

**CALIFORNIA ALTERNATIVE ENERGY AND  
ADVANCED TRANSPORTATION FINANCING AUTHORITY**

***Request to Approve a Time Extension for the  
Initial Term of the Master Regulatory Agreement<sup>1</sup>***

**North Fork Community Power, LLC  
Application No. 17-SM001**

**Tuesday, December 17, 2019**

Prepared By: *Xee Moua, Program Analyst*

**SUMMARY**

**Applicant** – North Fork Community Power, LLC

**Location** – North Fork, Madera County

**Industry** – New Biomass Processing and Fuel Production

**Project** – New Biomass Processing and Fuel Production Facility

**Total Amount of Qualified Property Approved**– \$6,819,733

**Estimated Sales and Use Tax Exclusion Amount at Approval<sup>2</sup>** – \$643,283

**Amount of Time Requested** –

- One year and six months, until July 17, 2021, for the Initial Term of the Master Regulatory Agreement (four years and six months from the date of initial CAEATFA Board approval)

**Staff Recommendation** – Approval

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<sup>1</sup> All capitalized terms not defined in this document are defined in the Program’s statute and regulations.

<sup>2</sup> This amount is calculated based on the average statewide sales tax rate at the time of initial approval, which was 8.42%.

**REQUEST**

On January 17, 2017, the CAEATFA Board approved a sales and use tax exclusion (“STE”) for North Fork Community Power, LLC (“North Fork” or the “Applicant”) for the purchase of up to \$6,819,733 in Qualified Property to convert sustainably harvested forest biomass into syngas and biochar using a gasification process (the “Project”). The Master Regulatory Agreement (“Agreement”) initial term provided the Applicant with three years from the date of Board Approval to utilize its STE award. The initial term of the Agreement can be extended by the Board upon a finding that an extension is in the public interest and advances the purposes of the program.

As of June 30, 2019, North Fork has used the STE to purchase approximately \$2.7 million of Qualified Property (40% of the total Qualified Property approved) and expects to be operational by Q3 or Q4 2021. The Applicant is requesting to extend the Agreement initial term by one year and six months to accommodate project delays resulting from complications with executing contracts with Pacific Gas & Electric (“PG&E”) and securing financing due to PG&E’s bankruptcy and the recent wildfires.

According to North Fork, the power purchase agreement and interconnection agreement with PG&E, supported by the California Public Utilities Commission’s (“CPUC”) BioMAT tariff program that was established by SB 1122 (Rubio, 2012), took longer than expected to execute. Additionally, North Fork explains that its financing hinged upon the sale of a \$15 million bond issued by the California Pollution Control Financing Authority (“CPCFA”), and the sale of a \$5 million Investment Tax Credit (“ITC”) authorized by the California Debt Limit Allocation Committee (“CDLAC”), that would be used to redeem bonds and offset its debt to \$10 million upon North Fork’s commercial operation date.

The Applicant states the closing of the two financings were arranged for January 2019, but it was not able to maintain its ITC investor after PG&E filed for bankruptcy the month of the scheduled closings. North Fork has been working diligently to find a new ITC investor who is willing to accept PG&E risk and has been in discussion with Dudley Ventures, a widely known firm that specializes in ITC, and other private investors to potentially fund the Project. North Fork states it was able to secure a \$1.2 million loan from the California Infrastructure Economic Development Bank to pay for the PG&E interconnection fees.

North Fork anticipates securing and closing its finances shortly after PG&E resolves its bankruptcy proceedings. Furthermore, to ensure the Project will come to fruition, the Applicant has sought and received similar extensions from CPCFA and CDLAC to align with the delayed schedule.

**THE APPLICANT**

North Fork Community Power is a California limited liability company established in 2013 by the North Fork Community Development Council and Phoenix Energy, Inc. to develop a biomass processing facility in North Fork, California. North Fork Community Development Council is a non-profit organization established to encourage economic development after the

closure of the local mill. Phoenix Energy, Inc. is a private power company that builds, owns, and operates biomass gasification plants in partnership with businesses in the agricultural, waste, and forestry industries.

