

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

***Request to Approve an Extension of the 15% Purchase Requirement Timeframe  
and the Initial Term of the Regulatory Agreement<sup>1</sup>***

**Swift Solar, Inc.  
Application No. 22-SM021**

**Tuesday, December 12, 2023**

Prepared By: *Stefani Wilde, Program Analyst*

**SUMMARY**

**Applicant** – Swift Solar, Inc.

**Location** – San Carlos, San Mateo County

**Industry** – Solar Photovoltaic Manufacturing

**Project** – New Solar Photovoltaic Manufacturing Facility (Advanced Manufacturing)

**Total Amount Qualified Property Approved**– \$8,490,000

**Estimated Sales and Use Tax Exclusion Amount at Approval<sup>2</sup>** – \$721,650

**Amount of Time Requested** –

- Requesting a one (1) year extension, until December 21, 2024, for the 15% purchase requirement timeframe (two (2) years and six (6) months from the date of initial CAEATFA Board approval)
- Requesting a one (1) year extension, until June 21, 2026, for the initial term of the Regulatory Agreement (four (4) years 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 Sales and Use Tax Exclusion Program's statutes and regulations.

<sup>2</sup> This amount is calculated based on the average statewide sales tax rate of 8.5%.

## **REQUEST**

On June 21, 2022 the CAEATFA Board approved a sales and use tax exclusion (“STE”) for Swift Solar, Inc. (the “Applicant”) for the purchase of up to \$8,490,000 in Qualified Property to build a new solar photovoltaic manufacturing facility located in San Carlos (the “Project”). The Regulatory Agreement (“Agreement”) provided the Applicant with 18 months from the date of CAEATFA Board approval to purchase or execute purchase orders for at least 15% of the total Qualified Property amount approved.<sup>3</sup> Also, the Agreement initial term provided the Applicant with three years from the date of CAEATFA Board approval to utilize its STE award.<sup>4</sup>

As of July 2023, the Applicant has used the STE to purchase approximately \$458,000 of Qualified Property (5% of the total Qualified Property approved). The Applicant is requesting to extend the 15% purchase requirement timeframe by one year to accommodate delays related to economic and fundraising challenges. The Applicant is also requesting to extend the Agreement’s initial term by one year for the same accommodations.

The CAEATFA Board can extend the 15% purchase requirement timeframe upon a finding of extraordinary circumstances and that an extension is in the public interest and advances the purposes of the STE Program.<sup>5</sup>

The CAEATFA Board can extend the initial term of the Agreement upon a finding that an extension is in the public interest and advances the purposes of the STE Program.<sup>6</sup>

The Applicant states it has encountered delays related to the recent economic downturn, which have slowed down its venture capital financing process by more than a year. The Applicant had initially anticipated closing on financing in Q3 of 2022, however, that was pushed out to the Q4 of 2023. The Applicant states it has been proactive in working with suppliers in order execute purchases orders of Qualified Property following the obtainment of capital. According to the Applicant, the equipment anticipated to be purchased in 2024 will support its existing pilot manufacturing line, and equipment anticipated to be purchased in 2025 will be for facility ramp-up.

## **THE APPLICANT**

The Applicant is a Delaware corporation that formed in 2017 to develop perovskite solar cells. The Applicant has been developing its solar photovoltaic (“PV”) technology at its headquarters in San Carlos.

The major shareholders (10.0% or greater) of the Applicant are:  
Neon Rainbow LLC, (21.4%)

The corporate officers of the Applicant are:  
Joel Jean, CEO, Co-Founder

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<sup>3</sup> California Code of Regulations Title 4, Division 13, Section 10035(b)(1)

<sup>4</sup> California Code of Regulations Title 4, Division 13, Section 10035(b)(1)(A)

<sup>5</sup> California Code of Regulations Title 4, Division 13, Section 10035(b)(1)(A)

<sup>6</sup> California Code of Regulations Title 4, Division 13, Section 10035(b)(1)(B)

Sytse Sijbrandij (10%)

Tomas Leijtens, Chief Technical Officer &  
Co-Founder  
Giles Eperon, Chief Scientific Officer & Co-  
Founder  
Max Hoerantner, Chief Engineer & Co-  
Founder

### **THE PROJECT**

The Applicant received an STE award to build a new solar photovoltaic manufacturing facility located in San Carlos. The Applicant explains that its manufacturing process uses advanced materials, perovskite semiconductors, as the primary active layer in the solar cells, as well as proprietary metal oxide and organic small molecule films for its contact layers. According to the Applicant, perovskites can increase the power conversion efficiency, leading to lower installed PV system costs.

