

MINUTES

**California Alternative Energy and Advanced
Transportation Financing Authority
915 Capitol Mall, Room 587
Sacramento, California
March 16, 2021**

1. CALL TO ORDER AND ROLL CALL

Fiona Ma, CPA, Chairperson, called the California Alternative Energy and Advanced Transportation Financing Authority (“CAEATFA” or the “Authority”) meeting to order at 11:22 a.m.

Members Present: Fiona Ma, CPA, State Treasurer
Mary-Ann Warmerdam for Betty T. Yee, State Controller
Gayle Miller for Keely Martin Bosler, Director, Department of Finance
David Hochschild, Chair, California Energy Commission
Grant Mack for Marybel Batjer, President, Public Utilities Commission

Staff Present: Derek Chernow, Executive Director

Quorum: The Chairperson declared a quorum.

Due to the recommended precautions and public health recommendations resulting from the novel coronavirus (COVID-19), members of the Board were instructed by the Governor’s Office that they may attend the meeting remotely, which is an exception to the usual requirement (Bagley-Keene Open Meeting Act – 1967) that they attend in person. CAEATFA staff (“Staff”) has implemented additional social distancing measures, and participants have been asked to also participate remotely. Ms. Ma attended the meeting in person. Ms. Warmerdam, Ms. Miller, Mr. Hochschild, and Mr. Mack all attended the meeting via internet conference line.

2. MINUTES

Ms. Ma asked if there were any questions or comments concerning the December 15, 2020, meeting minutes. There were none.

Ms. Ma asked if there was a motion.

Ms. Miller moved for approval of the minutes; upon a second from Ms. Warmerdam, the minutes were approved.

The item was passed by the following vote:

Fiona Ma, CPA, State Treasurer	Aye
Mary-Ann Warmerdam for the State Controller	Aye
Gayle Miller for the Director of Finance	Aye
David Hochschild, Chair, California Energy Commission	Aye
Grant Mack for the Public Utilities Commission	Aye

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Chernow gave his report, highlighting CAEATFA activity since the December Board meeting, which included:

- In the Governor's proposed budget from January, a one-time infusion of \$100 million for additional sales and use tax award funding was included.
- Since then, Mr. Chernow reported, he has testified in both Senate Budget Sub-Committee 4 and Assembly Budget Sub-Committee 4. He stated the item was "held open" in both houses.
- Under the California Hub for Energy Efficiency Financing ("CHEEF" or the "Hub"), two new finance companies joined the Hub's programs: Travis Credit Union joined as a lender with the Residential Energy Efficiency Loan Assistance ("REEL") Program, and Renew Energy Partners joined the Small Business Energy Efficiency Loan Assistance ("Small Business") Program.
- Mr. Chernow also reported that last Friday, the CHEEF held a workshop presenting proposed modifications to the REEL regulations. CAEATFA intends to bring the proposal before the Board next month. The proposed modifications are intended to streamline loan enrollment and reporting requirements for lenders, and add a "microloan" pathway for lenders, as well as making several modifications to the pre-approved list of eligible energy saving measures.
- CAEATFA extended its CHEEF Technical Advisor contract with Energy Futures Group ("EFG") for one year, with a cost not to exceed \$300,000. EFG provides technical assistance for program research, development, and implementation.
- Mr. Chernow stated that the Hub has been actively engaged in education efforts. CHEEF staff have spoken at a number of webinars and workshops, including two panels at the California Public Utilities Commission in late January, a Small Business workshop co-hosted by Treasurer Ma and Assemblymember Bauer-Kahan in February, and a Small Business workshop with the City of Glendale last week.
- Mr. Chernow also announced the hiring of Davey Ly, who has joined the CHEEF team as an analyst.

Mr. Chernow then concluded his report.