The major shareholders (10.0% or greater) of North Fork Community Power are:  
North Fork Community Development Council Holding, LLC (48%)  
Phoenix Biomass Energy, Inc. (47%)

The officers of North Fork Community Development Council are:  
Dan Rosenberg, President

The officers of Phoenix Energy, Inc. are:  
Gregory John Stangl, CEO

### **THE PROJECT**

North Fork has developed a small-scale bioenergy facility at a retired sawmill site in North Fork, California that will convert sustainably harvested forest biomass into syngas and biochar using a gasification process. The Applicant represents that the forest biomass is frequently piled and burned for disposal. In addition to mitigating fire risk, North Fork states that the Project will help in the removal and consumption of dead and dying trees as a result of the pine beetle kill exacerbated by the drought. The syngas produced by the gasifiers will power a 2 MW engine that will produce electricity to sell back to the grid to PG&E.

As a byproduct of the gasification process, the Project will produce biochar: the solid carbon remains of the woody feedstock after the syngas is produced. Biochar has many applications and is commonly used as a soil amendment. When used in this manner, biochar sequesters carbon and mitigates greenhouse gas emissions, according to the Applicant.

Consistent with CAEATFA policy, the Qualified Property in this Application will be used to manufacture syngas; the Qualified Property also includes a portion of the power generation equipment used to power the facility. The Project's equipment will consume approximately 14 percent of the total amount of available energy generated from syngas combustion; therefore 14 percent of the power generation equipment is eligible for a sales and use tax exclusion under SB 71. However, 86 percent of the power generation equipment is not included in this Application, as it represents the proportion of available energy in the form of electricity that will be sold to PG&E.

The Project also received \$4,965,420 in grant funding from the California Energy Commission's Electric Program Invest Charge Program on August 26, 2015 (PON-14-305). In addition to this funding, the Applicant also received \$900,000 in New Markets Tax Credits, a tax credit offered by the U.S. Treasury to assist distressed communities with economic growth and development.

**AGREEMENT INITIAL TERM EXTENSION REQUEST**

North Fork has requested that the initial term of the Agreement be extended from January 17, 2020 to July 17, 2021 in order to accommodate project delays as a result of contractual complications with PG&E and PG&E’s bankruptcy filing as a result of recent natural disasters.

**Staff Evaluation**

Staff has reviewed North Fork’s request for an extension and considered the circumstances the Applicant encountered. Staff acknowledges the events that led to the Project being delayed such as PG&E’s bankruptcy filing and the wildfires were beyond the Applicant’s control. While the Applicant had difficulty securing a power purchase agreement and interconnection agreement with PG&E, the parties have reached a resolution and finalized the contracts. Staff has also considered the Applicant’s diligence in its continued efforts to secure financing for the Project. North Fork states the Project remains unchanged and believes an additional 18 months will be sufficient to complete the Project. North Fork is hopeful that PG&E’s bankruptcy will be resolved by July 2020 given AB 1054 (Holden, 2019), which requires PG&E’s bankruptcy to be resolved no later than June 30, 2020, or else forfeit a fund that helps the utility company pay out claims for future wildfires. According to the Applicant, all of the Project equipment have long lead-times, but that it will be ordered and paid for rapidly after reaching financial close, which is anticipated in Q3 of 2020, therefore the Applicant believes the extension will provide sufficient time to complete the Project. Based on this information, Staff believes extending the term of the Agreement will allow for the Project to be completed, and is therefore in the public interest and advances the purpose of the program.

**LEGAL QUESTIONNAIRE**

Staff reviewed the Applicant’s responses to the questions contained in the Legal Status portion of the Application. The responses did not disclose any information that raises questions concerning the financial viability or legal integrity of this Applicant.

**CAEATFA FEES**

In accordance with CAEATFA Regulations,<sup>3</sup> the Applicant has paid an additional fee of \$500 because extending the initial term requires a modification to the Applicant’s Master Regulatory Agreement.

**RECOMMENDATION**

Staff recommends that the Board approve North Fork Community Power, LLC’s request to extend the initial term of the Agreement by one year and six months to July 17, 2021 as it is in the public interest and advances the purpose of the program.