The Applicant also states its manufacturing process is more sustainable compared to traditional PV manufacturing processes. The Applicant explains the Project will use less energy compared to crystalline silicon solar cell manufacturing, which requires high temperatures and a slower process, and no water except for a closed-loop chill water, unlike traditional crystalline process, which requires large amounts of water. Additionally, the Applicant explains its dry process requires only small amounts of heavy metals that are easily compacted and recycled compared to crystalline silicon processes. Moreover, Applicant also states that its process can be designed to fully inline in a single, automated production line, with real-time monitoring and feedback, allowing the Applicant to improve production numbers and product performance more rapidly than with traditionally processes.

### **15% PURCHASE REQUIREMENT TIMEFRAME EXTENSION REQUEST**

The Applicant has requested that the 15% purchase requirement timeframe be extended from December 21, 2023 to December 21, 2024 in order to accommodate delays related to economic and fundraising challenges.

### **AGREEMENT INITIAL TERM EXTENSION REQUEST**

The Applicant has requested that the initial term of the Agreement be extended from June 21, 2025 to June 21, 2026 in order to accommodate delays related to economic and fundraising challenges.

### **Staff Evaluation**

According to the Applicant, although it has experienced a delay in finalizing financing, it has been proactive in ensuring its new timeline is not further prolonged. The Applicant states its

team has defined tool specifications and identified primary suppliers as well as alternative suppliers and corresponding timelines to help put it in a better position to move forward with purchases of Qualified Property as soon as financing has been secured.

Based on this information, Staff believes these are extraordinary circumstances, and that extending the 15% purchase requirement timeframe will allow for the Project to be completed, and is, therefore, in the public interest and advances the purposes of the STE Program. Staff also believes extending the initial term of the Agreement will allow for the Project to be completed, and is, therefore, in the public interest and advances the purposes of the STE 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 STE Program regulations,<sup>7</sup> the Applicant has paid an additional fee of \$2,250 because extending the 15% purchase requirement timeframe and the initial term qualifies as a modification to the Applicant's Agreement.

### **RECOMMENDATION**

Staff recommends that the Board approve the Applicant's request to extend the 15% purchase requirement timeframe by one year to December 21, 2024, as the Applicant has demonstrated extraordinary circumstances, and it is in the public interest and advances the purposes of the STE Program.

Staff recommends that the Board approve the Applicant's request to extend the initial term of the Agreement by one year to June 21, 2026, as it is in the public interest and advances the purposes of the STE Program.

### **Attachments**

Attachment A: Swift Solar, Inc.'s letter requesting waiver (September 20, 2023)

Attachment B: Swift Solar, Inc.'s staff summary at the time of approval

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<sup>7</sup> California Code of Regulations Title 4, Division 13, Section 10036(c)(1)(C)

**RESOLUTION APPROVING AN EXTENSION OF  
SWIFT SOLAR, INC.'S 15% PURCHASE REQUIREMENT TIMEFRAME  
AND THE INITIAL TERM UNDER THE REGULATORY AGREEMENT**

December 12, 2023

WHEREAS, on June 21, 2022, 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 \$8,490,000 of Qualified Property for **Swift Solar, Inc.** (the “Applicant”); and

WHEREAS, within 18 months of approval by the Authority, the Applicant must purchase or execute purchase orders for at least 15% of the total amount of Qualified Property listed in the approval resolution (STE Program regulations Section 10035(b)(1)); and

WHEREAS, upon a finding of extraordinary circumstances and that it is in the public interest and advances the purposes of the Program, the Authority may waive the requirement that the Applicant must purchase or execute purchase orders for at least 15% of the total amount of Qualified Property within 18 months of Application approval (STE Program regulations Section 10035(b)(1)(A)); and

