at any time or from time to time by an amendment approved by at least two-thirds (2/3) vote of the entire Board. Written notice shall be provided to all Members of proposed amendments to this Agreement, including the effective date of such amendments, at least thirty (30) days prior to the date upon which the Board votes on such amendments. Each Member hereby agrees to take any actions necessary on its part to approve any amendment adopted pursuant to this Section 11.03, and if any Member fails to perform any such actions, such Member shall be deemed to have submitted a resolution of withdrawal pursuant to the provisions of Section 3.04 hereof.

Notwithstanding the foregoing, this Agreement shall not terminate while any Bonds of CCCFA remain outstanding under the terms of the resolution, indenture, trust agreement or other instrument pursuant to which such Bonds are issued or incurred.

Section 11.04 Indemnification and Insurance. To the fullest extent permitted by law, CCCFA shall defend, indemnify, and hold harmless the Members and each Director, alternate, officer, employee and agent from any and all claims losses damages, costs, injuries and liabilities of every kind arising directly or indirectly from the conduct, activities, operations, acts, and omissions of CCCFA under this Agreement to the extent not otherwise provided under a Prepayment Project Contract. CCCFA shall acquire such insurance coverage as the Board deems is necessary and appropriate to protect the interests of CCCFA and the Members.

Section 11.05 Waiver of Personal Liability. No member, director, commissioner, officer, agent or employee of CCCFA or the Members, respectively, past, present or future, shall be individually or personally liable for the observance or performance of any terms, conditions or provisions hereof or for any claims, losses, damages, costs, injury and liability of any kind, nature or description arising from the actions of CCCFA or the actions undertaken pursuant to this Agreement; provided, however, that nothing herein shall relieve any such person from the performance of any official duty provided hereby or by applicable provision of law.

Section 11.06 Limitation of Rights. All of the covenants, agreements, terms and conditions in this Agreement to be observed or performed by or on behalf of CCCFA or the Members shall be for the sole and exclusive benefit of CCCFA and the Members, whether so expressed or not, and nothing contained herein, express or implied, is intended to or shall give any other person other than CCCFA and the Members any legal or equitable right, remedy or claim hereunder.

Section 11.07 Notices. The Board shall designate its principal office as the location at which it will receive notices, correspondence, and other communications, and shall designate one of its Directors or staff as an officer for the purpose of receiving service of process on behalf of CCCFA. Any notice given pursuant to this Agreement shall be in writing and shall be dated and signed by the Member giving such notice. Notice to each Member under this Agreement is sufficient if mailed to the Member, and separately to the Director appointed by such Founding Member, to their respective addresses on file with CCCFA.

Section 11.08 Severability. Should any portion, term, condition, or provision of this Agreement be determined by a court of competent jurisdiction to be illegal or in conflict with any law of the State of California, or be otherwise rendered unenforceable or ineffectual, the remaining portions, terms, conditions, and provisions shall not be affected thereby.

Section 11.09 Section Headings. The section headings herein are for convenience only and are not to be construed as modifying or governing the language in the section to which they refer.

Section 11.10 Choice of Law. This Agreement will be governed and construed in accordance with the laws of the State of California.

Section 11.11 Counterparts. This Agreement may be executed in any number of counterparts, and each executed counterpart shall have the same force and effect as an original instrument and as if all Members had signed the same instrument.

Section 11.12 Dispute Resolution. The Members shall make reasonable efforts to informally settle all disputes arising out of, or in connection with, this Agreement. Should such informal efforts to settle a dispute fail, the dispute shall be mediated in accordance with policies and procedures established by the Board. In the event such mediation fails to settle a dispute, the parties may pursue any remedies provided by law.

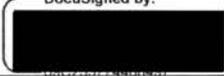
[Signature Page Follows]

IN WITNESS WHEREOF, each Member hereto has caused this Agreement to be executed as an original counterpart by its duly authorized representative on the date indicated below.

