

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

Board Meeting Date: Tuesday, December 9, 2025

***Request to Approve an Extension of the 15% Purchase Requirement Timeframe
and the Initial Term of the Regulatory Agreement¹***

Mariposa Bioenergy, LLC
Application No. 23-SM023

Prepared By: *Willy Chen, Program Analyst*

SUMMARY

Applicant: Mariposa Bioenergy, LLC

Location: Mariposa, Mariposa County

Industry: Biomass Processing and Fuel Production

Project: New Biomass Processing and Fuel Production Facility (Alternative Source)

Total Amount of Qualified Property Approved: \$18,970,000

Estimated Sales and Use Tax Exclusion Amount at Approval:² \$1,585,892

Total Amount of Qualified Property Purchased to Date: \$0

Initial Board Approval Date: July 18, 2023

Amount of Time Requested:

- Requesting a one-year extension, until January 18, 2027, for the 15% purchase requirement timeframe (three years and six months from the date of initial CAEATFA Board approval)
- Requesting a one-year extension, until July 18, 2028, for the initial term of the Regulatory Agreement (five years from the date of initial CAEATFA Board approval)

Staff Recommendation: Approval

¹ All capitalized terms not defined in this document are defined in the Sales and Use Tax Exclusion Program's statutes and regulations.

² This amount is calculated based on the average statewide sales tax rate at the time of initial approval, which was 8.36%.

BACKGROUND

On July 18, 2023, the CAEATFA Board approved a sales and use tax exclusion (“STE”) for Mariposa Bioenergy, LLC (the “Applicant”) for the purchase of up to \$18,970,000 in Qualified Property to build a new bioenergy facility that will convert raw forest biomass into a renewable gas in Mariposa (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. Also, the Agreement initial term provided the Applicant with three years from the date of CAEATFA Board approval to utilize its STE award.³

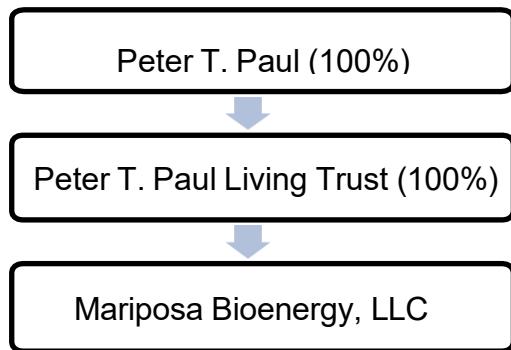
On December 10, 2024, the CAEATFA Board approved the Applicant for a one-year extension of the 15% purchase requirement from January 18, 2025 to January 18, 2026, and a one-year extension of the initial term of the Agreement from July 18, 2026 to July 18, 2027 to accommodate delays with county permitting and approval, as well as delays with the utility interconnection.

As of October 2025, the Applicant has not used the STE to make purchases of Qualified Property. The Applicant is requesting to extend the 15% purchase requirement timeframe to accommodate ongoing delays in completing the utility’s System Impact Study (“SIS”), which is required to finalize a Power Purchase Agreement (“PPA”) and reach financial close. The Applicant is also requesting to extend the Agreement’s initial term for the same accommodation.

THE APPLICANT

Mariposa Bioenergy, LLC formed as a California limited liability company in 2022 and maintains its headquarters in Petaluma.

The ownership structure of the Applicant is as follows:



The company officers of the Applicant are:

- Peter T. Paul, Trustee
- Kristen R. Decker, Authorized Signer

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

THE PROJECT

The Applicant received an STE award to build a new bioenergy facility that will convert raw forest biomass into a renewable gas in Mariposa. According to the Applicant, the facility will process approximately 32,000 tons of residual local woody biomass per year that would otherwise be piled and burned or left to decay. The gasification of such feedstock will create a renewable gaseous fuel (termed producer gas). Upon completion, the Applicant states the producer gas will be used to generate electricity and offset the need for fossil-fuel produced electricity, which will be exported to Pacific Gas & Electric (“PG&E”).