WHEREAS, the Applicant has requested a waiver of the requirement to purchase or execute purchase orders for at least 15% of the Qualified Property amount within 18 months due to unexpected delays in the Project timeline, extending the term by one (1) year to December 21, 2024; and

WHEREAS, the Applicant has demonstrated extraordinary circumstances as to why it cannot meet the 18-month 15% purchase requirement timeframe; and

WHEREAS, within three (3) years of approval by the Authority, the Applicant must make all Qualified Property purchases (STE Program 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 (3) years of Application approval (STE Program regulations Section 10035(b)(1)(B)); and

WHEREAS, the Applicant has requested a waiver of the requirement to purchase all of the Qualified Property within three (3) years, due to unexpected delays in the Project timeline, extending the term by one (1) year to June 21, 2026; and

WHEREAS, granting the waivers 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 these are extraordinary circumstances and that it is in the public interest and advances the purposes of the Program to extend the Applicant's deadline to meet the 15% purchase requirement to December 21, 2024.

Section 2. The Authority finds that it is in the public interest and advances the purposes of the Program to extend the Applicant's initial term of the Regulatory Agreement to June 21, 2026.

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

**Attachment A: Swift Solar, Inc.’s Letter Requesting Waiver (September 20, 2023)**



981 Bing St.  
San Carlos, CA 94070  
[www.swiftsolar.com](http://www.swiftsolar.com)

**[September 20, 2023]**

Dear CAEATFA Board,

Swift Solar Inc. formally requests a 12-month extension for the purchase of 15% of Qualified Property and a 12-month extension of the Initial Term. As of today, we have acquired 5% of Qualified Property worth \$453,809.80. However, due to recent economic and fundraising challenges, our Series A funding round was delayed by over a year, preventing us from adhering to our initial equipment purchasing timeline. Therefore, we seek a 12-month extension from the original 18-month deadline and a 12-month extension to the Initial Term set to expire on June 21, 2025.

The primary reason for both extension requests stems from the unexpected economic downturn, which has slowed down VC financings. While we initially targeted a round closing in Q3 2022, we now anticipate closing in Q4 2023, a timeline we are confident in achieving.

To reassure the Board and to demonstrate our commitment to meeting these new timelines, we have taken proactive steps. Our team has diligently defined tool specifications and identified primary and alternative suppliers and timelines. Furthermore, we are well-prepared to secure the necessary financing and resources for an expedited purchasing process starting in Q4 2023, allowing us to complete the 15% Qualified Property acquisition within the 12-month extension, as opposed to the initially planned 15-month schedule. Our entire purchasing timeline has been shifted by 12-months. Simply put, the team is anxiously waiting for the go-ahead to begin purchasing the Qualified Property.

This delay has also impacted our timeline for making all Qualified Purchases. Our timeline has been shifted by 12 months, and we believe that an extension to the Initial Term of 12 months (expiring on June 21, 2026) will allow us to purchase all Qualified Property and adhere to our initial purchasing timeline.

The project's scope remains unchanged, but we have adjusted our strategies to align with the new timeline. We believe these extensions will facilitate the successful fulfillment of our Purchase Requirement and project objectives.

We appreciate your consideration of this request and welcome any further inquiries or clarifications.

A handwritten signature in black ink, appearing to read 'P. Millham'.

**Patrick Millham**  
Chief of Staff



**Attachment B: Swift Solar, Inc.’s Staff Summary at the Time of Approval**

Agenda Item – 4.A.4  
Resolution No. 22-SM021-01

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

*Request to Approve Project for a Sales and Use Tax Exclusion<sup>1</sup>*

**Swift Solar, Inc.  
Application No. 22-SM021**

**Tuesday, June 21, 2022**

Prepared By: *Ashley Emery, Program Manager*

**SUMMARY**

**Applicant** – Swift Solar, Inc.

**Location** – San Carlos, San Mateo County

**Industry** – Solar Photovoltaic Manufacturing

**Project** – New Solar Photovoltaic Manufacturing Facility (Advanced Manufacturing)

Value of Qualified Property	Estimated Sales and Use Tax Exclusion (“STE”) Amount <sup>2</sup>
\$8,490,000	\$721,650

Estimated Net Benefit <sup>3</sup>	Dollar Value	Points Earned
Estimated Fiscal Benefits	\$671,440	930
Estimated Environmental Benefits	N/A	90
Additional Benefits	N/A	105
<b>Total</b>	<b>\$671,440</b>	<b>1,125</b>
<b>Estimated Quantifiable Net Benefit</b>	<b>-\$50,210</b>	

**Competitive Criteria Score** – 170

**Staff Recommendation** – Approval

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

<sup>2</sup> This amount is calculated based on the average statewide sales tax rate of 8.5%.