By:  _____
Name: Dawn Weisz
Title: CEO
CCA Name: MCE
Date: June 25, 2021

DocuSigned by:
By:  _____
Name: Girish Balachandran
Title: CEO
CCA Name: Silicon Valley Clean Energy
Date: June 25, 2021

By:  _____
Name: Nick Chaset
Title: CEO
CCA Name: East Bay Community Energy
Date: June 25, 2021

DocuSigned by:
By:  _____
Name: Tom Habashi
Title: CEO
CCA Name: Central Coast Community Energy
Date: June 25, 2021

IN WITNESS WHEREOF, each Member hereto has caused this Agreement to be executed as an original counterpart by its duly authorized representative on the date indicated below.

E-SIGNED by Donald Eckert

By: on 2022-09-02 12:27:33 PDT

Name: Donald Eckert

Title: Executive Director

CCA Name: Pioneer Community Energy

Date: September 02, 2022

IN WITNESS WHEREOF, each Member hereto has caused this Agreement to be executed as an original counterpart by its duly authorized representative on the date indicated below.

DocuSigned by:
By: 
Name: Ted Bardacke
Title: Chief Executive Officer
CCA Name: Clean Power Alliance of Southern California
Date: 9/6/2022

IN WITNESS WHEREOF, each Member hereto has caused this Agreement to be executed as an original counterpart by its duly authorized representative on the date indicated below.

By: _____

Name: Lori Mitchell

Title: Director, Energy

CCA Name: City of San José

Date: 6/17/2024

IN WITNESS WHEREOF, each Member hereto has caused this Agreement to be executed as an original counterpart by its duly authorized representative on the date indicated below.

By:  _____
box SIGN 4P8R5CWA-4L6WV3K2

Name: Shawn Marshall _____

Title: Chief Executive Officer _____

CCA: Name: Peninsula Clean Energy _____

Date: 8/23/24 _____

IN WITNESS WHEREOF, each Member hereto has caused this Agreement to be executed as an original counterpart by its duly authorized representative on the date indicated below.


B eric.washington (Oct 16, 2024 15:14 PDT) _____
Name: Dr. Eric W. Washington
Title: Chief Financial Officer
CCA Name: San Diego Community Power
Date: October 16, 2024

IN WITNESS WHEREOF, each Member hereto has caused this Agreement to be executed as an original counterpart by its duly authorized representative on the date indicated below.

By:  _____
Name: Geof Syphers
Title: Chief Executive Officer
CCA Name: Sonoma Clean Power Authority
Date: October 17, 2024

IN WITNESS WHEREOF, each Member hereto has caused this Agreement to be executed as an original counterpart by its duly authorized representative on the date indicated below.

By:  _____

Name: Mitch Sears

Title: Executive Officer

CCA Name: Valley Clean Energy Alliance

Date: October 16, 2024

IN WITNESS WHEREOF, each Member hereto has caused this Agreement to be executed as an original counterpart by its duly authorized representative on the date indicated below.

Signed by: 
By: DF577304A3D442A...
Name: Joseph M. Mosca
Title: Chief Executive Officer
CCA Name: Orange County Power Authority
Date: 1/28/2026



California Community Choice
Financing Authority

**SUMMARY OF POLICIES AND PROCEDURES FOR
THE ISSUANCE OF RENEWABLE ENERGY
PREPAYMENT BONDS**

**CALIFORNIA COMMUNITY CHOICE FINANCING AUTHORITY
SUMMARY OF POLICIES AND PROCEDURES FOR THE ISSUANCE OF
RENEWABLE ENERGY PREPAYMENT BONDS**

