

**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***

**H2B2 USA, LLC
Application No. 24-SM009**

Prepared By: *Willy Chen, Program Analyst*

SUMMARY

Applicant: H2B2 USA, LLC

Location: Kerman, Fresno County

Industry: Renewable Hydrogen Production

Project: Expansion of an Existing Green Hydrogen Production Facility
(Alternative Source)

Total Amount Qualified Property Approved: \$23,300,000

Estimated Sales and Use Tax Exclusion Amount at Approval:² \$1,966,520

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

Initial Board Approval Date: July 16, 2024

Amount of Time Requested:

- Requesting a one-year and six-month extension, until July 16, 2027, for the 15% purchase requirement timeframe (three years from the date of initial CAEATFA Board approval)
- Requesting a one-year and six-month extension, until January 16, 2029, for the initial term of the Regulatory Agreement (four years and six months 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 8.44%.

BACKGROUND

On July 16, 2024, the CAEATFA Board approved a sales and use tax exclusion (“STE”) for H2B2 USA, LLC (the “Applicant”) for the purchase of up to \$23,300,000 in Qualified Property to expand its existing green hydrogen production facility in Kerman, Fresno County (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

As of October 31, 2025, the Applicant has not used the STE to purchase any Qualified Property. The Applicant is requesting to extend the 15% purchase requirement timeframe to accommodate delays in securing project financing. The Applicant is also requesting to extend the Agreement’s initial term for the same accommodation.

THE APPLICANT

H2B2 USA, LLC is a California limited liability company that formed in 2016. It is headquartered in Fresno and aims to produce products and services where hydrogen plays a key role. The Applicant’s parent company, H2B2, has presence in both the United States and Spain and a joint venture in India.

The major shareholder (10.0% or greater) of the Applicant is:

- H2B2 QOF, LLC (99%)

The major shareholder (10.0% or greater) of H2B2 QOF, LLC is:

- H2B2 Electrolysis Technologies, Inc. (100%)

The major shareholders (10.0% or greater) of H2B2 Electrolysis Technologies, Inc. are:

- Onatrium H2, S.L. (21.4%)
- Ardachon, S.L. (17.4%)

The corporate officers of the Applicant are:

- Pedro Pajares De Tena, Chief Executive Officer
- Blanca Benjumea De Porres, Chief Financial Officer
- Mario Barragan Farfan, Chief Legal Officer

THE PROJECT

H2B2 USA, LLC received an STE award to expand its existing green hydrogen facility located in Kerman. The Project is to build and operate phase II of the Applicant’s SoHyCal plant, an alternative source project that will produce green hydrogen via electrolysis using dedicated on-site renewable solar electricity. According to the Applicant, it will be able to produce approximately 370,000 kilograms of green hydrogen per year.

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

15% PURCHASE REQUIREMENT TIMEFRAME EXTENSION REQUEST

The Applicant has requested that the 15% purchase requirement timeframe be extended from January 16, 2026 to July 16, 2027, in order to accommodate delays in securing project financing.

AGREEMENT INITIAL TERM EXTENSION REQUEST

The Applicant has requested that the initial term of the Agreement be extended from July 16, 2027 to January 16, 2029, in order to accommodate delays in project financing.

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 requested an 18-month extension due to delays in securing project financing, which it attributes to slowed hydrogen deployment by transit agencies and investor hesitation driven by political and regulatory uncertainty. According to the Applicant, the original investors remain supportive and that discussions with new strategic investors are ongoing. These market conditions began affecting the Project in late 2023 and continued through 2024. The Applicant has provided an updated project timeline that includes financial close within nine to 12 months, followed by procurement, equipment delivery, and construction commencement.

To address the financing gap, the Applicant clarified that it is pursuing bridge financing from lenders, supported by two secured grants that will cover 100% of the project's capital expenditures. These grants are structured to be disbursed upon completion of construction. In the interim, the Applicant states it has implemented a phased pathway forward, with clear milestones and risk awareness. The Applicant has maintained project readiness by securing permits and preparing technical documentation, and Phase I of the SoHyCal facility is fully operational and under contract. According to the Applicant, the continued operations of Phase I and active investor engagement reinforce confidence in the Project's viability.

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.

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)

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 and six months until July 16, 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 and six months, until January 16, 2029, 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 eleven years and six months, until January 16, 2036, for providing annual compliance reports.⁷

ATTACHMENTS

Attachment A: H2B2 USA, LLC 's Letter Requesting Waiver (August 14, 2025)

Attachment B: H2B2 USA, 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
H2B2 USA, LLC'S 15% PURCHASE REQUIREMENT TIMEFRAME
AND THE INITIAL TERM UNDER THE REGULATORY AGREEMENT**

December 9, 2025

WHEREAS, on July 16, 2024, 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 \$23,300,000 of Qualified Property for H2B2 USA, 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 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 and six (6) months to July 17, 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

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 and six (6) months to January 16, 2029; 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

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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 July 17, 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 January 16, 2029.