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<sup>3</sup> California Code of Regulations Title 4, Division 13, Section 10036

**Attachments**

Attachment A: North Fork Community Power, LLC’s letter requesting waiver (December 4, 2019)

Attachment B: North Fork Community Power, LLC’s staff summary at the time of approval

**RESOLUTION APPROVING A TIME EXTENSION FOR NORTH FORK  
COMMUNITY POWER LLC’S INITIAL TERM FOR  
THE MASTER REGULATORY AGREEMENT**

December 17, 2019

WHEREAS, on January 17, 2017 the California Alternative Energy and Advanced Transportation Financing Authority (the “Authority”), a public instrumentality of the State of California, approved a Sales Tax Exclusion (“STE”) in the amount of \$6,819,733 of Qualified Property for **North Fork Community Power, LLC** (the “Applicant”); and

WHEREAS, within three years of the approval by the Authority, the Applicant must make all purchases of the total amount of Qualified Property listed in the approval resolution (Regulations Section 10035(b)(1)); and

WHEREAS, upon a finding that it is in the public interest and advances the purposes of the Program, the Authority may waive the requirement that all purchases of Qualified Property be made within three years of Application approval (Regulations Section 10035(b)(1)(A)); and

WHEREAS, the Applicant has requested a waiver of the requirement to purchase all of the Qualified Property within three years due to unexpected delays in the Project timeline, extending the term by one year and six months to July 17, 2021; and

WHEREAS, granting the waiver will allow the Project to proceed and the state to receive the anticipated environmental and economic benefits that justified the initial approval of the Project in accordance with the law, thereby advancing both the public interest and the purposes of the Program.

NOW THEREFORE BE IT RESOLVED by the California Alternative Energy and Advanced Transportation Financing Authority, as follows:

Section 1. The Authority finds that it is in the public interest and advances the purposes of the Authority to extend the initial term of the Agreement to July 17, 2021.

Section 2. This resolution shall take effect immediately upon its passage.

**Attachment A: North Fork Community Power, LLC’s Letter Requesting Waiver  
(December 4, 2019)**



December 4, 2019

Ms. Xee Moua  
CAEATFA  
Office of the Treasurer

**RE: Extension Request for time to complete project 17-SM001**

Dear Ms. Moua:

Per your email and our telephone conversation of 28 October 2019, please receive our request for an extension of time to complete the North Fork Community Power project.

Given the bankruptcy of Pacific Gas & Electric (PGE), their prior refusal to obey CPUC orders to sign our contracts (now complete) and now the recent fires which have further complicated the environment for financing a power project largely dependent on PGE as its main customer, we find ourselves delayed beyond our ability to control. We continue to work diligently to complete this project within your time frame, however, at this point prudence requires us to ask for an extension of time. At this point we are hopeful that a 18 month extension of time to July 17, 2021 would suffice for us to complete the acquisition of the plant equipment covered by your program. We believe we can meet this timeline as we have received a similar extension from the California Pollution Control Finance Authority from whom we are receiving the tax exempt bond allocation that is being used to finance this project. At this point in time the project remains largely the same as before, that said we anticipate that in response to market changes for the byproduct we will be installing somewhat greater capacity to produce biochar.

By way of background which you requested in your email on 11/27, the financing for the project depends on two things: 1) Sale of a ~\$15MM CPCFA Bond and 2) The sale of our ~\$5MM Investment Tax Credit (ITC) which would be used to redeem bonds and thereby reduce debt to ~\$10MM at COD (Commercial Operation Date - which is when the ITC becomes salable. After PGE finally signed our PPA and provided the revised Interconnection Agreement in approx. October 2018 we had both of these items in place with a closing scheduled to take place January 2019. What happened was that when PGE announced its intention to file Chapter 11 in December 2018 the deal entered a suspended animation. When PGE actually filed our ITC investor which was a bank immediately pulled out of the transaction. The Bond Investor returned to the table (its the same investor we started the deal with) in approximately late summer 2019 having satisfied themselves to the impact of the PGE situation, however we have been unable to find a new ITC investor who is willing to accept PGE risk. We have been working with Dudley Ventures, a widely known firm that specializes in ITC transactions however to date we have not secured a tax credit investor - the reasons have all been the same,



PGE risk. Perhaps if this were a solar deal and not a first of its kind forestry biomass gasification we would have an easier go but at the moment that is the situation. We are currently in discussion with one wealthy individual and have several more who are considering the project which might be able to take the tax credits but again the PGE issue looms large and this deal is not closed.

An alternative might be to secure several additional million of traditional equity and therefore need to borrow less in bonds which might encourage the bond investor to close however this would actually present considerably more exposure to the PGE situation.