I. Introduction

- A. General Information. California Community Choice Financing Authority (CCCFA) was established to act as a conduit issuer of revenue bonds (Prepayment Bonds) for California community choice aggregators (CCAs) for the financing of prepayments for long-term renewable energy supplies. CCCFA is a joint powers agency organized and existing under the Joint Exercise of Powers Act (Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the California Government Code, as amended and supplemented), and has the power and authority to issue Prepayment Bonds and to sell the electricity acquired with the proceeds of the Prepayment Bonds to the participating CCA, and to undertake certain related transactions. CCCFA's sole members are CCAs, and membership in CCCFA is required for CCCFA to act as a conduit issuer for a CCA, as further described herein.
- B. Purpose of the Policies and Procedures. This summary of policies and procedures have been developed by CCCFA staff to provide a general guide to the process and procedures involved with the issuance of Prepayment Bonds by CCCFA and to provide links to forms of certain key documents or document provisions. This summary is for informational purposes only and does not supersede any CCCFA Board-approved policy or procedure.
- C. Information regarding meetings. Certain CCCFA Board approvals are necessary for the addition of a new CCA member and to approve documents and transaction parameters for the issuance of Prepayment Bonds by CCCFA. More than one meeting may be required, depending on related CCA approvals and status of documents to be approved by CCCFA. Set forth below is general information relating the CCCFA Board's meeting schedule and attendance.
1. CCCFA regular Board meetings are held the fourth Thursday of each month from January through October, and the first Thursday of December at 1:00 p.m. Agenda items must be approved by the Treasurer/ Controller's working group, which meets on the second Monday of each month. All approved agenda materials are due to the Clerk the Friday before the regular Board meeting.

2. CCCFA Board meetings are generally accessible in person at noticed locations and remotely via teleconferencing as provided in CCCFA's regular meeting agenda.

D. Joint Powers Agreement. Each CCA that joins CCCFA is required to become a party to CCCFA's Joint Powers Agreement.

The Joint Powers Agreement may be accessed here: CCCFA.org/key-documents.

II. Membership in CCCFA

A. Associate Membership Required for the Issuance of Prepayment Bonds. CCCFA requires that a CCA join CCCFA as an Associate Member for CCCFA to issue Prepayment Bonds for the CCA. To join CCCFA, the CCA's Board of Directors must approve such membership by resolution and the execution and delivery of the CCCFA Joint Powers Agreement, pay an initial membership fee of \$50,000, and agree to pay the CCA's equal share of annual costs to CCCFA to cover certain general and administrative expenses of CCCFA not otherwise covered by other fees.

A link to a form of resolution providing for the foregoing is available here: [Appendix A](#).

B. Approval by CCCFA. Following adoption of an approving resolution by the CCA's Board of Directors, a PDF copy of the signed approving resolution should be emailed to CCCFA at:

info@cccfa.org with a copy to David J. Ruderman, General Counsel of CCCFA, [REDACTED]

Following receipt, CCCFA will include on the agenda for the next available CCCFA Board meeting the approval of the CCA's membership and the execution of the applicable amendment of the CCCFA Joint Powers Agreement. CCCFA's meeting schedule and deadline for submission of agenda items is provided in paragraph C of Part I of these Policies and Procedures.

- C. Membership Criteria. CCCFA's Board of Directors approved membership criteria on July 25, 2024.

These criteria can be found here: [Appendix B](#).