<sup>3</sup> Applications that earn a Total Score of at least 1,000 points and an Environmental Benefits Score of over 20 points may be recommended for approval. (California Code of Regulations Title 4, Division 13, Section 10033(c)(6).)

**Agenda Item – 4.C.5**  
**Resolution No. 22-SM021-02**

**Agenda Item – 4.A.4**  
**Resolution No. 22-SM021-01**

**THE APPLICANT**

Swift Solar, Inc. (the “Applicant”), is a Delaware corporation that formed in 2017 to develop perovskite solar cells. The Applicant has been developing its solar photovoltaic (“PV”) technology at its headquarters in San Carlos.

The major shareholders (10.0% or greater) of the Applicant are:

Neon Rainbow LLC (21.4%)  
Sytse Sijbrandij (10%)

The corporate officers of the Applicant are:

Joel Jean, CEO, Co-founder  
Tomas Leijtens, CTO, Co-founder  
Giles Eperon, CSO, Co-founder  
Max Hoerantner, VP Manufacturing  
Operations, Co-founder

**THE PROJECT**

Swift Solar, Inc., is requesting an STE award to build a new solar photovoltaic manufacturing facility located in San Carlos (the “Project”). The Applicant explains that its manufacturing process uses advanced materials, perovskite semiconductors, as the primary active layer in the solar cells, as well as proprietary metal oxide and organic small molecule films for its contact layers. According to the Applicant, perovskites can increase the power conversion efficiency, leading to lower installed PV system costs.

The Applicant also states its manufacturing process is more sustainable compared to traditional PV manufacturing processes. The Applicant explains the Project will use less energy compared to crystalline silicon solar cell manufacturing, which requires high temperatures and a slower process, and no water except for a closed-loop chill water, unlike traditional crystalline process, which requires large amounts of water. Additionally, the Applicant explains its dry process requires only small amounts of heavy metals that are easily compacted and recycled compared to crystalline silicon processes. Moreover, Applicant also states that its process can be designed to fully inline in a single, automated production line, with real-time monitoring and feedback, allowing the Applicant to improve production numbers and product performance more rapidly than with traditionally processes.

**ANTICIPATED COSTS OF QUALIFIED PROPERTY**

The anticipated Qualified Property purchases are listed below:

Facility buildout	\$2,200,000
Laser scribes	\$990,000
Physical vapor deposition tools	\$2,200,000
Solution coating tools	\$1,000,000
Chemical vapor deposition tools	\$900,000
Lamination tools	\$400,000

**Agenda Item – 4.C.5**  
**Resolution No. 22-SM021-02**

**Agenda Item – 4.A.4**  
**Resolution No. 22-SM021-01**

Solar cell testing tools (solar simulator and electronics)	\$500,000
Environmental chambers	\$300,000
<b>Total</b>	<b><u>\$8,490,000</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 Regulatory Agreement, a finalized Project equipment list will be prepared detailing the value of the Project equipment actually acquired, and the estimated 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, those costs may vary after closing due to increased costs, as well as common design and equipment modifications during construction, differences in equipment due to future changes in statute or regulation, or for other reasons.*

**TIMELINE**

The Applicant began with a small-scale pilot prototype manufacturing line in early 2022 and plans to begin procurement of long-lead equipment in late 2022, with construction taking place throughout 2023.

**STATUS OF PERMITS/OTHER REQUIRED APPROVALS**

The Applicant anticipates needing general building permits associate with buildout, business registrations and licenses, and hazardous waste generator permits, all of which are anticipated to be received in time for Project completion.

