

MINUTES

**California Alternative Energy and Advanced
Transportation Financing Authority
915 Capitol Mall, Room 587
Sacramento, California
July 19, 2022**

1. CALL TO ORDER AND ROLL CALL

Fiona Ma, CPA, Chair, called the California Alternative Energy and Advanced Transportation Financing Authority (“CAEATFA” or the “Authority”) meeting to order at 10:31 a.m.

Members Present: Fiona Ma, CPA, State Treasurer
Tony Sertich for Betty T. Yee, State Controller
Ryan Miller for Keely Martin Bosler, Director, Department of Finance
David Hochschild, Chair, California Energy Commission
Alice Reynolds, President, Public Utilities Commission

Staff Present: Shela Tobias-Daniel, Interim Executive Director
Jennifer Gill, Senior Manager, Core Programs

Quorum: The Chair declared a quorum.

Due to public health recommendations resulting from the novel coronavirus (COVID-19), and pursuant to Section 20 of Senate Bill 189, enacted June 30, 2022, which adds and repeals Section 11133 of the Government Code, CAEATFA Board members may participate remotely from teleconferencing locations. CAEATFA staff (“Staff”) has implemented additional social distancing measures, and participants have been asked to also participate remotely. Ms. Tobias-Daniel, Ms. Gill, and Mr. Sertich attended the meeting in person. Ms. Ma, Mr. Miller, Mr. Hochschild, and Ms. Reynolds attended the meeting via internet conference line.

2. MINUTES

Ms. Ma asked if there were any questions or comments from the Board concerning the June 21, 2022, meeting minutes. There were none.

Mr. Sertich moved for approval of the minutes, and there was a second by Mr. Hochschild.

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

The item was passed by the following vote:

Fiona Ma, CPA, State Treasurer	Aye
Tony Sertich for the State Controller	Aye
Ryan Miller for the Director of Finance	Abstain
David Hochschild, Chair, California Energy Commission	Aye
Alice Reynolds, President, Public Utilities Commission	Aye

Ms. Gill then introduced Shela Tobias-Daniel to the CAEATFA Board. Ms. Tobias-Daniel is the Executive Director of the California Pollution Control Financing Authority (“CPCFA”). As the subject of Item 4.A is the appointment of Ms. Tobias-Daniel as the Interim Executive Director for CAEATFA, Ms. Gill recommended that Item 4.A be taken for consideration before moving to other Agenda Items.

(Agenda Item 3 was moved to follow Agenda Item 4.A)

4. BUSINESS ITEMS

A. RESOLUTION TO APPROVE THE APPOINTMENT OF THE INTERIM EXECUTIVE DIRECTOR

Presented by Jennifer Gill, Senior Manager, Core Programs

The CAEATFA Board appoints the Executive Director of the Authority and designates to the Executive Director of the Authority and designates to the Executive Director such powers as are necessary to conduct the business of the Authority.

Staff recommended approval of a resolution confirming the appointment of the State Treasurer’s recommendation of Shela Tobias-Daniel as Interim Executive Director of the California Alternative Energy and Advanced Transportation Financing Authority.

Ms. Tobias-Daniel provided some information on her background. She stated that she has worked for the State of California for 23 years, 22 of which were under the umbrella of the State Treasurer’s Office (“STO”). She stated that prior to becoming the Executive Director for CPCFA, she was the STO Partner Business Executive to the \$965 million Financial Systems California Project (“FI\$Cal”), which was implemented to integrate accounting, budgeting, cash management, and procurement, into a single financial management system for the State of California. She has also served under the Trustee section of the STO’s Public Finance Division. Ms. Tobias-Daniel earned a Bachelor’s Degree in Economics from the University of California, Santa Cruz, a Master’s Degree in Business Administration from the University of the Pacific, and was an APPAM/Sloan Public Policy and International Affairs (PPIA) Fellow at the State University of New York at Stony Brook.

Ms. Ma thanked Ms. Tobias-Daniel for providing the Board with some background information, and asked if there were any questions or comments from the Board.

Mr. Hochschild asked if Ms. Tobias-Daniel could share any insights on upcoming CAEATFA priorities. Ms. Tobias-Daniel stated that Staff is working on finalizing the most current California Hub for Energy Efficiency Financing (CHEEF) Quarterly Report. She also stated

that Staff is working on contracts in progress, and bringing her up to speed on other business of the Authority.

Ms. Ma noted the similar policy goals of CAEATFA and CPCFA, adding that because CAEATFA's acronym is long, this might be a good opportunity to come up with shorter, more intuitive names for these green financing authorities. She also observed that government has seen challenges in hiring recently, even given budget surplus, while endeavoring to maintain adequate staffing to administer existing and developing programs.

Mr. Hochschild thanked Ms. Tobias-Daniel for her informative responses, and agreed with the Treasurer's idea of a shorter name for the Authority. He added that he believes longer program names can be confusing to new applicants trying to navigate the State's programs, and changing the name could help to bring more companies into the green technology and clean energy spaces, which would help to further the State's climate objectives.

Mr. Hochschild also mentioned that the CEC has recently launched a new tool that tracks all 43 companies in California that are manufacturing electric vehicles ("EV"), batteries, and electric vehicle chargers, and that the number of such companies in the state has been growing. He stated that CAEATFA's efforts have been helpful toward that effort, and, especially considering the large State budget surplus, it will continue to be important toward increasing the manufacturing of green technologies in the State.