III. Selection and Engagement of Professionals

- A. Municipal Financial Advisor. Typically, the initial step to be taken by a CCA interesting in pursuing a renewable energy prepayment transaction is the engagement of a financial advisor registered with the Municipal Securities Rulemaking Board and experienced in advising CCAs in connection with such transactions. The CCA determines the process by which its financial advisor is selected, subject to the CCCFA's Prepay Transaction Criteria discussed in Part V.B below.
- B. CCA Counsel; Disclosure Counsel. The CCA selects its legal counsel based on its own criteria and process. Such counsel typically also serves as disclosure counsel to the CCA, responsible for preparing information for investors regarding the CCA and its operations.
- C. Bond Counsel. The role of Bond Counsel is unique to municipal finance. Bond Counsel prepares certain documents, including the Trust Indenture that governs the terms of the Prepayment Bonds, the cash flows, and the security for the payment of the Prepayment Bonds. Bond Counsel also coordinates the delivery of executed transaction documents, certificates and opinions and the closing of the transaction. At closing, Bond Counsel delivers an opinion that the investors rely on that the Prepayment Bonds are validly issued and secured. Bond Counsel is engaged by CCCFA at the request of the CCA, subject to the CCCFA's Prepay Transaction Criteria discussed in Part V.B below.
- D. Tax Counsel. Typically, Bond Counsel also serves as Tax Counsel, providing an opinion (typically included in the Bond Counsel opinion) that the interest on the Prepayment Bonds is tax-exempt. As with Bond Counsel, Tax Counsel is engaged by CCCFA at the request of the CCA, subject to the CCCFA's Prepay Transaction Criteria discussed in Part V.B below.
- E. Other Counsel. Other transaction parties described below select their own counsel.

IV. Selection and Engagement of Transaction Parties

- A. Prepaid Supplier. The CCA selects the Prepaid Energy Supplier using its own process and with the advice of its financial advisor. The Prepaid Energy Supplier receives most of the bond proceeds, who in turn delivers energy to CCCFA during the prepayment period and pays for any energy not delivered or taken. The Prepaid Energy Supplier needs to be an investment grade company and is also responsible for any termination payment which retires the bonds if the transaction is terminated for any reason.

- B. Underwriter. The underwriter of the Prepayment Bonds is a financial institution registered as a municipal securities dealer under applicable federal securities laws and is often an affiliate of the Prepaid Energy Supplier. The underwriter is selected by the CCA, subject to the CCCFA's Prepay Transaction Criteria for new issuances discussed in Part V.B below.

- C. Swap Counterparties. To the extent the transaction includes a commodity swap and/or interest rate swap, the CCA selects the counterparty or counterparties with the advice of its financial advisor. Note that the Prepaid Energy Supplier or a related party cannot serve as commodity swap counterparty under applicable Federal income tax rules.

- D. Trustee. The Trustee is a bank with trust powers that serves as the trustee for the Prepayment Bonds and holds and administers funds under the Trust Indenture. The Trustee is selected by the CCA with CCCFA approval.

- E. Custodian. Cash flows associated with the assignment of power purchase agreements to the transaction and payments and receipts under the commodity swaps, if applicable, are administered by a Custodian. Like the Trustee, the Custodian is a bank with trust powers selected by the CCA with CCCFA approval. The Trustee may also serve as Custodian.

V. Approval, Sale and Issuance of Prepayment Bonds by CCCFA

- A. Approval by CCA of Documents and Transaction Parameters. Once the CCA has joined CCCFA, the documents to which the CCA is a party have been negotiated and are in substantially final form, and the disclosure regarding the CCA and its operations to be included in the offering documents for the Prepayment Bonds is in substantially final form, the CCA Board of Directors will adopt a resolution approving the transaction subject to certain parameters and authorizing the execution and delivery of such documents by the officers of the CCA named in the resolution.
1. The documents to which the CCA is a party generally consist of an energy supply agreement between the CCA and CCCFA relating to the delivery of the prepaid energy at a discounted price, a form of limited assignment agreement relating to the assignment of energy deliveries under certain power purchase agreements of the CCA, a custodial agreement related to the cash flows from the assigned power purchase agreements, and an Operational Services Agreement with CCCFA , as further described in Part IV below.
 2. The CCA resolution must be adopted before or concurrently with the adoption of the Bond Resolution by CCCFA, discussed below.
 3. The transaction parameters contained in the CCA resolution generally include the maximum notional value of the prepaid energy, minimum discount levels for the purchase of such energy by the CCA, and limits on transactions costs to be paid from proceeds of the Prepayment Bonds, all as determined with the advice of the CCA's financial advisor.
- B. Adoption of Bond Resolution by CCCFA. Once the CCA has adopted its approving resolution, the transaction documents to which CCCFA is a party have negotiated and are in substantially final form, and the Preliminary Official Statement related to the offering of the Prepayment Bonds to investors is in substantially final form, CCCFA will, at a regular Board meeting, adopt a Bond Resolution approving the transaction, the issuance of the Prepayment Bonds (subject to the parameters described above) and the execution and delivery of such documents by the officers of CCCFA named in the Bond Resolution, and approving and authorizing the use and distribution of the Preliminary Official Statement.