As a byproduct of the gasification process, the Project can be operated to produce biochar. Per the Applicant, biochar can be used as a soil amendment or for filtration media. The Applicant also states biochar can enhance the biological productivity in soil and increase water- and fertilizer-holding capacity, which in turn provides crop nutrition and improved plant growth.

The Applicant anticipates the Qualified Property purchased for the Project will be used to manufacture producer gas; consistent with CAEATFA policy at the time of award, the Qualified Property also includes a portion of the power generation equipment used to power the facility for production purposes. The Project’s equipment will consume approximately 17% of the total amount of available energy generated from producer gas combustion; therefore, 17% of the power generation equipment is eligible for a sales and use tax exclusion. However, 83% of the power generation equipment is not included in this Application, as it represents the proportion of available energy in the form of electricity that will be sold to PG&E.

15% PURCHASE REQUIREMENT TIMEFRAME EXTENSION REQUEST

The Applicant has requested that the 15% purchase requirement timeframe be extended from January 18, 2026 to January 18, 2027, in order to accommodate ongoing delays in completing the utility’s System Impact Study, which is required to finalize a Power Purchase Agreement and reach financial close.

AGREEMENT INITIAL TERM EXTENSION REQUEST

The Applicant has requested that the initial term of the Agreement be extended from July 18, 2027 to July 18, 2028, in order to accommodate ongoing delays in completing the utility’s System Impact Study, which is required to finalize a Power Purchase Agreement and reach financial close.

STAFF EVALUATION

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.⁴

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.⁵

The Applicant has experienced continued delays due to the local utility's inability to complete the required System Impact Study (SIS), which is necessary to finalize a Power Purchase Agreement (PPA) and reach financial close. Based on the Applicant's experience, the SIS process typically takes 9 to 12 months, but delays can occur at any stage—including application review, engineering study, or SIS phase. Each failed attempt has required the Applicant to restart the process, contributing to the extended timeline. These delays are primarily due to substation upgrade needs identified by Pacific Gas & Electric (PG&E), which have prevented the Project from proceeding with interconnection. The Applicant has submitted three separate interconnection applications with PG&E since November 2022:

- The first application (November 2022) failed the Electrical Independence Test (EIT) in November 2023.
- A second application using an alternate feeder also failed in September 2024 due to transmission upgrade requirements over 150 miles away.
- The Applicant then re-engineered the facility for a 0.99 MW interconnection and submitted a third application.

The Applicant has actively engaged with PG&E throughout the year, completed multiple SIS pre-review stages, and prepared the PPA application in advance. The Applicant anticipates SIS completion by December 2025, followed by PPA execution in February 2026, financial close in May 2026, and completing its National Environmental Policy Act (NEPA) review in August 2026. Thereafter, the Applicant intends on meeting the 15% purchase requirement by December 2026 and executing full procurement by July 2028.

Staff has considered that the utility issues are outside of the Applicant's control. While the SIS has not yet been completed, the Applicant has demonstrated meaningful progress, with critical events taking place in the near future. All key funding sources—including equity investors, a banking lender, the United States Department of Energy, the California Energy Commission, and CalFire—remain committed to the Project. The Applicant's proactive coordination with PG&E and readiness to proceed once the SIS is finalized provide assurance that the revised timeline is achievable.

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

⁵ California Code of Regulations Title 4, Division 13, Section 10035(b)(1)(B)

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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 STATUS QUESTIONNAIRE

Staff reviewed the Applicant's Legal Status portion of the extension request. No information was disclosed concerning the financial viability or legal integrity of the Applicant.

CAEATFA FEES

In accordance with STE Program regulations,⁶ the Applicant's request to extend the 15% purchase requirement timeframe and the initial term qualifies as a modification to the Applicant's Agreement, incurring additional fees. The Applicant has paid the additional fee of \$2,250.

