

Press
Release



Clean Power Alliance Recognized for Renewable Energy Financing Excellence

Green financing award from The Bond Buyer magazine lauds CPA's prepay bond issued in August 2024 as the largest renewable energy prepayment financing in history bringing record customer savings; CPA bond program reaches \$34 million in annual customer savings

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Los Angeles, Calif. – Clean Power Alliance (CPA), California's largest Community Choice Aggregator and the leading green power provider in the United States, has been honored with the ESG/Green Financing Award from The Bond Buyer magazine for excellence in financing for a public purpose.

The magazine's annual Deal of the Year Award in the green financing category lauded CPA's \$1.52 billion clean energy project revenue bond transaction issued in August 2024. The Bond Buyer noted that as the largest renewable energy prepayment financing in history, the transaction secured 30 years of solar and storage, enabling CPA to serve more than 225,000 homes annually with clean energy at reduced costs. The bond structure achieved record customer savings and demonstrated how large-scale green financing can make a lasting environmental and economic impact. The bond issuance was underwritten by Goldman Sachs.

CPA's Chief Executive Officer Ted Bardacke accepted the award on behalf of CPA at a ceremony in New York City on Dec. 3, which also honored finalists in other categories.

"This award recognizes that since our founding, Clean Power Alliance has been developing innovative practices to provide our customers with clean energy supply at the lowest possible cost," said CPA's CEO Ted Bardacke. "Our board continues to support cutting-edge programs across the organization, including our finance staff's efforts to repurpose a financial mechanism used in the fossil fuel industry for greener purposes that benefit the communities we serve."



The Bond Buyer's annual Deal of the Year awards recognize outstanding achievement in municipal financing. Winners were named in 10 categories: one in each of The Bond Buyer's five regional areas of coverage, along with five in additional categories. The Bond Buyer's editorial board considered a range of factors when judging entries, including creativity, the ability to pull a complex transaction together under challenging conditions, the ability to serve as a model for other financings, and the public purpose for which a deal's proceeds were used.

Southern California was well represented at this year's award ceremony. The Los Angeles Unified School District was recognized for the largest municipal finance issuance of 2024, saving taxpayers approximately \$175 million, and Los Angeles County Metropolitan Transportation Authority (Metro) Chief Executive Officer Stephanie Wiggins was honored with the 2024 public sector Freda Johnson Award for Trailblazing Women in Public Finance.

"This year's impressive slate of honorees exemplifies the diversity and purpose-driven innovation at the heart of the municipal finance market," said Mike Scarchilli, editor-in-chief of The Bond Buyer. "These winning deals showcase the ingenuity and resilience of public finance professionals, advancing transformative projects that support infrastructure, sustainability, and the economic vitality of communities across the country."

CPA continues to leverage prepay bonds to further its ability to secure clean energy at reduced costs and in November issued its fourth municipal non-recourse clean energy project revenue bond through the California Community Choice Financing Authority (CCCFA), where Mr. Bardacke is also Chair of the Board. The new \$1.153 billion bond issuance is expected to reduce CPA's renewable energy costs by an estimated \$70 million over the initial eight-year period of the bond, or an average of \$8.9 million annually.

The savings from this latest prepay transaction are locked in until 2032, at which time the bond will be repriced. The bond received an investment-grade Aa1 rating from Moody's and a 'Green Bonds' designation by Kestrel Verifiers.

CPA previously issued clean energy project revenue bonds in February 2023, June 2023, and August 2024. The four bond issuances are expected to generate total annual savings of approximately \$33.7 million.



“As a not-for-profit electricity provider, CPA’s goal is to keep our rates competitive and provide additional value to our customers by investing in renewable energy and storage, building and vehicle electrification, cost saving programs and critical community resiliency projects,” said David McNeil, Clean Power Alliance’s Chief Financial Officer. “We are able to use the prepay mechanism to reduce our long-term costs and redirect those savings into these tangible benefits for our communities.”

Energy prepayment bonds are long-term financial transactions available to public agencies like CPA to provide cost savings in purchasing power for its customers.

A clean energy project revenue bond is a form of wholesale electricity prepayment that requires three key parties: a tax-exempt public electricity retailer (CPA in these transactions), a taxable energy supplier (the Royal Bank of Canada in the November 2024 transaction), and a municipal bond issuer (CCCFA in these transactions).

The three parties then enter into long-term power supply agreements for zero-emission clean electricity sources such as solar, wind, geothermal, and hydropower. The municipal bond issuer issues tax-exempt bonds (underwritten by the Royal Bank of Canada in the November 2024 transaction) to fund a prepayment of energy that will be delivered over 30 years.

The energy supplier provides a discount to the tax-exempt public electricity retailer in exchange for the prepayment of power purchases funded by the bond proceeds.

CPA has assigned a solar-plus-storage power purchase agreement (PPA) and a geothermal PPA to the November 2024 transaction. The bond will be utilized to prepay the purchase of 314 MW of renewable energy and 150 MW of battery storage. This is enough clean energy to power more than 163,000 Southern California homes per year.

For all four of its pre-pay bonds, CPA has been advised by municipal financial advisor Municipal Capital Markets Group and by the law firm Chapman & Cutler.

About Clean Power Alliance



Clean Power Alliance is the locally operated not-for-profit electricity provider for 33 cities across Los Angeles County and Ventura County, as well as the unincorporated areas of both counties. CPA is the fourth largest electricity provider in California and the number one green power provider in the United States. CPA provides clean renewable energy at competitive rates for approximately three million residents and businesses, along with innovative programs that promote resiliency, electrification, and customer bill savings. To view CPA's 2023 Impact Report, click [here](#). Learn more about CPA at www.cleanpoweralliance.org.

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