CCCFA has adopted criteria CCAs must follow for approval of any prepayment

transaction, with additional criteria that apply to a CCA's first issuance. These criteria cover requirements related to the experience and accreditation of the municipal financial advisor, tax, bond and disclosure counsel, and the underwriter. In addition, the CCA must prepare a staff report and a redline of changes to the prepayment documents from CCCFA templates. CCCFA also currently charges a fee of \$20,000 per prepayment transaction, which fee is paid upon closing.

CCCFA's adopted [Prepay Transaction Criteria can be found here.](#)

- C. Pricing of the Prepayment Bonds. Pricing refers to the sale of the Prepayment Bonds to investors and the determination of the price and yield on the Prepayment Bonds pursuant to such sale. The underwriter will review pricing information with the CCA and its financial advisor, and with approval of the CCA, the underwriter and CCCFA will enter into a Bond Purchase Agreement providing for sale and delivery of the Prepayment Bonds to the underwriter for delivery to the investors, subject to certain conditions to closing described below.
- D. Opinions and Closing Certificates. The Bond Purchase Agreement will require the delivery of certain closing certificates and opinions by the parties to the transaction as a condition to the purchase of the Prepayment Bonds by the underwriter.
1. Opinion to be delivered by CCA Counsel. Counsel to the CCA will deliver an opinion relating to the authorization, execution and delivery of the documents to which CCA is a party and certain other matters.
 2. CCA General Counsel Opinion. General counsel to the CCA is expected to deliver an opinion to the effect that there is no pending litigation relating to the CCA that would restrict or impair its ability to execute, deliver and perform its obligations under the transaction documents to which it is a party.
 3. Closing and Incumbency Certificates to be provided by CCA. The CCA will be required to deliver a closing certificate relating to the transaction documents and approvals, no conflicts with other documents, no litigation affecting the transaction or the documents to which the CCA is a party, and certain related matters, as well as an incumbency certificate relating to the incumbency and authority of the officers of the CCA executing the

documents to which the CCA is a party and providing specimen signatures of such officers.

4. Tax Certificate to be provided by CCA. The CCA will also be required to deliver a certificate as to certain federal income tax matters relating primarily to the use of the prepaid energy to be purchased by the CCA pursuant to the transaction. Tax Counsel will rely on the certificate of the CCA in connection with the delivery of its opinion as to the tax-exemption of the interest on the Prepayment Bonds.

VI. Project Administration

- A. Operational Services Agreement. To provide for the the CCA's control of certain matters under the prepaid energy agreement and other documents to which CCCFA is a party but the CCA is not, CCCFA and the CCA will enter into an Operational Services Agreement providing for CCCFA to take direction from the CCA with respect to such matters.
- B. Operating Expenses. Under the Operational Services Agreement, the CCA will agree to pay to CCCFA amounts necessary to pay operating expenses of the prepayment transaction, if any, in excess of the amounts budgeted and payable from transaction revenues under the Trust Indenture, as further described below.

