

**RESOLUTION NO. 22-23**

**RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK ADOPTING A CLIMATE CATALYST FUND FINANCING PLAN – CLEAN ENERGY TRANSMISSION**

**WHEREAS**, the California Infrastructure and Economic Development Bank (“IBank”) is established pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act (California Government Code Section 63000 et seq.) (the “IBank Act”), for the purpose of providing financial assistance to eligible projects in the State of California through a variety of financing mechanisms;

**WHEREAS**, effective June 29, 2020, Article 6.7 of the IBank Act (California Government Code Sections 63048.91 through 63048.100) was added to the IBank Act establishing the Climate Catalyst Revolving Loan Fund and the Climate Catalyst Revolving Loan Fund Program for the purpose of providing financial assistance for eligible projects (a “Climate Catalyst Project”) intended to further California’s climate goals, activities that reduce climate risk, and the implementation of low-carbon technology and infrastructure;

**WHEREAS**, Government Code Section 63048.93 requires that the IBank Board of Directors (the “Board”) adopt a Climate Catalyst Financing Plan (a “Financing Plan”);

**WHEREAS**, Government Code Section 63048.92 defines a Financing Plan as a report “identifying potential categories and eligibility criteria of Climate Catalyst Projects that may receive financial assistance under this article;”

**WHEREAS**, a proposed Financing Plan is attached hereto as Exhibit A;

**WHEREAS**, Government Code Section 63048.93 further requires that the Financing Plan be based on IBank’s communication with certain “Consulting Agencies” and that the Consulting Agencies submit a letter to the Board discussing areas of support and disagreement for the Financing Plan under consideration;

**WHEREAS**, pursuant to Government Code Section 63048.93, the relevant Consulting Agencies for purposes of the Financing Plan attached hereto as Exhibit A are the State Energy Resources Conservation and Development Commission, commonly known as the California Energy Commission, (“CEC”) and California Public Utility Commission (“CPUC”) and IBank has met and conferred with CEC and CPUC as required under Government Code Section 63048.93; and

**WHEREAS**, attached hereto as Exhibits B is a letter from CEC satisfying the requirements of Government Code Section 63048.93;

**WHEREAS**, attached hereto as Exhibit C is a letter from CPUC satisfying the requirements of Government Code Section 63048.93.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the California Infrastructure and Economic Development Bank, as follows:

**Section 1.** The Board hereby finds that the above recitals are true and correct.

**Section 2.** All actions heretofore taken by the officers and employees of IBank with respect to the subject matter of this Resolution are hereby approved, confirmed and ratified.

**Section 3.** The Board hereby approves and adopts the Financing Plan attached hereto as Exhibit A.

**Section 4.** This Resolution shall take effect immediately upon its adoption.

**PASSED, APPROVED, AND ADOPTED** at a meeting of the California Infrastructure and Economic Development Bank on December 21, 2022, by the following vote:

AYES: Myers, Fernandez, Miller, Quant, Steinorth

NOES:

ABSENT:

ABSTAIN:

By **scott wu** Digitally signed by scott  
wu  
Date: 2022.12.21  
16:21:04 -08'00'  
\_\_\_\_\_  
Scott Wu, Executive Director

Attest:   
By \_\_\_\_\_  
Stefan Spieh  
Secretary of the Board of Directors

**Exhibit A**

Climate Catalyst Fund Financing Plan – Clean Energy Transmission

[See Attached]

# Climate Catalyst Fund

## Financing Plan December 21, 2022: **Clean Energy Transmission**

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.

**EXHIBIT B**

Letter from California Energy Commission Regarding  
Climate Catalyst Fund Financing Plan – Clean Energy Transmission

[See Attached]



November 18, 2022

Via email: [IBank@IBank.ca.gov](mailto: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.<sup>1</sup> 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.<sup>2</sup>

Sincerely,

A handwritten signature in black ink, appearing to read "Drew Bohan".

Drew Bohan

Executive Director

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<sup>1</sup> Government Code section 63048.93(f)(3)(A).

<sup>2</sup> 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."

**EXHIBIT C**

Letter from California Public Utilities Commission Regarding  
Climate Catalyst Fund Financing Plan – Clean Energy Transmission

[See Attached]





# California Public Utilities Commission



November 18, 2022

Sent via electronic mail: [IBank@IBank.ca.gov](mailto: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.<sup>1</sup>

Sincerely,

A handwritten signature in cursive script that reads "Rachel Peterson".

Rachel Peterson  
Executive Director

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<sup>1</sup>AB 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. \(ca.gov\)](#)

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