**COMPETITIVE CRITERIA SCORE**

The Applicant received 170 Competitive Criteria points as follows:

1. **Environmental Benefits (100 of 100 points)**. The Application has a Project that produces an Alternative Source product, component, or system, and, therefore, 100 points are awarded.
2. **Unemployment (0 of 50 points)**. The Applicant's Project is located in San Mateo County, which has an average annual unemployment rate of 4.8%.<sup>4</sup> When compared to the statewide average annual unemployment rate of 7.89%, the Project location earned the Applicant zero points.
3. **Job Creation (55 of 75 points)**. The Applicant anticipates the Project will support a total of 67 production-related jobs at its Facility. CAEATFA estimates that approximately six of these jobs will be attributable to a marginal increase in jobs.

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<sup>4</sup> Unemployment rates are based on data available in December 2021.

**Agenda Item – 4.A.4**  
**Resolution No. 22-SM021-01**

created due to the STE. Based on the amount of STE per estimated number of jobs created, the Applicant earned 55 points.

4. **California Headquarters (15 of 15 points)**. The Applicant has a California Corporate Headquarters, and, therefore, 15 points are awarded.
5. **Natural Disaster Relief (0 of 50 points)**. The Project is not to rebuild or relocate the Applicant's Facility due to a fire, flood, storm, or earthquake identified in a state of emergency proclaimed by the Governor within two years of the time of application, and, therefore, zero points are awarded.
6. **Eligibility for Manufacturing and Research and Development Equipment Exemption (0 of 50 points)**. The Applicant is eligible to use one or more of the exemptions established pursuant to Section 6377.1 of the Revenue and Taxation Code, and, therefore, zero points are awarded.
7. **Emerging Strategic Industry (0 of 75 points)**. The Project's industry is not in an Emerging Strategic Industry, and, therefore, zero points are awarded.

**PROJECT EVALUATION**

**PROJECT BENEFITS**

The Project received a Total Score of 1,125 points, which exceeds the required 1,000-point threshold, and a total Environmental Benefits Score of 90 points, which exceeds the 20-point threshold.

- A. **Fiscal Benefits (930 points)**. The net present value of the total fiscal benefits over the lifetime of the Qualified Property is derived from the Applicant's sales and use taxes, personal income taxes paid by the firm's employees, firm taxes on profits, property taxes, and other indirect fiscal benefits of the Applicant. The total fiscal benefits amount to \$671,440, resulting in a Fiscal Benefits score of 930.
- B. **Environmental Benefits (90 points)**. The Project earned an Environmental Benefits Score of 90. The Applicant received points in the following categories:
  1. **Energy Consumption (30 of 30 points)**. The Applicant anticipates the Project will result in a 90% reduction in energy consumption compared to the industry standard manufacturing process. The Applicant states perovskites via vapor transport requires significantly lower temperatures and, therefore, energy consumption.
  2. **Water Use (30 of 30 points)**. The Applicant anticipates the Project will result in a 90% reduction in water use relative to the industry standard

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**Resolution No. 22-SM021-02**

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manufacturing process. The Applicant explains the Project does not use any water in the process except for closed-loop chill water.

3. **Hazardous Waste (30 of 30 points).** The Applicant anticipates the Project will result in an 80% reduction in the hazardous waste produced relative to the industry standard manufacturing process. The Applicant explains the Project uses a dry process that require only small amounts of heavy metals that are easily compacted and recycled compared to crystalline silicon processes.

C. **Additional Benefits (105 points).** Applicants may earn additional points for their Total Score. The Applicant received 105 additional points.

1. **Production Jobs (55 of 75 points).** The Applicant anticipates the Project will support a total of 67 production-related jobs at its Facility. CAEATFA estimates that approximately six of these jobs will be attributable to a marginal increase in jobs created due to the STE. Based on the amount of STE per estimated number of jobs created, the Applicant earned 55 points.
2. **Construction Jobs (0 of 75 points).** The Applicant anticipates the Project will support a total of five construction jobs at its Facility. CAEATFA estimates that approximately 0.47 of these jobs will be attributable to a marginal increase in jobs created due to the STE. Based on the amount of STE per estimated number of jobs created, the Applicant earned zero points.
3. **Unemployment (0 of 50 points).** The Applicant's Project is located in San Mateo County, which has an average annual unemployment rate of 4.8%. When compared to the statewide average annual unemployment rate of 7.89%, the Project location earned the Applicant zero points.
4. **Research and Development Facilities (25 of 25 points).** The Applicant has verified that it has a facility located in California that performs research and development functions related to solar PV manufacturing.
5. **Benefits and Fringe Benefits 25 of 25 points).** The Applicant states it provides medical, health, dental, vision, retirement contributions, dependent care and assistance reimbursement, transportation subsidies, education reimbursement, and paid leave benefits to its employees, earning the Applicant 25 points.