VII. Continuing Disclosure

- A. Obligation to Provide Annual Financial and Operating Information and Notice of Certain Material Events. In connection with the issuance of the Prepayment Bonds, CCCFA is required under federal securities law to enter into an agreement to provide to a central repository operated by the Municipal Securities Rulemaking Board (referred to as Electronic Municipal Market Access, or EMMA) certain annual financial and operating information as well as notice of certain material events relating to the Prepayment Bonds.
- B. CCA Obligations. In addition to the description of the CCA and its operations, the most recent annual audited financial statements of the CCA are included in the Preliminary Official Statement and final Official Statement for the Prepayment Bonds. The continuing disclosure undertaking of CCCFA described above will include the requirement to file certain updated operating information of the CCA

and the most recent audited financial statements of the CCA in its annual filings with EMMA.

CCCFA facilitates regular trainings regarding its and the CCAs' continuing disclosure obligations regarding Prepayment Bonds. Responsible CCA staff members are expected to attend such trainings and stay up-to-date with obligations imposed by the federal securities laws.

- C. Disclosure Agent. In connection with the issuance of the Prepayment Bonds, CCCFA will engage a disclosure agent to collect and file the required annual information and notices of material events with EMMA, and the fees and expenses of the disclosure agent will be payable as an operating expense of the transaction, described below.

VIII. Credit Ratings and Green Bond Designation

- A. Credit Ratings. The Prepayment Bonds will be rated by one or more credit rating agencies selected by the CCA with the advice of its financial advisor and the underwriter of the Prepayment Bonds. The rating on the Bonds will be a structured rating based on the credit of the Prepaid Energy Supplier (or its guarantor), not the credit of the CCA or CCCFA. Initial fees of the credit rating agency or agencies are payable by the CCA and reimbursed from proceeds of the Prepayment Bonds at closing. On-going rating maintenance fees are payable from revenues of the transaction as an operating expense, as further described below.
- B. Green Bond Designation. Generally the CCA will elect to have the Prepayment Bonds designated as "green bonds" (or similar designation) by a third party selected by the CCA with the advice of its financial advisor. Initial fees of such party are payable by the CCA and reimbursed from proceeds of the Prepayment Bonds at closing. Any on-going fees of such party are payable from revenues of the transaction as an operating expense.

IX. Costs and Expenses

- A. Costs of Issuance. Certain costs and expenses (such as underwriter's discount, fees and expenses of counsel to the CCA, CCCFA and certain other parties, initial fees and expenses of the Trustee and Custodian) are permitted to be paid from proceeds of the Prepayment Bonds as costs of issuance.

- B. Operating Expenses. On-going transaction costs and expenses, such as annual fees of the Trustee and Custodian, rating agencies, etc. are budgeted and paid from revenues as operating expenses of the transaction under the Trust Indenture. Any such operating expenses in excess of those budgeted are payable by the CCA under the terms of the Operational Services Agreement, as described in Part VI above.

- C. Other Expenses. Other costs and expenses of CCCFA not related to a particular transaction are payable from the annual membership dues payable by each CCA member to CCCFA.

[MODEL ASSOCIATE MEMBER RESOLUTION]

RESOLUTION OF THE [GOVERNING BODY] OF [AGENCY] TO APPROVE AND AUTHORIZE THE EXECUTION OF A JOINT POWERS AGREEMENT PROVIDING [AGENCY] ASSOCIATE MEMBERSHIP TO THE CALIFORNIA COMMUNITY CHOICE FINANCING AUTHORITY TO ISSUE MUNICIPAL BONDS FOR ENERGY PREPAY TRANSACTIONS

WHEREAS, the pursuit of an energy prepayment on a tax advantaged basis enables a meaningful power procurement cost savings opportunity in which [AGENCY] can utilize its tax-exempt status to access the municipal bond market to prepay existing energy supply contracts at a discounted rate;

WHEREAS, long-term power prepay transactions utilize the municipal bond market and therefore [AGENCY] requires a bond issuing entity to participate;