RECOMMENDATION

Staff recommends that the Board approve the Applicant's request to extend the 15% purchase requirement timeframe by one year until January 18, 2027, 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, until July 18, 2028, as it is in the public interest and advances the purposes of the STE Program, and the full term shall be for a period of 17 years, until July 18, 2040, for providing annual compliance reports.⁷

ATTACHMENTS

Attachment A: Mariposa Bioenergy, LLC's Letter Requesting Waiver (October 13, 2025)
Attachment B: Mariposa Bioenergy, LLC's Staff Summary at the Time of Approval

⁶ California Code of Regulations Title 4, Division 13, Section 10036(c)(1)(C)

⁷ California Code of Regulations Title 4, Division 13, Section 10035(a)(2)

**RESOLUTION APPROVING AN EXTENSION OF
MARIPOSA BIOENERGY, LLC'S 15% PURCHASE REQUIREMENT TIMEFRAME
AND THE INITIAL TERM UNDER THE REGULATORY AGREEMENT**

December 9, 2025

WHEREAS, on July 18, 2023, 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 \$18,970,000 of Qualified Property for **Mariposa Bioenergy, LLC** (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 previously had 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 January 18, 2026;

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 by January 18, 2026, due to unexpected delays in the Project timeline, extending the term by one (1) year to January 18, 2027; 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

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WHEREAS, the Applicant previously had 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 July 18, 2027; and

WHEREAS, the Applicant has requested a waiver of the requirement to purchase all of the Qualified Property by July 18, 2027, due to unexpected delays in the Project timeline, extending the term by one (1) year to July 18, 2028; 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 January 18, 2027.

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 July 18, 2028.

Section 3. This resolution shall take effect immediately upon its passage.

**Agenda Item – 4.B.2
Resolution No. 23-SM023-03**

**Attachment A: Mariposa Bioenergy, LLC's Letter Requesting Waiver
(October 13, 2025)**

MARIPOSA BIOENERGY



October 13, 2025
CAEATFA
915 Capitol Mall, Room 538
Sacramento, CA 95814

RE: Amendment to Sales and Use Tax Exclusion Program Regulatory Agreement between CAEATFA and Mariposa Bioenergy, LLC (23-SM023)

To Whom It May Concern:

On August 18, 2023, Mariposa Bioenergy, LLC (MBE) received a California Sales and Tax Exclusion for the purchase of up to \$18,970,000.00 in Qualified Property to build a new biomass processing and fuel production facility in Mariposa, CA. This facility will convert forest thinnings from community fire prevention projects to a gaseous alternative fuel – producer gas – that is used for renewable heat and electricity.

On December 10, 2024, the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) approved MBE's request to extend the 15% purchase requirement and initial term by 12-months based on unexpected delays to the Project timeline and extraordinary circumstances outside of the Project's control. Resolution No. 23-SM023-02 extended the purchase (or execution of purchase orders) of at least 15% of the Company's total Qualified Property to January 18, 2026 ("Purchase Requirement") and extended the initial term of the Regulatory Agreement to July 18, 2027.

Since that time, the Project Team has reassessed the development schedule and now anticipates the following updated timeline: completion of the System Impact Study (SIS) by December 2025, execution of the Power Purchase Agreement (PPA) by February 2026, and reaching financial close by May 2026. The Project expects to meet the 15% Qualified Property purchase requirement by December 2026, with full procurement of Qualified Property completed by July 2028. These revised milestones reflect a realistic and achievable path forward based on current progress and ongoing coordination with the local utility.

Based on a thorough review of the timelines associated with prior projects, we have determined that a 12-month extension is appropriate to ensure successful completion of all required milestones. Historically, following the completion of the SIS, it takes approximately 1–2 months to finalize the PPA, followed by an additional 2 months to reach financial close. Subsequently, the NEPA review process typically requires 2–3 months before groundbreaking can occur. Once construction begins, the build-out phase spans 18 to 24 months, during which Qualified Purchases continue throughout the duration. This timeline reflects a combination of utility schedules, investor expectations, procurement lead times, and other critical project milestones, all of which support the necessity of a 12-month extension.