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

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Attachment A: H2B2, USA LLC's Letter Requesting Waiver (August 14, 2025)



H2B2 USA, LLC
1060 Fulton St., Suite 301
Fresno CA 93721, USA
EIN: 81-3615101

Dear Sir/Madam,

We are writing in regards to the request for an extension of the Purchase Requirement and initial term. Please find below the answer to each question that was requested.

1. A request for a time extension, including the specific amount of time requested, an anticipated schedule for purchasing the remainder of the Qualified Property, and rationale for why this specific amount of time is needed;
 - a. We respectfully request an 18-month extension to meet the 15% purchase requirement for the Qualified Property. This additional time is necessary to secure the remaining project funding, complete procurement of the necessary equipment, and accommodate the associated lead times for manufacturing and delivery. The extended timeline will also provide flexibility to address any unforeseen delays while ensuring that construction can commence and progress without interruption.
2. An explanation for why the extension is necessary (i.e. why the 18-month timeframe will not be met);
 - a. The extension is required due to current market conditions that are not favorable to renewable hydrogen projects, coupled with delays in state and federal incentives designed to support developments of this nature. Our original plan was to maintain momentum from Phase One—consisting of three megawatts (MW) of electrolytic hydrogen production—and proceed directly into Phase Two, which would expand total capacity to nine MW. However, challenges in securing the anticipated financing for Phase Two have delayed our ability to proceed as scheduled, making it impossible to meet the original 18-month requirement
3. An explanation of what assurances there are that the new timeline will be met;
 - a. Phase One of the SoHyCal project is fully constructed, operational, and underpinned by binding agreements. We are currently fulfilling a three-year “take-or-pay” contract with the City of Fresno, now one-third complete, and have consistently supplied renewable hydrogen to transit agencies, hydrogen bus manufacturers, fuel cell generator operators, and other end users. The demand for renewable hydrogen remains strong, supported by state agencies and surrounding counties. With Phase One operational and a proven track record of delivery, we are confident that—once financing is finalized—the remainder of the project will be completed within the requested 18-month extension period.
4. Amount of Qualified Property purchased to date;

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H2B2 USA, LLC
1060 Fulton St., Suite 301
Fresno CA 93721, USA
EIN: 81-3615101

- a. No purchases of the specific equipment in question have been made to date.
- 5. Information on whether the scope of the project has changed; and
 - a. The overall scope of the project remains unchanged. The only adjustments have been strategic additions, including securing grant reimbursements for a hydrogen refueling station to be located at our facility. Construction of the station will commence immediately upon financing close. This addition was part of the broader original vision for the facility and further strengthens its long-term viability.
- 6. Any additional information to support Board approval of a waiver of the Purchase Requirement.
 - a. H2B2 has achieved what no other company has done in this sector—privately financing and successfully commissioning a renewable hydrogen production facility in California's Central Valley. We strategically selected Fresno County as the project site, co-locating with Bar 20 Dairy to create a unique, low-carbon-intensity hydrogen production process that supports California's zero-emission transportation and energy goals.

Our facility already plays a critical role in supplying renewable hydrogen to the region, positioning Fresno County as a leader in clean energy innovation. As an early market entrant, we have navigated significant challenges to pave the way for others in the industry. With your support in granting this extension, we will be able to secure the necessary financing, complete the final phase of the project, and realize the full nine-MW capacity—establishing California's first fully operational renewable hydrogen production facility of this scale.

Please find attached the requested questionnaires which were filled out and signed.

Thank you,

Regards

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Attachment B: H2B2, USA LLC's Staff Summary at the Time of Approval

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

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Resolution No. 24-SM009-01**

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

Request to Approve Project for a Sales and Use Tax Exclusion¹

**H2B2 USA, LLC
Application No. 24-SM009**

Tuesday, July 16, 2024

Prepared By: *Joel Schwartz, Technical Consultant, Blue Sky Consulting Group*

SUMMARY

Applicant – H2B2 USA, LLC

Location – Kerman, Fresno County

Industry – Renewable Hydrogen Production

Project – Expansion of an Existing Green Hydrogen Production Facility (Alternative Source)

Value of Qualified Property	Estimated Sales and Use Tax Exclusion (“STE”) Amount ²
\$23,300,000	\$1,966,520

Estimated Net Benefit ³	Dollar Value	Points Earned
Estimated Fiscal Benefits	\$2,741,157	1,394
Estimated Environmental Benefits	\$129,872	66
Additional Benefits	N/A	100
Total	\$2,871,029	1,560
Estimated Quantifiable Net Benefit	\$904,509	

Competitive Criteria Score – 165

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 8.44%.

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).)

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Resolution No. 24-SM009-01**

THE APPLICANT

H2B2 USA, LLC (the “Applicant”) is a California limited liability company that formed in 2016. It is headquartered in Fresno and aims to produce products and services where hydrogen plays a key role. The Applicant’s parent company, H2B2, has presence in both the United States and Spain and joint venture in India.