4. BUSINESS ITEMS

A. RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE CONTRACTS AND INTERAGENCY AGREEMENTS NOT TO EXCEED \$300,000

Presented by Jessica Arceo, Contract Analyst

CAEATFA is authorized by statute to enter into contracts and interagency agreements. For agreements below a certain dollar amount, the Authority has historically delegated this authorization to the Executive Director, and in the Executive Director’s absence, the Deputy Executive Director, to enter into contracts on behalf of the authority.

With the approval of the appointment of Executive Director Derek Chernow, it is necessary to provide Mr. Chernow, without specific individual Authority approval, the authorization to:

- 1) execute certain contracts and interagency agreements and external contracts, up to an amount of \$300,000;
- 2) amend contracts and interagency agreements that only extend the term of the contract up to an amount of \$300,000;
- 3) provide technical amendments that do not involve encumbrance of authority funds; and
- 4) amend contracts involving expenditures as long as the total amount of the contract over its full term does not exceed \$300,000.

The authorization amount of \$300,000 does not represent an increase in the Authority’s current delegated authorization level.

As part of the Executive Director’s report, the Executive Director of the Authority will report to the Authority Board any contracts for amounts of \$10,000 up to \$300,000 that the Executive Director has executed.

Staff recommended approval of a resolution authorizing Executive Director Derek Chernow to execute certain contracts and interagency agreements and certain amendments to contracts and interagency agreements on behalf of the Authority for amounts not to exceed \$300,000.

Ms. Miller moved for approval and there was a second by Mr. Mack. Ms. Ma stated there was a motion and a second and asked if there were any questions or comments from the Board or the public. There were none. Ms. Ma called for a vote.

The item was unanimously approved by the following vote:

Fiona Ma, CPA, State Treasurer	Aye
Mary-Ann Warmerdam for the State Controller	Aye
Gayle Miller for the Director of Finance	Aye
David Hochschild, Chair, California Energy Commission	Aye
Grant Mack for the Public Utilities Commission	Aye

B. REQUEST TO AMEND RESOLUTION 19-SM028 TO CHANGE THE PARTICIPATING PARTY FROM HWY33 PISTACHIOS, LLC, TO TOUCHSTONE PISTACHIO COMPANY, LLC

Presented by Matthew Jumps, Program Analyst

Staff introduced Ivan Chebotariov, Tax Counsel, HWY33 Pistachios, LLC, who joined via internet teleconference line.

HWY33 Pistachios, LLC (“HWY33”), was approved for an STE award in June 2019 for the purchase of up to \$79,196,100 in Qualified Property to build a new pistachio processing facility located in Cantua Creek. Subsequent to HWY33’s award approval, it filed an Amendment to Articles of Organization to change its name to Touchstone Pistachio Company. The company is now requesting to change the participating party of its award to reflect the name change.

Staff recommended that the Board approve the request to amend Resolution No. 19-SM028 to change the participating party from HWY33 Pistachios, LLC, to its new name of Touchstone Pistachio Company, LLC, in the Regulatory Agreement.

Ms. Miller moved for approval and there was a second from Ms. Warmerdam. Ms. Ma stated there was a motion and a second and asked if there were any questions or comments from the Board or the public. There were none. Ms. Ma called for a vote.

The item was unanimously approved by the following vote:

Fiona Ma, CPA, State Treasurer	Aye
Mary-Ann Warmerdam for the State Controller	Aye
Gayle Miller for the Director of Finance	Aye
David Hochschild, Chair, California Energy Commission	Aye
Grant Mack for the Public Utilities Commission	Aye

C. REQUEST TO AMEND THE SALES AND USE TAX EXCLUSION AWARD TO ADD BAKERSFIELD RENEWABLE FUELS, LLC, AS A PARTICIPATING PARTY

Presented by Matthew Jumps, Program Analyst

Staff introduced Alex Tran, Partner, California Incentives Group; and Sarah Hoyt, Manager, California Incentives Group, both of whom joined via internet teleconference line.