We were able to secure a \$1.2 MM loan from the California I-bank in order to pay the PGE interconnection fees and thus not need investor money to pay a bankrupt entity however without something to replace the tax credit investor we still need more investment which would obviate the need to sell the tax credits. I estimate that \$3MM today would be enough to not need \$5MM in 18 months and therefore allow the bond investors to close.

We are hopeful that per the State's directive the issues related to the PGE bankruptcy should be resolved by July of 2020. Since the equipment covered by your program is all long lead time items in an essentially fully engineered plant, they would be all ordered and paid for fairly rapidly after reaching financial close. As such, we believe that this extension, would suffice for the full deployment of the CAEATFA award.

No further physical site work or sales taxable spend has taken place on the project since our prior reports to you. Please don't hesitate to contact me with any further questions at 415.286.7822

Best regards,

  
Gregory John Stangl  
Managing Partner



**Attachment B: North Fork Community Power, LLC’s Staff Summary at the Time of Approval**

**CALIFORNIA ALTERNATIVE ENERGY AND  
ADVANCED TRANSPORTATION FINANCING AUTHORITY**

***Request to Approve Project for Sales and Use Tax Exclusion (STE)<sup>4</sup>***

**North Fork Community Power, LLC  
Application No. 17-SM001**

**January 17, 2017**

Prepared By: *Alejandro Ruiz, Program Manager*

**SUMMARY**

**Applicant** – North Fork Community Power, LLC

**Location** – North Fork, Madera County

**Industry** – New Biomass Processing and Fuel Production

**Project** – New Biomass Processing and Fuel Production Facility

**Value of Qualified Property** – \$6,819,733

**Estimated Sales and Use Tax Exclusion Amount<sup>5</sup>** – \$574,222

**Estimated Net Benefits** – \$643,283

**Application Score** –

Fiscal Benefits Points:	1,638
<u>Environmental Benefits Points:</u>	<u>482</u>
<b>Net Benefits Score:</b>	<b>2,120</b>
<u>Additional Benefits Points:</u>	<u>102</u>
<b>Total Score:</b>	<b>2,222</b>

**Staff Recommendation** – Approval

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<sup>4</sup> All capitalized terms not defined in this document are defined in the Program’s statute and regulations.

<sup>5</sup> This amount is calculated based on the average statewide sales tax rate of 8.42%.

**THE APPLICANT**

North Fork Community Power, LLC (“North Fork” or the “Applicant”) is a California limited liability company established in 2013 by the North Fork Community Development Council and Phoenix Energy, Inc. to develop a biomass processing facility in North Fork, California. North Fork Community Development council is a non-profit organization established to encourage economic development after the closure of the local mill. Phoenix Energy, Inc. is a private power company that builds, owns, and operates biomass gasification plants in partnership with businesses in the agricultural, waste, and forestry industries.

The major shareholders (10.0% or greater) of North Fork Community Power, LLC are:  
North Fork Community Development Council (45%)  
Phoenix Energy, Inc. (45%)

The officers of North Fork Community Development Council are:  
Dan Rosenberg, Managing Director

The officers of Phoenix Energy, Inc are:  
Gregory John Stangl, Managing Director

**THE PROJECT**

North Fork is developing a small-scale bioenergy facility at a retired sawmill site in North Fork, California that will convert sustainably harvested forest biomass into syngas and biochar using a gasification process (the “Project”). The Applicant represents that the forest biomass is frequently piled and burned for disposal. In addition to mitigating fire risk, North Fork states that the Project will help in the removal and consumption of dead and dying trees as a result of the pine beetle kill exacerbated by the drought. The syngas produced by the gasifiers will power a 2 MW engine that will produce electricity to sell back to the grid to Pacific Gas and Electric under the BioMAT tariff established by SB 1122 (Rubio, 2012).

As a byproduct of the gasification process, the Project will produce biochar: the solid carbon remains of the woody feedstock after the syngas is produced. Biochar has many applications and is commonly used as a soil amendment. When used in this manner, biochar sequesters carbon and mitigates greenhouse gas emissions, according to the Applicant.

Consistent with CAEATFA policy, the Qualified Property in this Application will be used to manufacture syngas; the Qualified Property also includes a portion of the power generation equipment used to power the facility. The Project’s equipment will consume approximately 14 percent of the total amount of available energy generated from syngas combustion; therefore 14 percent of the power generation equipment is eligible for a sales and use tax exclusion under SB 71. However, 86 percent of the power generation equipment is not included in this Application, as it represents the proportion of available energy in the form of electricity that will be sold to PG&E.