WHEREAS, the California Community Choice Financing Authority (“CCCFA”) is a joint exercise of powers agency established under California Government Code section 6500 et seq. (the “JPA Law”) and a Joint Powers Agreement (the “CCCFA Joint Powers Agreement”) among various California Community Choice Aggregators (“CCAs”) for the purpose of undertaking the financing and refinancing of energy prepayments that can be financed with tax advantaged bonds on behalf of one or more of its members by, among other things, issuing or incurring bonds and entering into related contracts;

WHEREAS, [AGENCY] is a community choice aggregator, as such term is defined in Section 331.1 of the Public Utilities Code of the State of California (the “Public Utilities Code”), that is a public agency, as such term is defined in the JPA Law, which has implemented a CCA program pursuant to Section 366.2 of the Public Utilities Code, and possesses the power to purchase and sell electric energy and enter into related contracts for such purposes and, therefore, [AGENCY] is eligible to become a member of CCCFA under the CCCFA Joint Powers Agreement;

WHEREAS, for CCCFA to finance or refinance energy prepayments and issue bonds on behalf of [AGENCY], [AGENCY] must become an associate member of CCCFA;

WHEREAS, [AGENCY] has determined that CCCFA is the best-fit least-cost option for a bond issuing entity to enable [AGENCY] to participate in one or more energy prepayment transactions and therefore [AGENCY] desires to become an associate member of CCCFA;

WHEREAS, to become an associate member of CCCFA, the [GOVERNING BODY] of [AGENCY] must file an executed counterpart of the CCCFA Joint Powers Agreement with CCCFA, together with a copy of the resolution of the [GOVERNING BODY] of [AGENCY] approving the CCCFA Joint Powers Agreement and the execution and delivery hereof, and requesting to be added as an Associate Member of CCCFA and [AGENCY] must further agree in writing to pay CCCFA a share of organization, planning and other costs and charges as determined by the Board of CCCFA to be appropriate, if any;

WHEREAS, on March 11, 2022, the CCCFA Board established a new membership entry fee of \$50,000 for a new associate member's portion of organization, planning, and other costs, in addition to each member's equal share of general and administrative costs as determined by the CCCFA Board;

WHEREAS, on December 16, 2022, the CCCFA Board established a transaction fee of \$20,000 to cover the "Prepayment Project" costs as defined in Section 1.11 of the CCCFA Joint Powers Agreement; and

WHEREAS, under the JPA Law and the CCCFA Joint Powers Agreement, CCCFA is a public entity separate and apart from the parties to the CCCFA Joint Powers Agreement, and the debts, liabilities, and obligations of the CCCFA will not constitute debts, liabilities, or obligations of the [AGENCY].

NOW, THEREFORE, BE IT RESOLVED that the [GOVERNING BODY] of [AGENCY] hereby finds, declares, and resolves as follows:

1. The above recitals are true and correct.
2. The CCCFA Joint Powers Agreement on file with the [CLERK/SECRETARY] of the [AGENCY] is hereby approved. The [CHAIRPERSON/EXECUTIVE DIRECTOR/GENERAL MANAGER/ETC.] is authorized and directed, on behalf of the [AGENCY], to execute the CCCFA Joint Powers Agreement, and request that [AGENCY] become an associate member of CCCFA.
3. [AGENCY] hereby agrees to pay CCCFA for its share of organization, planning and other costs and charges as determined by the Board of CCCFA to be appropriate.
4. The officers, employees, and agents of [AGENCY] are hereby authorized and directed, jointly and severally, to execute and deliver any and all documents,

agreements and instruments and to do any and all things which they may deem necessary or advisable to carry out, give effect to and comply with the terms and intent of the CCCFA Joint Powers Agreement and this Resolution.