Corporate Office
765 Baywood Drive, Ste. 340
Petaluma, CA 94954

Mariposa Bioenergy, LLC
530-207-5996

Bioenergy Site
5673 Copper Leaf Drive
Mariposa, CA 95338

**Agenda Item – 4.B.2
Resolution No. 23-SM023-03**

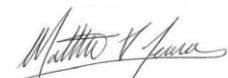
The project has experienced ongoing and significant delays primarily due to issues with utility interconnection. Specifically, Pacific Gas & Electric (PG&E), the local utility, has been unable to complete the required SIS, which is essential for progressing toward interconnection. Without a valid SIS, the Project cannot finalize a PPA, thereby preventing it from reaching financial close. PG&E has acknowledged the urgency of the SIS but continues to issue extensions on their reporting timeframe, citing necessary substation upgrades that must be completed before additional projects can be added to the base load. These delays have directly impacted the Project's ability to meet the previously extended milestone of achieving 15% Qualified Purchases by January 2026. Despite these challenges, the Project Team remains committed and has been fully prepared to proceed; however, progress has been entirely dependent on the utility's timeline, which remains outside of our control. Once the SIS is completed and the PPA is executed, the finance team will be able to reach financial close, enabling the Project to fulfill the 15% Purchase Requirement and initiate all other qualified purchases within the revised project timeframe.

The Project Team remains confident in its ability to meet the revised timeline and has taken proactive steps to ensure progress. Throughout the year, we have engaged regularly with PG&E's electrical engineering team to explore viable pathways for completing the SIS, including alternative routing and technical solutions. These collaborative efforts have led to successful completion of multiple pre-review stages, and we anticipate the full SIS will be finalized by the end of this year. In parallel, our team has already prepared the Power Purchase Application (PPR), allowing us to immediately proceed to the final stages of interconnection once the SIS is complete. These milestones are critical to achieving financial close and fulfilling the 15% Purchase Requirement. Furthermore, all key funding sources, including equity investors, our banking lender, the California Energy Commission, and CalFire, remain fully committed to the project, reinforcing its financial viability and long-term success.

Per program regulation section 10035(b)(1)(B), Mariposa Bioenergy is requesting a time extension of 12-months from the CAEATFA Board for both the 15% purchase requirement and the initial term agreement to allow the local utility to complete their study, finalize a PPA and reach financial close so the project team can complete purchasing for this project.

There is no change to the scope of the project. Please contact me if there are any questions at (530) 383-8260 or matt.summers@westbiofuels.com.

Regards,



Matthew D. Summers, Officer
Mariposa Bioenergy, LLC

**Agenda Item – 4.B.2
Resolution No. 23-SM023-03**

Attachment B: Mariposa Bioenergy, LLC's Staff Summary at the Time of Approval

The original award staff summary can be found [on the CAEATFA website](#).

**Agenda Item – 4.A.7
Resolution No. 23-SM023-01**

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

Request to Approve Project for a Sales and Use Tax Exclusion¹

**Mariposa Bioenergy LLC
Application No. 23-SM023**

Tuesday, July 18, 2023

Prepared By: *Katrina Walters-White, Program Analyst*

SUMMARY

Applicant – Mariposa Bioenergy LLC

Location – Mariposa, Mariposa County

Industry – Biomass Processing and Fuel Production

Project – New Biomass Processing and Fuel Production Facility (Alternative Source)

Value of Qualified Property	Estimated Sales and Use Tax Exclusion (“STE”) Amount ²
\$18,970,000	\$1,585,892

Estimated Net Benefit ³	Dollar Value	Points Earned ⁴
Estimated Fiscal Benefits	\$1,858,583	1,172
Estimated Environmental Benefits	\$3,544,953	2,235
Additional Benefits	N/A	58
Total	\$5,403,536	3,465
Estimated Quantifiable Net Benefit	\$3,817,643	

Competitive Criteria Score – 148

Staff Recommendation – Approval

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

² This amount is calculated based on the average statewide sales tax rate of 8.36%.

³ 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).)