The Project also received \$4,965,420 in grant funding from the California Energy Commission’s Electric Program Invest Charge Program on August 26, 2015 (PON-14-305). In addition to this funding, the Applicant also received \$900,000 in New Markets Tax Credits, a tax credit offered by the U.S. Treasury to assist distressed communities with economic growth and development.

**ANTICIPATED COSTS OF QUALIFIED PROPERTY**

The anticipated Qualified Property purchases are listed below:<sup>6</sup>

Gasification Equipment	\$3,724,794
Water Treatment Equipment	284,100
Fuel Handling System	694,375
Power Generation Equipment	452,106
Controls and Electrical Equipment	800,667
Leasehold Improvements	863,691
<b>Total</b>	<b><u>\$6,819,733</u></b>

*Note: The Qualified Property purchases reported in the Application and shown here in staff’s report are estimated costs. At the termination of the master regulatory agreement a finalized project equipment list will be prepared detailing the value of the Project equipment acquired and detailing the actual tax benefit realized pursuant to Revenue and Tax Code Section 6010.8. Variance from the costs shown in the Application and in this report may occur prior to the closing due to increased costs of certain components (of the Project) over original estimates, and other reasons. In addition, such costs may vary after closing due also to increased costs, as well as common design and equipment modifications during construction, differences in equipment due to future changes in law or regulation, or for other reasons.*

**TIMELINE**

The Applicant represents that construction has already begun, with installation and testing scheduled for February 2017. The Project is expected to come online in April 2017.

**PROJECT EVALUATION**

**NET BENEFITS**

The total cost of the Qualified Property purchases is anticipated to be \$6,819,733 and the total net benefits are valued at \$643,283 for the Project. The Project received a Total Score of 2,120 points, which exceeds the required 1,000 point threshold and a total Environmental Benefits Score of 482 points, which exceeds the 20 point threshold.

- A. **Fiscal Benefits (1,638 points)**. The net present value of the total fiscal benefits over the lifetime of the Qualified Property is derived from the Applicant’s sales taxes, personal income taxes paid by the firm’s employees, firm taxes on profits, property

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<sup>6</sup> Values in the staff summary may not add up correctly due to rounding in the Application worksheet.

taxes and other indirect fiscal benefits of the Applicant which amounts to \$940,730 resulting in a Fiscal Benefits score of 1,638 points for the Project.

- B. Environmental Benefits (482 points).** The Project will result in \$276,774 of total pollution benefits over the life of the Project resulting in an Environmental Benefits Score of 482 points for the Project. These benefits derive from the production of syngas, which offsets the need for use of fossil fuel.
- C. Additional Benefits (102 points).** Applicants may earn additional points for their Total Score. The applicant submitted information and received 102 additional points.
- 1. Permanent Jobs (30 of 75 points).** The Applicant represents that the Project will support a total of 11 permanent jobs at its Facility. CAEATFA estimates that approximately one of these jobs will be attributable to a marginal increase in jobs created due to the approved STE resulting in a Permanent Jobs Score of 30 points for the Project.
  - 2. Construction Jobs (35 of 75 points).** The Applicant represents that the Project will support a total of 13 construction jobs at its Facility. CAEATFA estimates that approximately two of these jobs will be attributable to a marginal increase in jobs created due to the approved STE resulting in a Construction Jobs Score of 35 points for the Project.
  - 3. Unemployment (37 of 50 points).** The Applicant’s Project is located in Madera County which has an average annual unemployment rate of 10%. This is above 110% of the statewide average annual unemployment rate which was 7.5% in 2014, the dataset used in the application. This results in an Unemployment Score of 37 points for this Project.

#### **STATUS OF PERMITS/OTHER REQUIRED APPROVALS**

The Applicant represents that it has acquired its Conditional Use Permit, RPS Eligibility Certificate, and passed CEQA. Building and air permits are still pending.

#### **LEGAL QUESTIONNAIRE**

Staff reviewed the Applicant’s responses to the questions contained in the Legal Status portion of the Application. The responses did not disclose any information that raises questions concerning the financial viability or legal integrity of this Applicant.

**CAEATFA FEES**

In accordance with CAEATFA Regulations,<sup>7</sup> the Applicant has paid CAEATFA an Application Fee of \$3,410 and will pay CAEATFA an Administrative Fee of \$27,279.