H2B2 USA, LLC was awarded a California Energy Commission Grant of \$3.965 million for the Project in October 2018.

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

H2B2 Electrolysis Technologies Inc. (99%)

The corporate officers of the Applicant are:

Pedro Pajares CEO
Blanca Benjumea CFO

THE PROJECT

H2B2 USA, LLC is requesting a sales and use tax exclusion (“STE”) award to expand its existing green hydrogen facility located in Kerman (the “Project”). The Project is to build and operate phase II of the Applicant’s SoHyCal plant, an alternative source project that will produce green hydrogen via electrolysis using dedicated on-site renewable solar electricity. According to the Applicant, it will be able to produce approximately 370,000 kilograms of green hydrogen per year.

ANTICIPATED COSTS OF QUALIFIED PROPERTY

The anticipated Qualified Property purchases are listed below:

Electrolyzers	\$9,700,000
Compressors	\$3,800,000
Storage Vessels and Dispensers	\$4,050,000
Cooling Units	\$200,000
Electrical Equipment	\$4,300,000
Battery Electric storage system	\$1,000,000
Transformer Supplies	\$250,000
Total	\$23,300,000

Note: The Qualified Property purchases reported in the Application and shown here in staff’s report are estimated costs. In accordance with 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.

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TIMELINE

According to the Applicant, construction is projected to begin during the last quarter of 2024 and be completed during the first quarter of 2026.

STATUS OF PERMITS/OTHER REQUIRED APPROVALS

According to the Applicant, conditional use permits and construction permits have been granted.

COMPETITIVE CRITERIA SCORE

The Applicant received 165 Competitive Criteria points as follows:

1. **Environmental Benefits (100 of 100 points)**. The Application has Project that produces an Alternative Source product, component, or system, and, therefore, 100 points are awarded.
2. **Unemployment (50 of 50 points)**. The Applicant's Project is located in Fresno County, which has an average annual unemployment rate of 7.2%.⁴ When compared to the statewide average annual unemployment rate of 4.6%, the Project location earned the Applicant 50 points.
3. **Job Creation (0 of 75 points)**. The Applicant anticipates the Project will support a total of 10 production-related jobs at its Facility. CAEATFA estimates that approximately 0.84 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.
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.

⁴ Unemployment rates are based on data available in December 2023.

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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 1,560 points, which exceeds the required 1,000-point threshold, and a total Environmental Benefits Score of 66 points, which exceeds the 20-point threshold.

- A. **Fiscal Benefits (1,394 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 \$2,741,157, resulting in a Fiscal Benefits score of 1,394.
- B. **Environmental Benefits (66 points)**. The Project is anticipated to result in \$129,872 of total pollution benefits over the life of the Project, resulting in an Environmental Benefits Score of 66 points. These benefits derive from the production of green hydrogen thereby displacing fossil fuels that would otherwise be used.
- C. **Additional Benefits (100 points)**. Applicants may earn additional points for their Total Score. The Applicant received 100 additional points.
 1. **Production Jobs (0 of 75 points)**. The Applicant anticipates the Project will support a total of 10 production-related jobs at its Facility. CAEATFA estimates that approximately 0.84 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.
 2. **Construction Jobs (30 of 75 points)**. The Applicant anticipates the Project will support a total of 50 construction jobs at its Facility. CAEATFA estimates that approximately 4.22 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 30 points.
 3. **Unemployment (50 of 50 points)**. The Applicant's Project is located in Fresno County, which has an average annual unemployment rate of 7.2%. When compared to the statewide average annual unemployment rate of 4.6%, the Project location earned the Applicant zero points.
 4. **Benefits and Fringe Benefits (20 of 25 points)**. The Applicant states it provides medical and health benefits, bonuses, and paid leave to its employees, earning the Applicant 20 points.

**Agenda Item – 4.B.7
Resolution No. 24-SM009-02**

**Agenda Item – 4.A.13
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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,⁵ the Applicant has paid CAEATFA an Application Fee of \$10,000 and will pay CAEATFA an Administrative Fee of up to \$93,200.

RECOMMENDATION

Staff recommends the approval of Resolution No. 24-SM009-01 for H2B2 USA, LLC's purchase of qualifying tangible personal property in an amount not to exceed \$23,300,000, anticipated to result in an approximate STE value of \$1,966,520.

⁵ California Code of Regulations Title 4, Division 13, Section 10036

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**Agenda Item – 4.A.13
Resolution No. 24-SM009-01**

**RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A
REGULATORY AGREEMENT WITH H2B2 USA, LLC**

July 16, 2024

WHEREAS, the California Alternative Energy and Advanced Transportation Financing Authority (the “Authority”) has received the Application of **H2B2 USA, 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 \$23,300,000 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.