GCE Holdings Acquisitions, LLC (“GCE Holdings”), was approved for an STE award in March 2020 for the purchase of up to \$119,617,224 in Qualified Property to build a new renewable-diesel production facility located in Bakersfield. GCE Holdings submitted a request to add Bakersfield Renewable Fuels, LLC, as a participating party on the STE award approval resolution and the Regulatory Agreement. Subsequent to GCE Holdings’ award approval, Bakersfield Renewable Fuels, LLC, was formed and became the new operating entity and purchaser of all newly acquired Qualified Property.

Staff recommended that the Board approve GCE Holdings Acquisitions, LLC’s request to amend Resolution 20-SM009 to add Bakersfield Renewable Fuels, LLC, as a participating party to the Regulatory Agreement. Bakersfield Renewable Fuels is a wholly owned subsidiary of GCE Holdings Acquisitions.

Ms. Warmerdam moved for approval and there was a second by Mr. Hochschild. Ms. Ma stated that there was a motion and a second and asked if there were any questions from the Board or the public. There were none. Ms. Ma called for a vote.

The item was unanimously approved by the following vote:

Fiona Ma, CPA, State Treasurer	Aye
Mary-Ann Warmerdam for the State Controller	Aye
Gayle Miller for the Director of Finance	Aye
David Hochschild, Chair, California Energy Commission	Aye
Grant Mack for the Public Utilities Commission	Aye

D. REPORT FROM TESLA, INC. ON STATUS OF PROJECT PURSUANT TO RESOLUTIONS NO. 17-SM003, NO. 18-SM004, AND NO. 19-SM008 (INFORMATIONAL ITEM)

Staff introduced Erin Bradley, Associate General Counsel, Tax Incentives, Tesla, Inc.; Dan Chia, Senior Managing Policy Advisor, Tesla, Inc.; Laurie Shelby, Vice President, Environmental Health and Safety (EHS), Tesla, Inc.; Rob McCafferty, Director of Environmental Health and Safety (EHS), Tesla, Inc.; and Faith Taylor, Environmental, Social and Governance Leader, Tesla, Inc., all of whom joined via internet teleconference line.

On March 20, 2018, the CAEATFA Board approved Resolutions No. 17-SM003 and No. 18-SM004 approving two sales and use tax exclusion awards for Tesla, Inc.’s (“Tesla”) expansion of its manufacturing facility for the production of its Model 3 vehicle. On April 16, 2019, the CAEATFA Board approved Resolution No. 19-SM008 for an additional award for Tesla’s Model 3 manufacturing facility. All three resolutions require that Tesla update the CAEATFA Board in writing and in person every four months for three years with regard to the following:

1. Progress in meeting its production goals;
2. Progress in improving the health and safety standards at its facilities; and
3. Providing an updated Legal Status Questionnaire.

Ms. Bradley gave an overview of production and delivery of Tesla’s electric vehicles:

- In the fourth quarter of 2020, Tesla produced a record-breaking 163,660 Model 3 and Model Y vehicles, and 16,097 Model S and Model X vehicles.
- Also in the fourth quarter, Tesla delivered 161,701 Model 3 and Model Y vehicles, and 18,966 Model S and Model X vehicles.
- Tesla had intentions to bring an additional application for an STE award before the Board this year for its Model S and Model X vehicle production facilities, but complications arose between the STE Program regulations in regard to the competitive criteria process timeframe and the Tesla project timeline, so Tesla is exploring its

options, and would advocate for the Program’s regulations to become more flexible in order to facilitate individual Project applications rather than bringing all applicants within a competitive criteria pool together.

