Agenda Item – 4.A.6
Resolution No. 26-SM008-01

CALIFORNIA ALTERNATIVE ENERGY AND
ADVANCED TRANSPORTATION FINANCING AUTHORITY

Board Meeting Date: Tuesday, September 15, 2026

Request to Approve Project for a Sales and Use Tax Exclusion[1]

Swift Solar Inc.
Application No. 26-SM008

Prepared By: *Joshua Moua, Program Analyst*

SUMMARY

Applicant: Swift Solar Inc.

Location: Oakland, Alameda County

Industry: Solar Cells and Modules

Project: New Solar Cells and Modules Manufacturing Facility (Alternative Source)

Value of Qualified Property	Estimated Sales and Use Tax Exclusion (“STE”) Amount[2]
$176,470,000	$14,999,950

Estimated Net Benefit[3]	Dollar Value	Points Earned
Estimated Fiscal Benefits	$41,061,858	2,745
Estimated Environmental Benefits	$185,400,178	12,393
Additional Benefits	N/A	228
Total	**$226,462,036**	**15,366**
Estimated Quantifiable Net Benefit	$211,502,036	N/A

Previous Awards and Status: One previous award

- Award 1: Application No. 22-SM021, Award Year 2022, 19% Expended, Status: Active, Compliant on Required Reports

Competitive Criteria Score: 198

[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 8.5%.
[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).)

Staff Recommendation: Approval

THE APPLICANT

Swift Solar Inc. (the "Applicant"), formed in Delaware as a corporation in 2017. Headquartered in San Mateo, the Applicant produces high-efficiency silicon heterojunction (HJT) and perovskite-silicon tandem photovoltaic products, including cells and modules.

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

- James Fickel (24.7%)

The corporate officers of the Applicant are:

- Joel Jean, Co-Founder and CEO
- Tomas Leijtens, Co-Founder and CTO

THE PROJECT

Swift Solar Inc. requests a sales and use tax exclusion ("STE") award to build a new solar cells and modules manufacturing facility located in Oakland (the "Project").

The Project will establish a vertically integrated solar manufacturing facility producing high-efficiency silicon heterojunction ("HJT") photovoltaic cells and modules, as well as next-generation perovskite-silicon tandem photovoltaic cells and modules. The Applicant will use semiconductor-based manufacturing processes and high-precision equipment to convert silicon wafers into HJT cells and integrate perovskite top cells with HJT silicon bottom cells to produce tandem photovoltaic products. The manufacturing process will include wafer preparation, surface treatment, semiconductor layer deposition, metallization, cell interconnection, encapsulation, lamination, electrical integration, and final inspection and testing.

The Project's integrated production will span the full workflow, from fabrication of the electricity-generating photovoltaic cells to assembly and testing of finished modules. The tandem technology is designed to increase electricity generation per unit area compared to conventional crystalline-silicon photovoltaic systems, with the potential to generate up to approximately 50% more electricity from the same installation footprint. The resulting products will support utility-scale, commercial and industrial, data-center, distributed-generation, space-power, and other renewable electricity applications. Once deployed, the products will generate electricity from sunlight without combustion, operational fuel consumption, or direct operational emissions.

Anticipated Costs of Qualified Property

Anticipated Qualified Property Purchases	Cost
Facility Buildout, Construction, and Facilities Systems	$81,000,000
Perovskite Cell Production Equipment and Support Systems	$40,000,000
HJT Cell Production Equipment and Support Systems	$20,000,000
Module Assembly Equipment and Support Systems	$25,000,000
Factory and Process Automation and Support Systems	$10,000,000
Total	**$176,000,000**

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.

Timeline
The Applicant is currently in the site selection phase for its proposed manufacturing facility and anticipates executing a lease by Q3 2026. A potential industrial site in Oakland has been identified. Construction and initial buildout will begin shortly thereafter, with installation of HJT equipment planned for Q4 2026 through Q1 2027. Commissioning and production ramp-up will continue throughout 2027 and 2028, with the facility expected to be placed in service by Q4 2028. Deployment of tandem manufacturing equipment is scheduled for 2028 as part of the phased expansion.

Status of Permits/Other Required Approvals
Swift is prioritizing sites within established industrial zoning to support an efficient permitting and development process. The company is advancing site diligence, preliminary planning, engineering, and coordination with local agencies and intends to pursue a California Environmental Quality Act (CEQA) exemption for advanced manufacturing upon final site selection. Required permits are expected to include building, electrical, mechanical, fire/life safety, and applicable air quality approvals. Given the use of existing industrial facilities and alignment with applicable zoning, no major discretionary land-use approvals are anticipated, with permitting and construction approvals expected to proceed on a phased basis following final site selection and detailed design.

COMPETITIVE CRITERIA SCORE

The Applicant received 198 Competitive Criteria points as follows:

1. **Environmental Benefits (100 of 100 points).** The Application has a Project that produces an Alternative Source product, therefore, 100 points are awarded.

2. **Unemployment (0 of 50 points).** The Applicant's Project is located in Alameda County, which has an average annual unemployment rate of 4.7%.[4] When compared to the statewide average annual unemployment rate of 5.5%, the Project location earned the Applicant zero points.