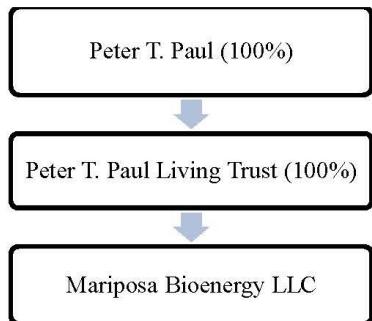
**Agenda Item – 4.B.2
Resolution No. 23-SM023-03**

**Agenda Item – 4.A.7
Resolution No. 23-SM023-01**

THE APPLICANT

Mariposa Bioenergy LLC (the “Applicant”) is a California limited liability company that formed in 2022 and headquartered in Petaluma. The Applicant has been negotiating contracts for local feedstock with ArborWorks LLC and Double Tree Forest Management.

The ownership structure of the Applicant is as follows:



The company officers of the Applicant are:

Peter T. Paul, Trustee
Kristen R. Decker, Authorized Signer

THE PROJECT

The Applicant is requesting a sales and use tax exclusion (“STE”) award to build a new bioenergy facility that will convert raw forest biomass into a renewable gas in Mariposa (the “Project”). According to the Applicant, the facility will process approximately 32,000 tons of residual woody biomass per year that would otherwise be piled and burned or left to decay. The gasification of such feedstock will create a renewable gaseous fuel (termed producer gas). Upon completion, the Applicant states the producer gas will be used to generate electricity and offset the need for fossil-fuel produced electricity, which will be exported to Pacific Gas & Electric (“PG&E”).

As a byproduct of the gasification process, the Project will produce biochar. Per the Applicant, biochar can be used as a soil amendment or for filtration media. The Applicant also states biochar can enhance the biological productivity in soil and increase water- and fertilizer-holding capacity, which in turn provides crop nutrition and improved plant growth.

The Applicant anticipates the Qualified Property purchased for the Project will be used to manufacture producer gas; consistent with STE Program regulations,⁵ the Qualified Property also includes a portion of the power generation equipment used to power the facility for production purposes. The Project’s equipment will consume approximately 17% of the total amount of available energy generated from producer gas combustion; therefore, 17% of the

⁵ California Code of Regulations Title 4, Division 13, Section 10031(x)

**Agenda Item – 4.B.2
Resolution No. 23-SM023-03**

**Agenda Item – 4.A.7
Resolution No. 23-SM023-01**

power generation equipment is eligible for a sales and use tax exclusion. However, 83% of the power generation equipment is not included in this Application, as it represents the proportion of available energy in the form of electricity that will be sold to PG&E.

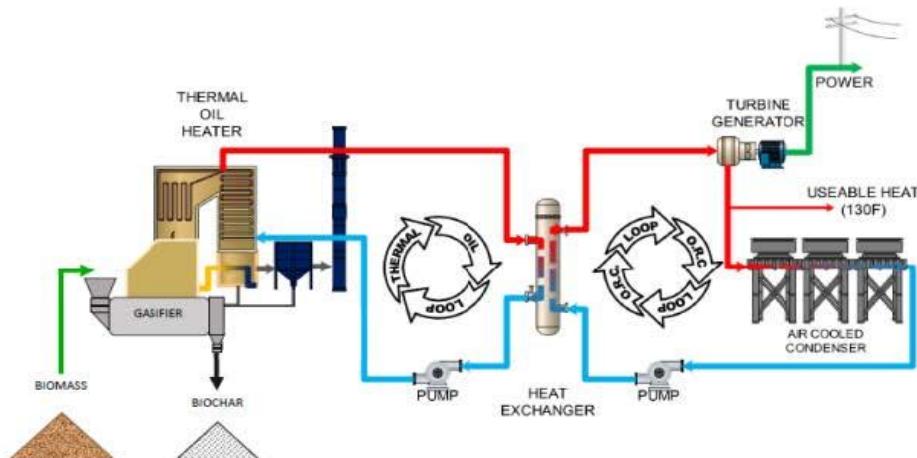


Figure 1: Biomass Cogeneration Plant Process Flow Diagram

ANTICIPATED COSTS OF QUALIFIED PROPERTY

The anticipated Qualified Property purchases are listed below:

Biomass Unloading, Storage and Conveyance	\$3,740,000
Gasifier and Integrated Thermal Oil Heater	\$5,200,000
Organic Rankine Cycle Generator	\$1,120,000
Biochar Hopper and Conveyance	\$450,000
Flue Gas Cleanup Hardware	\$1,800,000
Structures	\$2,170,000
Base of Plant Equipment (Electrical, Plumbing, and Insulation)	\$4,490,000
Total	\$18,970,000

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.