Ms. Shelby then gave a report on health and safety measures at Tesla’s facilities:

- Tesla has worked diligently throughout the pandemic on its COVID-19 protocols and safety measures and case mitigation efforts. It implemented its initial controls in January 2020, and a recent Tesla survey of its employees indicated that 96% of its workers understand the importance of the safety efforts and precautions.
- Additionally, a Tesla survey indicated that 75% of employees intended to get vaccinated for the coronavirus.
- Tesla reports all positive COVID-19 tests of its associates at its Fremont production facility, including non-work related cases, to Alameda County, and its positive case rate has been around 2% throughout the pandemic, which is approximately 40% less than the surrounding community in Alameda.
- Tesla has added an onsite vaccination clinic for personnel aged 65 and older, and has another vaccination clinic planned for those with underlying health issues. The company has plans to be able to vaccinate onsite when the State allows for other employees to be vaccinated.
- Tesla’s injury rates continued to trend downward in 2020, and the company now has injury rates below the national industry average by 18% for its total recordable injury rate; 27% lower than the national average for days away and restricted time; and 20% lower than the national average for its lost work day rate.

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none.

E. REPORT FROM FARADAY&FUTURE INC. ON STATUS OF PROJECT PURSUANT TO RESOLUTION NUMBER 18-SM008 (INFORMATIONAL ITEM)

Staff introduced John Lehn, Director, Government Affairs, Faraday&Future Inc., who joined via internet teleconference line.

On April 17, 2018, the CAEATFA Board approved Resolution No. 18-SM008 granting a sales and use tax exclusion award for Faraday&Future Inc.’s (“Faraday”) purchase of up to \$239,234,449 in Qualified Property to upgrade its existing facilities in Compton and Gardena to facilitate research, design, and prototype testing of its first high-performance electric vehicle, the FF91, and construct a facility in Hanford that will manufacture its electric vehicles (“the Project”). The resolution requires that Faraday update the CAEATFA Board in writing and in person every six months for up to three years with regards to the following:

1. Any significant developments in the status of the Project;
2. Progress in meeting its production goals; and
3. Any other matters the Executive Director shall deem appropriate.

To date, Faraday has reported \$160,420,502.45 in Qualified Property purchases (67% of the total Qualified Property amount approved).

Mr. Lehn gave the following Project updates:

- In late January, Faraday announced a merger with Property Solutions Acquisition Corporation in a SPAC merger, which is scheduled to close in the second quarter of 2021. The deal will bring around \$1 billion to Faraday, which is a clear signal that the company is “open for business.”
- After the merger, Faraday will trade on the NASDAQ under the ticker FFIE, for Faraday Future Intelligent Electric.
- Faraday currently has around 200 employees in CA. After the merger, it anticipates that it will hire hundreds of new employees.
- The company will continue to develop technology until the merger is complete, and has plans to have a production electric vehicle ready nine months post-merger, and plans for production and delivery of the vehicles 12 months post-merger.

Ms. Ma asked if there were any questions from the Board or the public.

Ms. Warmerdam asked if Faraday’s production facility was operating out of the same location as the previous Hanford tire manufacturing plant, the Armstrong Tire plant. Mr. Lehn responded in the affirmative.

There were no further questions.

F. REQUEST TO APPROVE A TIME EXTENSION FOR THE INITIAL TERM OF THE REGULATORY AGREEMENT

- 1) Faraday&Future Inc., Hanford (Kings), Compton (Los Angeles), Gardena (Los Angeles), 18-SM008, Electric Vehicle Manufacturing – Advanced Transportation, \$239,234,449 of Qualified Property

Presented by Xee Moua, Program Analyst

Staff introduced John Lehn, Director, Government Affairs, Faraday&Future Inc., who joined via internet teleconference line.

On April 17, 2018, the CAEATFA Board approved an STE award for Faraday&Future Inc. to upgrade its facilities in Compton and Gardena to facilitate the research, design, and prototype testing of its first high-performance electric vehicle, the FF91, and to construct a facility in Hanford that would manufacture its vehicles. As of February 2021, Faraday has used approximately 67% of the total Qualified Property approved. The Applicant is requesting to extend the Agreement’s initial term to accommodate the effects of the COVID-19 pandemic and delays in securing funding.

Staff recommended that the Board approve Faraday&Future Inc.’s request to extend the initial term of the Regulatory Agreement by two years to April 17, 2023, to purchase up to

\$239,234,449 in Qualified Property, anticipated to result in a sales and use tax exclusion value of \$20 million.