3. **Job Creation (30 of 75 points).** The Applicant anticipates the Project will support a total of 177 production-related jobs at its Facility. CAEATFA estimates that approximately 20 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.

4. **California Headquarters (15 of 15 points)**. The Applicant maintains its Corporate Headquarters in San Mateo, California, 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.

7. **Emerging Strategic Industry (53 of 75 points).** The Project includes manufacturing semiconductor equipment, which is designated as an Emerging Strategic Industry, therefore, 53 points are awarded.

PROJECT EVALUATION

Project Benefits

The Project received a Total Score of 15,366 points, which exceeds the required 1,000-point threshold, and a total Environmental Benefits Score of 12,393 points, which exceeds the 20-point threshold.

1. **Fiscal Benefits (2,745 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 $41,061,858 resulting in a Fiscal Benefits score of 2,745 points.

2. **Environmental Benefits (12,393 points).** The Project is anticipated to result in $185,400,178 of total pollution benefits over the life of the Project, resulting in an

[4] Unemployment rates are based on data available in March 2026.

Environmental Benefits Score of 12,393 points. These benefits derive from the capacity of solar PV modules to generate electricity from alternative sources, thereby reducing the need for traditionally generated electricity.

3. **Additional Benefits (228 points).** Applicants may earn "Additional Benefits" points in the categories listed below. The Applicant received 228 Additional Benefits points.

   A. **Production Jobs (30 of 75 points).** The Applicant anticipates the Project will support a total of 177 production-related jobs at its Facility. CAEATFA estimates that approximately 20 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.

   B. **Construction Jobs (30 of 75 points).** The Applicant anticipates the Project will support a total of 300 construction jobs at its Facility. CAEATFA estimates that approximately 34 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.

   C. **Unemployment (0 of 50 points).** The Applicant's Project is located in Alameda County, which has an average annual unemployment rate of 4.7%. When compared to the statewide average annual unemployment rate of 5.5%, the Project location earned the Applicant zero points.

   D. **Non-CA Environmental Benefits (40 of 40 points).** The Applicant's total value of out-of-state non-greenhouse gas emissions pollution benefits are valued at $5,639,315.57 resulting in a Non-CA Environmental Benefits Score of 40 points for the Project.

   E. **Research and Development Facilities (25 of 25 points).** The Applicant has verified that it has a facility located in California that performs research and development functions related to activities directly supporting the design, qualification, and scale-up of the products and production processes planned for the proposed manufacturing facility.

   F. **Workforce Partnerships (25 of 25 points).** The Applicant has a partnership with Humanmade, a nonprofit workforce development organization for the purpose of assisting in the training of potential future workers.

   G. **Industry Cluster (25 of 25 points).** The industry associated with this Application has been identified by California Governor's Office of Business and Economic Development as an industry cluster of the region of the Project's location.

   H. **Benefits and Fringe Benefits (25 of 25 points).** The Applicant states it provides medical, health, dental & vision benefits, retirement contributions, transportation subsidies, and paid leave to its employees, earning the Applicant 25 points.

I. **Emerging Strategic Industry (28 of 40 points).** The Project includes manufacturing semiconductor equipment, which is designated as an Emerging Strategic Industry, therefore, 28 points are awarded.

LEGAL STATUS QUESTIONNAIRE

The Applicant indicated they had nothing to report for the questions contained in the Legal Status portion of the Application. Staff conducted a broad online search of publicly available sources, including SEC Form 10-K filings and OSHA records, as well as other relevant sources as appropriate, and did not find any matters affecting the financial viability or legal integrity of the Applicant.

CAEATFA FEES

In accordance with STE Program regulations,[5] the Applicant paid CAEATFA an Application Fee of $10,000 and will pay CAEATFA a total Administrative Fee of up to $350,000 should the Applicant be approved for an award. Upon execution of the Regulatory Agreement, the Applicant shall pay $175,000.

RECOMMENDATION

Staff recommends the approval of Resolution No. 26-SM008-01 for Swift Solar Inc.'s purchase of qualifying tangible personal property in an amount not to exceed $176,470,000 anticipated to result in an approximate STE value of $14,999,950. The initial term of the Regulatory Agreement will be for a period of five years, until September 15, 2031, and the full term shall be for a period of 12 years, until September 15, 2038, for providing annual compliance reports.

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

RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A REGULATORY AGREEMENT WITH SWIFT SOLAR INC.

September 15, 2026

WHEREAS, the California Alternative Energy and Advanced Transportation Financing Authority (the "Authority") has received the Application of Swift Solar Inc. (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 $176,470,000 over a period of five (5) 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:

<u>Section 1</u>. The Regulatory Agreement includes a Project within the meaning of Public Resources Code Section 26003(a)(8)(B).

<u>Section 2</u>. The Regulatory Agreement constitutes financial assistance within the meaning of Public Resources Code Section 26003(a)(6).

<u>Section 3</u>. 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 that do not affect eligibilty, provided that the amount of the 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 for up to an additional thirty (30) days, if necessary.