**Agenda Item – 4.B.2
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**Agenda Item – 4.A.7
Resolution No. 23-SM023-01**

TIMELINE

The Applicant plans to begin site construction in July 2023. Following that, the procurement of major equipment and related engineering will begin. The Applicant states the Project is expected to conclude with a placed-in-service date of June 2025.

STATUS OF PERMITS/OTHER REQUIRED APPROVALS

The Applicant states it has acquired its conditional use permit in July of 2018. Grading and air permits and the PG&E Interconnection Agreement are still pending and should be finalized by August of 2023. The building permit will be secured in September 2023.

COMPETITVE CRITERIA SCORE

The Applicant received 148 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 (13 of 50 points)**. The Applicant's Project is located in Mariposa County, which has an average annual unemployment rate of 4.9%.⁶ When compared to the statewide average annual unemployment rate of 4.3%, the Project location earned the Applicant 13 points.
3. **Job Creation (20 of 75 points)**. The Applicant anticipates the Project will support a total of 10 production-related jobs at its Facility. CAEATFA estimates that approximately 1.27 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 20 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 Unemployment rates are based on data available in October 2022.

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**Agenda Item – 4.A.7
Resolution No. 23-SM023-01**

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 3,465 points, which exceeds the required 1,000-point threshold, and a total Environmental Benefits Score of 2,235 points, which exceeds the 20-point threshold.

- A. **Fiscal Benefits (1,172 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 \$1,858,583 resulting in a Fiscal Benefits score of 1,172.
- B. **Environmental Benefits (2,235 points)**. The Project is anticipated to result in \$3,544,953 of total pollution benefits over the life of the Project, resulting in an Environmental Benefits Score of 2,235 points. These benefits derive from the production of renewable gas, which offsets the need for the use of fossil methane.
- C. **Additional Benefits (58 points)**. Applicants may earn additional points for their Total Score. The Applicant received 58 additional points.
 1. **Production Jobs (20 of 75 points)**. The Applicant anticipates the Project will support a total of 10 production-related jobs at its Facility. CAEATFA estimates that approximately 1.27 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 20 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 .71 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 (13 of 50 points)**. The Applicant's Project is located in Mariposa County, which has an average annual unemployment rate of 4.9%.

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**Agenda Item – 4.A.7
Resolution No. 23-SM023-01**

When compared to the statewide average annual unemployment rate of 4.3%, the Project location earned the Applicant 13 points.

4. **Benefits and Fringe Benefits (25 of 25 points).** The Applicant states it provides medical, health, dental and vision benefits, bonuses, retirement contributions, 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.

CAEATFA FEES

In accordance with STE Program regulations,⁷ the Applicant has paid CAEATFA an Application Fee of \$9,485 and will pay CAEATFA an Administrative Fee of up to \$75,880.

RECOMMENDATION

Staff recommends the approval of Resolution No. 23-SM023-01 for Mariposa Bioenergy LLC's purchase of qualifying tangible personal property in an amount not to exceed \$18,970,000 anticipated to result in an approximate STE value of \$1,585,892.

⁷ California Code of Regulations Title 4, Division 13, Section 10036

**Agenda Item – 4.B.2
Resolution No. 23-SM023-03**

**Agenda Item – 4.A.7
Resolution No. 23-SM023-01**

**RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A
REGULATORY AGREEMENT WITH MARIPOSA BIOENERGY LLC**

July 18, 2023

WHEREAS, the California Alternative Energy and Advanced Transportation Financing Authority (the “Authority”) has received the Application of **Mariposa Bioenergy LLC** (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 \$18,970,000 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.