Ms. Warmerdam moved for approval and there was a second by Mr. Mack. Ms. Ma stated that there was a motion and a second and asked if there were any questions from the Board or the public. There were none. Ms. Ma called for a vote.

The item was unanimously approved by the following vote:

Fiona Ma, CPA, State Treasurer	Aye
Mary-Ann Warmerdam for the State Controller	Aye
Gayle Miller for the Director of Finance	Aye
David Hochschild, Chair, California Energy Commission	Aye
Grant Mack for the Public Utilities Commission	Aye

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

In the Board’s consideration of action items 4.G.1 through 4.G.29, and given the large number of action items, coupled with the robust staff reports and prior Board member briefings, Ms. Ma suggested that the Board identify the action items it would like to discuss, and move to consider the remaining items for approval.

- 1) Garaventa Enterprises, Inc., Pittsburg (Contra Costa), 21-SM001, Mixed Recycling – Recycled Resource Extraction, \$11,600,000 of Qualified Property

Mr. Hochschild moved for approval and there was a second by Ms. Miller. Ms. Ma stated that there was a motion and a second and asked if there were any questions from the Board or the public. There were none. Ms. Ma called for a vote.

The item was unanimously approved by the following vote:

Fiona Ma, CPA, State Treasurer	Aye
Mary-Ann Warmerdam for the State Controller	Aye
Gayle Miller for the Director of Finance	Aye
David Hochschild, Chair, California Energy Commission	Aye
Grant Mack for the Public Utilities Commission	Aye

Ms. Miller asked if the items could be approved as a group, without needing to vote separately on each item. Jennifer Baldwin, Staff Counsel, stated that public comment should be taken after each item. She elaborated by stating that in the modified, mostly remote, electronic meeting environment, the public should have ample opportunity to join into the dialogue. Ms. Ma suggested that for each item, after public comment, the Board move forward with “Roll Call A,” which was defined as Ms. Miller making a motion for each item’s approval and Ms. Warmerdam giving a second for each item, and, given no objection, that the members would be counted as voting unanimously for approval.

- 2) EDCO Disposal Corporation, Lemon Grove (San Diego), 21-SM002, Mixed Recycling – Recycled Resource Extraction, \$14,659,474 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 3) Recology Sonoma Marin, Santa Rosa (Sonoma), 21-SM003, Mixed Recycling – Recycled Resource Extraction, \$15,266,032 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 4) Blue Line Transer, Inc., South San Francisco (San Mateo), 21-SM004, Mixed Recycling – Recycled Resource Extraction, \$5,500,000 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 5) ENV-TWO, LLC, Hanford (Kings), 21-SM005, Dairy Biogas Production – Alternative Source, \$7,983,153 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 6) ENV-FOUR, LLC, Hanford (Kings), 21-SM006, Dairy Biogas Production – Alternative Source, \$8,216,553 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 7) ENV-THREE, LLC, Corcoran (Kings), 21-SM007, Dairy Biogas Production – Alternative Source, \$8,784,628 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 8) Aemetis Biogas, LLC, Crows Landing (Stanislaus), 21-SM008, Dairy Biogas Production – Alternative Source, \$13,561,890 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 9) MSBG Partners, LLC, Goleta (Santa Barbara), 21-SM009, Landfill Gas to Renewable Natural Gas Production – Alternative Source, \$11,252,500 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 10) QuantumScape Corporation, San Jose (Santa Clara), 21-SM010, Electric Vehicle Battery Manufacturing – Advanced Manufacturing, \$19,999,333 of Qualified Property

Staff introduced Ann Truong, Corporate Controller, QuantumScape Corporation, who joined via internet conference line.

Ms. Ma asked if there were any questions or comments from the Board or the public.