**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.

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**CAEATFA FEES**

In accordance with CAEATFA regulations,<sup>5</sup> the Applicant has paid CAEATFA an Application Fee of \$4,245 and will pay CAEATFA an Administrative Fee of up to \$33,960.

**RECOMMENDATION**

Staff recommends the approval of Resolution No. 22-SM021-01 for Swift Solar, Inc.'s purchase of qualifying tangible personal property in an amount not to exceed \$8,490,000 anticipated to result in an approximate STE value of \$721,650.

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<sup>5</sup> California Code of Regulations Title 4, Division 13, Section 10036

**RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A  
REGULATORY AGREEMENT WITH SWIFT SOLAR, INC.**

**June 21, 2022**

WHEREAS, the California Alternative Energy and Advanced Transportation Financing Authority (the “Authority”) has received the Application of **Swift Solar, Inc.** (the “Applicant”) for financial assistance under the Sales and Use Tax Exclusion Program, as established in Public Resources Code Section 26011.8; and

WHEREAS, the Applicant qualifies as a Participating Party under Public Resources Code Section 26011.8 and Revenue and Taxation Code Section 6010.8; and

WHEREAS, the Applicant’s qualifying tangible personal property meets the requirements of a Project under Public Resources Code Section 26011.8 and Revenue and Taxation Code Section 6010.8 (the “Project”); and

WHEREAS, after the Authority approves an Application, the Authority enters into a Regulatory Agreement, as described in Authority Regulations Section 10035(a), with the Applicant for the Project; and

WHEREAS, the Applicant has stated the Project has an estimated cost not to exceed \$8,490,000 over a period of three (3) years; and

WHEREAS, the Applicant asserts 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 Project pursuant to Revenue and Taxation Code Section 6010.8; and

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

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

Section 1. The Regulatory Agreement includes a Project within the meaning of Public Resources Code Section 26003(a)(8)(B).

Section 2. The 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 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 Authorized Signatories deem appropriate, provided that the amount of the

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qualifying tangible personal property to be purchased for the Project may not be increased above the amount approved by the Authority.

Section 5. The proposed form of the Regulatory Agreement between the Applicant and the Authority, as filed with the Authority prior to this public meeting, is hereby approved. For, on behalf and in the name of the Authority, the Authorized Signatories are hereby authorized and directed to execute, acknowledge, and deliver to the Applicant the Regulatory Agreement in substantially the form filed with or approved by the Authority.

The Regulatory Agreement may contain insertions, deletions or changes as the Authorized Signatories executing the Regulatory Agreement may require or approve, including particular information inserted in substantial conformance with the staff summary and in the Application to the Authority. The approval of the Regulatory Agreement will be conclusively evidenced by the execution and delivery of the final Regulatory Agreement.

The Authority understands and agrees that, pursuant to the terms of the Regulatory Agreement, the obligations of the Applicant, under some circumstances, may 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 to consummate the Regulatory Agreement and otherwise effectuate the purposes of this Resolution.

Section 7. The Applicant shall ensure that all of the qualifying tangible personal property acquired as part of the Project that is listed in the semi-annual reports provided to the Authority pursuant to the Regulatory Agreement will be installed, maintained and operated in compliance with all applicable local, state and federal laws.

Section 8. The Regulatory Agreement shall only apply to qualifying tangible personal property acquired as part of the Project that the Applicant certifies will be installed, maintained and operated at facilities physically located within the State of California.

Section 9. Neither the adoption by the Authority of this Resolution for the Applicant nor the Regulatory Agreement may be referred to in any application before any governmental agency as evidence of the feasibility, practicality or suitability of the Project and may not be referred to 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 is not executed within thirty (30) days of the date of this Resolution. The Executive Director may extend the thirty (30) days if necessary.