**RECOMMENDATION**

Staff recommends approval of Resolution No. 17-SM001 for North Fork Community Power, LLC's purchase of Qualified Property in an amount not to exceed \$6,819,733 anticipated to result in an approximate sales and use tax exclusion value of \$574,222.

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<sup>7</sup> California Code of Regulations Title 4, Division 13, Section 10036

**RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A MASTER REGULATORY AGREEMENT WITH NORTH FORK COMMUNITY POWER, LLC**

January 17, 2017

WHEREAS, the California Alternative Energy and Advanced Transportation Financing Authority (the “Authority” or “CAEATFA”) has received the Application of **North Fork Community Power, LLC** (the “Applicant”), for financial assistance in the form of a master regulatory agreement (the “Agreement”) regarding tangible personal property utilized to process Recycled Feedstock, in an Advanced Manufacturing process or for the design, manufacture, production or assembly of Advanced Transportation Technologies or Alternative Source products, components, or systems (“Qualified Property”) as more particularly described in the staff summary and in the Applicant’s Application to the Authority (collectively, the “Project”); and

WHEREAS, the Applicant has requested the Authority to enter into the Agreement to acquire Project equipment with an estimated cost not to exceed \$6,819,733 over a period of three years; and

WHEREAS, the Applicant believes that this form of financial assistance will enable it to avail itself of the benefits of an exclusion from sales and use taxes relative to the Qualified Property pursuant to California Revenue and Taxation Code Section 6010.8; and

WHEREAS, approval of the terms of the Agreement and authority for the Executive Director, Deputy Executive Director, or Chair of the Authority to execute the necessary documents to effectuate the Agreement is now sought;

NOW, THEREFORE, BE IT RESOLVED by the California Alternative Energy and Advanced Transportation Financing Authority, as follows:

Section 1. The Project constitutes a “project” within the meaning of Public Resources Code Section 26003(a)(8)(B).

Section 2. The requested master regulatory agreement constitutes “financial assistance” within the meaning of Public Resources Code Section 26003(a)(6).

Section 3. The Applicant is a “participating party” within the meaning of Public Resources Code Section 26003(a)(7).

Section 4. The Executive Director, Deputy Executive Director, or Chair of the Authority (the “Authorized Signatories”) are hereby authorized for and on behalf of the Authority to approve any changes to the Project as the Executive Director shall deem appropriate, provided that the amount of the Qualified Property to be purchased may not be increased above the amount approved by the Authority.



Section 5. The proposed form of the Agreement between the Applicant and the Authority, as filed with the Authority prior to this meeting, is hereby approved. The Authorized Signatories are hereby authorized and directed, for and on behalf and in the name of the Authority, to execute, acknowledge and deliver to the Applicant the Agreement in substantially the form filed with or approved by the Authority, with such insertions, deletions or changes therein as the Authorized Signatory executing the same may require or approve, and with particular information inserted therein in substantial conformance with the staff summary and in the Applicant's Application to the Authority, such approval to be conclusively evidenced by the execution and delivery thereof. The Authority understands and agrees that pursuant to the terms of the Agreement, the obligations of the Applicant may, under some circumstances, be carried out or assumed by a successor or assignee entity, or by an affiliate of the Applicant.

Section 6. Each of the Authorized Signatories, acting alone, is hereby authorized and directed to do any and all ministerial acts, including (without limitation) the execution and delivery of any and all documents and certificates they may deem necessary or advisable in order to consummate the Agreement and otherwise effectuate the purposes of this Resolution.

Section 7. The Applicant shall assure CAEATFA that all Qualified Property listed in the semi-annual reports pursuant to the Agreement shall be installed, maintained and operated in compliance with all applicable local, state and federal laws.

Section 8. The Agreement shall only apply to Qualified Property that the Applicant certifies will be installed, maintained and operated at facilities within the State of California.

Section 9. The adoption by the Authority of this Resolution for the Applicant shall not be referred to in any application before any governmental agency as evidence of the feasibility, practicality or suitability of the Project or in any application for any required permission or authority to acquire, construct or operate the Project.

Section 10. This Resolution is effective immediately and will remain in full force and effect unless the Regulatory Agreement, as defined in CAEATFA Regulations Section 10035(a), is not executed within thirty (30) days of the date of this Resolution. The Executive Director may extend the thirty days if necessary.