Mr. Hochschild stated that electric vehicle battery manufacturing, the subject of this Application, is crucial for California’s strategy to help the state to meet its climate goals. He asked if he could hear a little more information in regard to QuantumScape Corporation’s (“QuantumScape”) Project, such as whether the company is engaged in the manufacture of batteries for passenger vehicles or industry uses. Ms. Truong introduced Kevin Hettrich, Chief Financial Officer at QuantumScape Corporation, to elaborate on this subject.

Mr. Hettrich stated that QuantumScape is working to commercialize solid state lithium metal batteries for passenger cars. He stated that the company has a strong partnership with the Volkswagen Group, which will build the first cars involving QuantumScape utilizing this technology for commercialization.

Mr. Hochschild stated that there is a new director of the United States Department of Energy’s Loan Guarantee Program, who has shown interest in supporting more domestic manufacturing in this sector. He asked if QuantumScape would look to obtain any federal loan guarantees or other federal support for its manufacturing operations. Mr. Hettrich replied that he would appreciate more information to make a connection to this program, and would appreciate a conversation on the matter. Mr. Hochschild stated that he would look forward to such a conversation, and added that this focus around electric vehicle battery manufacturing in the Energy Commission extended to the Governor’s Office and the California Legislature, who had just set up the Lithium Valley Commission to promote lithium recovery in California in an effort to support in-state electric vehicle battery manufacturing.

There were no further comments. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 11) Rocket Lab USA, Inc., Long Beach (Los Angeles), 21-SM011, Aerospace Manufacturing – Advanced Manufacturing, \$6,443,921 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 12) Lam Research Corporation, Fremont (Alameda), Livermore (Alameda), 21-SM012, Semiconductor Fabrication Equipment Manufacturing, \$22,900,000 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 13) Applied Materials, Inc., Santa Clara (Santa Clara), Sunnyvale (Santa Clara), 21-SM013, Semiconductor and Related Industries Fabrication Equipment Manufacturing – Advanced Manufacturing, \$23,225,000 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 14) Green Impact Manufacturing, LLC, Rancho Cucamonga (San Bernardino), 21-SM016, Medical Device and Component Manufacturing – Advanced Manufacturing, \$16,008,067 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 15) Fortress North America, LLC, Rocklin (Placer), 21-SM015, Fire Retardant Manufacturing – Advanced Manufacturing, \$5,094,248 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 16) Paradigm Packaging West, LLC, Rancho Cucamonga (San Bernardino), 21-SM016, Medical Device and Component Manufacturing – Advanced Manufacturing, \$23,528,330 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 17) Circulus Holdings, PBLLC, Modesto (Stanislaus), 21-SM017, Plastics Recycling – Advanced Manufacturing, \$17,747,169 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 18) MP Materials Corp., San Bernardino (San Bernardino), 21-SM018, Rare Earth Materials Production – Advanced Manufacturing, \$23,527,500 of Qualified Property

Staff introduced Ryan Corbett, Chief Financial Officer, MP Materials Corp., who joined via internet conference line.

Ms. Ma asked if there were any questions or comments from the Board or the public.

Mr. Hochschild asked for more information regarding the types of rare earth minerals are the subject of the company's Project, and for more information about the company operations. Mr. Corbett replied that MP Materials Corp. ("MP Materials") owns and operates the Mountain Pass Rare Earth Facility located in San Bernardino. He stated that MP Materials' primary product will be Neodymium Praseodymium ("NdPr"), which he explained is the core component of high-power rare earth permanent magnets used in electric vehicles, wind turbines, and other advanced motion technologies. He stated that NdPr makes up approximately 16% of the material MP Materials produces. Mr. Corbett added that MP Materials is the second largest producer of rare earth materials globally.

Mr. Corbett continued by stating that the Mountain Pass refining facility has been in operation since the late 1950s or early 1960s, and was important for the production of europium, which was used to create the red color in early color televisions. MP Materials purchased the resource and processing facility in 2017, and has laid out a three-stage recommissioning plan with an estimated cost of around \$200 million. The purpose of the facility is largely to bring the refining of MP Materials' rare earth minerals back to the United States, which has been previously handled in Asia.

