



California Community Choice
Financing Authority

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California Community Electricity Providers Issue \$5 Billion in Bonds for Clean Energy Projects

Up to \$840 Million in Savings Expected Over the Next 30 Years

SAN RAFAEL, Calif. — California's community choice electricity providers are creating new pathways to reduce costs for clean energy development with financial tools previously used only by fossil fuel purchasers.

[California Community Choice Financing Authority \(CCCFA\)](#), California's first clean energy prepayment bond agency, has now issued over \$5 billion in clean energy revenue bonds, allowing member agencies to save an estimated \$840 million for California electricity customers over the next 30 years.

A Clean Energy Project Revenue Bond is a form of wholesale electricity prepayment that requires three key parties: a tax-exempt public electricity supplier (the CCA), a taxable energy supplier, and a municipal bond issuer. The three parties enter into long-term power supply agreements for zero-emission clean electricity sources like solar, wind, geothermal, and hydropower. The municipal bond issuer – in this case, CCCFA – issues tax-exempt bonds to fund a prepayment of energy that is to be delivered over the contract length. The energy supplier utilizes the bond funds and **provides a discount to the CCA on the power purchases** based on the difference between the taxable and tax-exempt rates. This discount is **historically in the range of 8-12%**, and minimum discounts are negotiated for each transaction.

"CCCFA's member agencies have now issued six clean energy prepayment transactions ranging from \$460 million to \$1.2 billion," said Garth Salisbury, CCCFA Board Member and MCE Chief Financial Officer. **"These transactions have locked in \$210 million in savings for customers with the potential to save \$840 million over the next 30 years."**

MCE, East Bay Community Energy, Silicon Valley Clean Energy, Pioneer Community Energy, and Clean Power Alliance have all issued bonds through CCCFA. **By issuing these bonds, CCCFA member agencies have been able to:**

- Mitigate some of the cost impacts to customers from rising energy prices,
- Increase adoption of clean energy, and
- Invest more in local programs that directly benefit underserved communities.

CCCFA launched in 2021 with the goal to reduce the cost of power purchases for community choice aggregators (CCAs) through prepayment structures previously used primarily for natural gas transactions. This prepayment structure allows California CCAs to reduce long-term costs on clean energy projects by issuing tax-exempt clean energy revenue bonds to prepay for the renewable energy.

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About CCCFA: The California Community Choice Financing Authority (CCCFA) was established in 2021 with the goal to reduce the cost of power purchases for member community choice aggregators (CCAs) through pre-payment structures. The founding members of CCCFA include Central Coast Community Energy, Clean Power Alliance, East Bay Community Energy, MCE, Pioneer Community Energy, and Silicon Valley Clean Energy. CCCFA is a Joint Powers Authority which can help member CCAs save up to 10% or more on power purchase agreements, helping reduce costs for ratepayers and increase available funding for local programs. Learn more at [CCCFA.org](https://www.cccfa.org).