5. This Resolution shall take effect immediately upon its adoption.

The following Resolution was duly passed by the [GOVERNING BODY] of [AGENCY] at a regular meeting held on [DATE], by the following vote:

Ayes:

Noes:

Absent:

Chair of the [GOVERNING BODY]

Attest:

[SECRETARY/CLERK]

Appendix B



Approved July 25, 2024

CCCFA Membership Criteria

To be eligible to become an Associate Member of CCCFA, one must:

1. Comply with all requirements for associate membership under CCCFA's JPA, including:
 - a. Be a current CCA that is actively serving load in California as required under the CCCFA JPA.
 - b. File a resolution of the applicant's legislative body approving CCCFA's JPA and requesting associate membership.¹
 - c. Receive approval by a majority of CCCFA's Board in attendance as required under the CCCFA JPA.
 - d. File an executed counterpart to the CCCFA JPA with the Board clerk.
 - e. Pay the new member fee and agree to pay ongoing costs for share of CCCFA planning costs, any prepay transaction fee, or any other future fees agreed upon by the Board.
2. Complete the required onboarding process as detailed by CCCFA.²

To be eligible to become a Founding Member of CCCFA, one must:

1. Be an Associate Member of CCCFA.
2. Comply with all requirements for founding membership under CCCFA's JPA, including:
 - a. File a resolution of the applicant's legislative body approving CCCFA's JPA and requesting founding membership.
 - b. Receive approval of two-thirds of the entire CCCFA board as stated in JPA.
 - c. File an executed counterpart to the CCCFA JPA with the Board clerk.
 - d. Pay the new member fee (if 3.b below applies) and agree to pay ongoing costs for share of CCCFA planning costs, any prepay transaction fee, or any other future fees agreed upon by the Board.

¹ CCCFA recommends use of its model resolution for applicants.

² Onboarding documents currently being prepared under contract with Chapman and Cutler.

3. Have either:
 - a. received energy deliveries through a CCCFA prepay transaction for a minimum of one year, or
 - b. employ a Director/Manager-level staff member with at least one year's direct oversight of prepay issuances and prepay operations while employed by a Founding Member CCA.
4. Be in good standing in all compliance related obligations related to the energy prepay transaction, including but not limited to ongoing disclosures, arbitrage rebate reporting and payments, eligible energy deliveries and/or remediation.
5. Designate a CCA full-time employee (at Director/Manager level or above) to serve in the CCCFA Treasurer/Controller working group as an active participant for one year and commit to continued future contributions in the working group.
6. Be current on all CCCFA associated fees and other energy prepay related fees and payments.
7. Must comply with any other transactional requirements as set forth and required by CCCFA.

CCCFA Prepay Transaction Criteria

To be eligible to for approval of a member's first prepay issuance through CCCFA, a member must:

1. Use an underwriter that has previously executed an electricity prepay issuance for a CCA in California
2. Utilize legal counsel to provide advice related to several issues, including but not limited to bonds, tax, disclosures, energy prepay buyer, and energy procurement. Tax counsel, disclosure counsel, and energy prepay buyer counsel must have prior experience with electricity prepay transactions. All legal counsel must be licensed to practice law in California.
3. Employ the services of an MSRB-accredited Municipal Financial Advisor that has previously advised on electricity prepay issuance in California.
4. Prepare the following materials for Board consideration:
 - a. Staff report that summarizes the transaction in addition to the documents the Board must approve.
 - b. Redlines of changes to template prepay documents provided by CCCFA to identify significant changes for Board.
5. Receive approval by a majority of CCCFA's Board in attendance as required under the CCCFA JPA.
6. Pay the transaction fee or any other future fees agreed upon by the Board.
7. Comply with all applicable legal requirements before debt issuance and maintain such compliance throughout the life of the prepay transaction.

To be eligible for approval of a member's second or any subsequent prepay issuance through CCCFA, a member must:

1. Utilize legal counsel to provide advice related to several issues, including but not limited to bonds, tax, disclosures, energy prepay buyer, and energy procurement. All legal counsel must be licensed to practice law in California.
2. Employ the services of an MSRB-accredited Municipal Financial Advisor.
3. Comply with requirements 4 through 7 applicable to approval of a member's first prepay issuance through CCCFA.