There were no further comments. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 19) Rialto Bioenergy Facility, LLC, Bloomington (San Bernardino), 21-SM019, Biogas Capture and Production – Alternative Source, \$38,259,725 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 20) Ameresco Forward RNG, LLC, Manteca (San Joaquin), 21-SM020, Landfill Gas to Renewable Gas Production – Alternative Source, \$26,374,850 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 21) Ameresco Keller Canyon RNG, LLC, Pittsburg (Contra Costa), 21-SM021, Landfill Gas to Renewable Gas Production – Alternative Source, \$27,722,495 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 22) Ameresco Chiquita RNG, LLC, Castaic (Los Angeles), 21-SM022, Landfill Gas to Renewable Gas Production – Alternative Source, \$27,722,495 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 23) HZI Lancaster, LLC, Lancaster (Los Angeles), 21-SM023, Biogas Capture and Production – Alternative Source, \$27,231,400 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 24) Tesoro Refining & Marketing Company, LLC, Martinez (Contra Costa), 21-SM024, Renewable Diesel and Propane Production – Alternative Source, \$127,223,954 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 25) Applied Medical Resources Corporation, Rancho Santa Margarita (Orange), 21-SM025, Medical Device Manufacturing – Advanced Manufacturing, \$150,547,889 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 26) Cepheid, Lodi (San Joaquin), Sunnyvale (Santa Clara), Newark (Alameda), 21-SM026, Medical Device Manufacturing – Advanced Manufacturing, \$209,750,000 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 27) Pacesetter, Inc., Sylmar (Los Angeles), 21-SM027, Medical Device Manufacturing – Advanced Manufacturing, \$34,950,000 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 28) Chowchilla RNG Energy, LLC, Chowchilla (Madera), 21-SM028, Dairy Biogas Production – Alternative Source, \$29,698,976 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

- 29) DexCom, Inc., San Diego (San Diego), 21-SM029, Medical Device Manufacturing – Advanced Manufacturing, \$69,450,000 of Qualified Property

Ms. Ma asked if there were any questions or comments from the Board or the public. There were none. The item was approved on a Roll Call A vote, as previously established under Item 4.G.1.

Ms. Ma thanked Staff and the STE Applicants, and mentioned how popular the STE Program has become. She also wished to thank the Governor for his support, and for potentially granting an additional \$100 million in funding for sales and use tax exclusion awards in the proposed budget.

Ms. Warmerdam thanked Staff for their effort to bring the items before the Board, and for answering questions and discussing items during briefings, which allowed the Board members to more easily deal with the large number of Applications that came before the Board at this meeting.

Mr. Hochschild thanked the Treasurer, as well as Mr. Chernow and Staff, and the company stakeholders for their work and participation in the STE Program. Mr. Hochschild stated that the Biden administration is committed to supporting climate solutions, and asked about how to best leverage the Biden administration's support to help meet climate goals in the state. Mr. Chernow replied that CAEATFA has been in talks with the National Green Bank Consortium tasked with working on the Clean Energy and Sustainability Accelerator, which is a part of the Biden administration infrastructure bill, and would create a \$100 billion green bank at the national level. He stated that CAEATFA's talks with the consortium centered

around potential projects that would be applicable to CAEATFA. Mr. Chernow noted that as the bill has bipartisan support, it seems likely that it will become a reality.

Mr. Mack stated that he appreciates the efforts of Staff, and that he would be happy to engage the topic of a green bank if Staff could use any input, and is looking forward to coordinating with CAEATFA on this topic.

5. PUBLIC COMMENT

Ms. Ma asked if there were any comments from the public and there were none.

6. ADJOURNMENT

There being no further business, public comments, or concerns, the meeting adjourned at 12:05 p.m.

Respectfully submitted,

Derek Chernow
Executive Director