Ms. Reynolds thanked Ms. Tobias-Daniel for providing her background. She agreed with Mr. Hochschild regarding a name change for the Authority to be a better reflection of the Authority's work, but said that it had almost become a rite of passage to be able to pronounce CAEATFA correctly. She also agreed with Mr. Hochschild's assessment of the importance of the CAEATFA programs to meeting the State's climate objectives, and is likely to become even more important as time goes on. Ms. Reynolds also mentioned that CAEATFA's work is intertwined with the work of other agencies like the Public Utilities Commission, and that the work the Authority does can be very complementary to those other agencies, so strong interagency cooperation will be needed.

Ms. Ma stated that Ms. Tobias-Daniel's handling of the FI\$Cal project showed that Ms. Tobias-Daniel has the needed temperament to encourage collaboration with other agencies and move CAEATFA's programs forward. Ms. Ma noted recent legislation under consideration to increase the annual STE program allocation, and expressed interest in engaging further with the electric vehicle industry, an important component toward meeting climate goals. Ms. Ma added that she had been working with representatives from the International Brotherhood of Electrical Workers (IBEW) to determine what programs, training, or apprenticeship programs the organization has launched, because the future of EV technology integration will need skilled workers able to install, maintain, and manufacture the supporting infrastructure.

Mr. Sertich welcomed Ms. Tobias-Daniel to the CAEATFA team, and stated that he has full confidence in her abilities after working with her as the director of CPCFA over the last couple of years. He also wished to thank Staff and Derek Chernow, CAEATFA's previous executive director, for the work that was done to build up CAEATFA's programs in recent

years. Mr. Sertich continued that he believes Ms. Tobias-Daniel will continue to foster an environment that will enable these programs to grow.

Mr. Sertich moved for approval, and there was a second by Mr. Miller.

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 approved by the following vote:

Fiona Ma, CPA, State Treasurer	Aye
Tony Sertich for the State Controller	Aye
Ryan Miller for the Director of Finance	Aye
David Hochschild, Chair, California Energy Commission	Aye
Alice Reynolds, President, Public Utilities Commission	Aye

3. EXECUTIVE DIRECTOR'S REPORT

Ms. Tobias-Daniel stated that since she has only begun to engage on CAEATFA business very recently, her work to date has largely focused on familiarizing herself with the specifics of CAEATFA program goals and important upcoming items. She stated that, to date, she does not have any updates to report on behalf of the CAEATFA programs.

Ms. Tobias-Daniel then concluded her report.

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

4. BUSINESS ITEMS (CONT'D.)

B. RESOLUTION AUTHORIZING THE INTERIM EXECUTIVE DIRECTOR TO EXECUTE CONTRACTS AND INTERAGENCY AGREEMENTS IN AN AMOUNT NOT TO EXCEED \$300,000

Presented by Jennifer Gill, Senior Manager, Core Programs

CAEATFA is authorized by statute to enter into contracts and interagency agreements. For contracts and interagency agreements at or below a certain dollar amount, the Authority has historically delegated this authorization to the Executive Director to enter into contracts on behalf of the Authority. This item requests updated delegation authority for the newly appointed Interim Executive Director to execute contracts and interagency agreements for amounts up to \$300,000.

With the approval of the appointment of Interim Executive Director Shela Tobias-Daniel it is necessary to provide Ms. Tobias-Daniel, without specific individual Authority approval, with 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 the 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 blanket 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 Interim Executive Director will report to the Authority Board any contracts for amounts of \$10,000 up to \$300,000 that she has executed.

Staff recommended the approval of a Resolution to authorize Interim Executive Director Shela Tobias-Daniel 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.

Mr. Sertich moved for approval, and there was a second by Mr. Hochschild.

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 approved by the following vote:

Fiona Ma, CPA, State Treasurer	Aye
Tony Sertich for the State Controller	Aye
Ryan Miller for the Director of Finance	Aye
David Hochschild, Chair, California Energy Commission	Aye
Alice Reynolds, President, Public Utilities Commission	Aye

C. CORRECTION TO RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A REGULATORY AGREEMENT WITH TROJAN BATTERY COMPANY, LLC

Presented by Jennifer Gill, Senior Manager, Core Programs

Staff recommended the approval of a correction to Resolution No. 22-SM028-01 to accurately reflect the approved value of Qualified Property for Trojan Battery Company, LLC in an amount not to exceed \$36,566,109.

On June 21, 2022, the CAEATFA Board approved an STE award to Trojan Battery Company, LLC (the "Applicant") to purchase up to \$36,566,109 in Qualified Property, anticipated to result in an approximate STE value of \$3,108,119, to upgrade and expand its existing lithium-ion battery manufacturing facilities (the "Project") located in Santa Fe Springs.

In preparing the Resolution for certification, Staff found a typographical error incorrectly stating the amount of Qualified Property approved for the Project as \$35,566,109. In order for the Executive Director of CAEATFA to certify the Resolution and execute the Regulatory Agreement with the Applicant, the amount of Qualified Property must be corrected to \$36,566,109.

Mr. Sertich moved for approval, and there was a second by Mr. Miller.

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

The item was approved by the following vote:

Fiona Ma, CPA, State Treasurer	Aye
Tony Sertich for the State Controller	Aye
Ryan Miller for the Director of Finance	Aye
David Hochschild, Chair, California Energy Commission	Aye
Alice Reynolds, President, Public Utilities Commission	Aye

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 10:53 a.m.

Respectfully submitted,

Jennifer Gill
Senior Manager, Core Programs