In administering the Climate Catalyst Revolving Loan Fund (the “Fund”) and the Climate Catalyst Revolving Loan Fund Program (the “Program”), per the requirements of Government Code Section 63048.92, IBank must prepare a Climate Catalyst Financing Plan (the “Financing Plan”) that identifies “potential categories and eligibility criteria of climate catalyst projects that may receive financial assistance” under the Program.

This document serves as the Financing Plan for the Fund and Program, covering the category of Climate Catalyst Projects (“Projects”) advancing the state policy priority for clean energy transmission.

Government Code Section 63048.93(d) requires that IBank engage with specific “consulting agencies” in formulating these financing plans:

“(1) Beginning in the 2021–2022 fiscal year, the bank shall meet and confer with the consulting agencies concerning the specific categories of climate catalyst project corresponding to each agency as provided in subdivision (f). Thereafter, the bank board shall adopt, by majority vote of the bank board, a climate catalyst financing plan. Prior to the bank board meeting in which the bank board will first consider adoption of the financing plan, each consulting agency shall submit a letter to the bank board discussing any areas of support and any areas of disagreement with the financing plan under consideration.

(2) Following bank board approval, the climate catalyst financing plan shall be posted on the bank’s internet website.”

Government Code Section 63048.93(f) identifies as a consulting agency:

“(3) (A) The State Energy Resources Conservation and Development Commission and the Public Utilities Commission for climate catalyst projects that are clean energy transmission projects. If multiple projects seek funding, the consulting agencies shall prioritize, based on state
policy, potential projects that meet the conditions in subparagraph (B), and on financial considerations as determined by the bank. Eligible climate catalyst project categories in this paragraph shall comply with the conditions set forth in this paragraph, and include, but are not limited to, both of the following:

(i) Clean energy transmission project infrastructure that is necessary to connect the transmission project into the applicable California balancing authority area.

(ii) Other necessary technical elements of transmission infrastructure, including but not limited to, environmental planning, permitting, and preconstruction costs for a project.

(B) The initial climate catalyst project or projects funded under this paragraph shall support the development of a new transmission line or transmission lines to deliver to the system operated by the Independent System Operator zero-carbon, firm electricity from new resources located in the Salton Sea region.”

Government Code Section 63048.93(f)(3)(B) provides clear guidance as to the initial project or projects to be supported in the clean energy transmission component of the Climate Catalyst Fund. The State Energy Resources Conservation and Development Commission and the Public Utilities Commission (the “consulting agencies”) have affirmed via letter (Attachment A and B) that the Salton Sea project or projects shall be the initial priority for clean energy transmission development.

Since Catalyst Fund is a permanent, revolving fund, priorities for the next phase of clean energy transmission development will be reassessed as loan capital is recouped from the Salton Sea project or projects, following the leadership of the consulting agencies. The next phase of priorities for clean energy transmission projects will be memorialized in an updated version of this Climate Catalyst Fund Financing Plan.
November 18, 2022

Via email: IBank@IBank.ca.gov

To the California Infrastructure and Economic Development Bank Board (IBank):

I am writing in support of the draft “Climate Catalyst Fund Financing Plan - Clean Energy Transmission,” (Financing Plan) dated November 10, 2022. The California Energy Commission is a consulting agency for climate catalyst projects that are clean energy transmission projects.¹ The Financing Plan is consistent with the authorizing statute enacted through Assembly Bill 209 (Committee on Budget. Energy and Climate Change, 2022) and I appreciate IBank’s consultation with my staff in advancing this important work.

The development of new transmission to access zero-carbon resources is essential for meeting California’s decarbonization goals. The Climate Catalyst Fund can play a critical role in accelerating the development of this infrastructure.

We look forward to working with your staff during the implementation of climate catalyst projects including clean energy transmission project infrastructure and other technical elements such as environmental planning, permitting, and preconstruction costs.

I also support IBank’s prioritization of funding in the Financing Plan to support new transmission development to deliver zero-carbon, firm electricity from new clean energy resources located in the Salton Sea region to the system operated by the California Independent System Operator.²

Sincerely,

Drew Bohan
Executive Director

² Government Code section 63048.93(f)(3)(B) requires that “[t]he initial climate catalyst project or projects funded under this paragraph shall support the development of a new transmission line or transmission lines to deliver to the system operated by the Independent System Operator zero-carbon, firm electricity from new resources located in the Salton Sea region.”
November 18, 2022

Sent via electronic mail: IBank@IBank.ca.gov

To the Infrastructure Bank Board:

I am writing to provide my support for the Infrastructure Bank’s November 11, 2022 draft entitled “Climate Catalyst Fund Financing Plan - Clean Energy Transmission” (Financing Plan), in the California Public Utilities Commission’s (CPUC) statutory role as a consulting agency. The Financing Plan is consistent with the authorizing statute enacted through Assembly Bill 209 and the CPUC appreciates the Infrastructure Bank’s expediency with advancing this important work.

The development of new transmission to access zero-carbon resources is essential for meeting California’s decarbonization goals. The Climate Catalyst Fund can play a critical role in accelerating the development of this necessary infrastructure and will lower costs for utility customers.

We look forward to working with your staff throughout the implementation of climate catalyst projects including, but not limited to, clean energy transmission project infrastructure and other necessary technical elements such as environmental planning, permitting, and preconstruction costs for projects. In addition, the CPUC supports IBank’s prioritization of the Salton Sea project or projects for clean energy transmission development.¹

Sincerely,

Rachel Peterson
Executive Director

¹AB 209 requires that “(t)he initial climate catalyst project or projects funded under this paragraph shall support the development of a new transmission line or transmission lines to deliver to the system operated by the Independent System Operator zero-carbon, firm electricity from new resources located in the Salton Sea region.” AB-209, Committee on Budget. Energy and Climate Change, Cal SEC.7. Government Code 63048.93 section (f)3(B) Bill Text - AB-209 Energy and climate change. (ca.gov)