



STATE OF CALIFORNIA

GRANT REQUEST FORM (GRF)

CEC-270 (Revised 12/2019)

CALIFORNIA ENERGY COMMISSION

A) New Agreement # LCF-19-004 (to be completed by CGL office)

B) Division	Agreement Manager:	MS-	Phone
600 Fuels and Transportation Division	Taiying Zhang	27	916-653-1195

C) Recipient's Legal Name	Federal ID #
Rialto Bioenergy Facility, LLC	80-0958799

D) Title of Project
Rialto Bioenergy Phase 3: Expanded Renewable Natural Gas Refueling

E) Term and Amount

Start Date	End Date	Amount
4 / 30 / 2020	03 / 31 / 2022	\$ 5,000,000

F) Business Meeting Information

☐ ARFVTP agreements \$75K and under delegated to Executive Director

Proposed Business Meeting Date 4 / 8 / 2020 ☐ Consent ☒ Discussion

Business Meeting Presenter Time Needed: 5 minutes

Please select one list serve. Altfuels (AB118- ARFVTP)

Agenda Item Subject and Description:

RIALTO BIOENERGY FACILITY, LLC. Proposed resolution adopting California Environmental Quality Act findings and statement of overriding considerations for Rialto Bioenergy Facility LLC's biomethane project and approving Agreement LCF-19-004 with Rialto Bioenergy Facility, LLC

a. CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS. Findings that based on the Lead Agency, the City of Rialto's certified Final Environmental Impact Report, adopted Mitigation, Monitoring and Reporting Program, adopted Statement of Overriding Considerations, resolution regarding the aforementioned documents, as well as the City of Rialto's resolution approving the projects, its filed Notice of Determination, and the City of Rialto's Action Agenda—the work under the proposed project presents no new significant or substantially more severe environmental impacts beyond those already considered; and adopting a statement of overriding consideration.

b. RIALTO BIOENERGY FACILITY LLC'S BIOMETHANE PROJECT. Agreement with Rialto Bioenergy LLC for \$5,000,000 to construct a new biogas upgrading facility, which will process 300 tons per day of organic waste, resulting in 2.4 million diesel gallons equivalent (DGE) per year of new renewable natural gas for transportation fuel use with a carbon intensity of -189 gCO₂e/MJ.

G) California Environmental Quality Act (CEQA) Compliance

1. Is Agreement considered a "Project" under CEQA?

☒ Yes (skip to question 2) ☐ No (complete the following (PRC 21065 and 14 CCR 15378)):

Explain why Agreement is not considered a "Project":

Agreement will not cause direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment because .

2. If Agreement is considered a "Project" under CEQA:



STATE OF CALIFORNIA

GRANT REQUEST FORM (GRF)

CEC-270 (Revised 12/2019)

CALIFORNIA ENERGY COMMISSION

- a) ☐ Agreement **IS** exempt.
☐ Statutory Exemption. List PRC and/or CCR section number:
☐ Categorical Exemption. List CCR section number:
☐ Common Sense Exemption. 14 CCR 15061 (b) (3) Explain reason why Agreement is exempt under the above section:
- b) ☒ Agreement **IS NOT** exempt. (consult with the legal office to determine next steps)

Check all that apply

- ☐ Initial Study
☐ Negative Declaration
☐ Mitigated Negative Declaration
☒ Environmental Impact Report
☒ Statement of Overriding Considerations

H) List all subcontractors (major and minor) and equipment vendors: (attach additional sheets as necessary)

Legal Company Name:	Budget
Momentum	\$ 200,000.00
Velocity7	\$ 25,000.00
Waste Management (WM) Lyles	\$ 3,034,375.00

I) List all key partners: (attach additional sheets as necessary)

Legal Company Name:
Waste Management (WM) Lyles
Velocity7
Momentum

J) Budget Information

Funding Source	Funding Year of Appropriation	Budget List Number	Amount
Other	18/19	601.328	\$5,000,000
Funding Source			\$
Funding Source			\$
Funding Source			\$
Funding Source			\$

R&D Program Area: Select Program Area TOTAL: \$

Explanation for "Other" selection

Reimbursement Contract #:

Federal Agreement #:

K) Recipient's Contact Information**1. Recipient's Administrator/Officer**

Name: Dylan Deriot

Address: 5780 Fleet Street, Suite 310

City, State, Zip: Carlsbad, CA 92008

Phone: 7604368879

E-Mail: Dylan.Deriot@anaergia.com



STATE OF CALIFORNIA

GRANT REQUEST FORM (GRF)

CEC-270 (Revised 12/2019)

CALIFORNIA ENERGY COMMISSION

2. Recipient’s Project Manager

Name: Andrew Dale

Address: 5780 Fleet Street, Suite 310

City, State, Zip: Carlsbad, CA 92008

Phone: 7604368870x106

E-Mail: andrew.dale@anaergia.com

L) Selection Process Used

- ☒ Competitive Solicitation Solicitation #: GFO-19-601
- ☐ First Come First Served Solicitation Solicitation #: - -

M) The following items should be attached to this GRF

- | | | |
|---|---|--|
| 1. Exhibit A, Scope of Work | <input checked="" type="checkbox"/> | Attached |
| 2. Exhibit B, Budget Detail | <input checked="" type="checkbox"/> | Attached |
| 3. CEC 105, Questionnaire for Identifying Conflicts | <input checked="" type="checkbox"/> | Attached |
| 4. Recipient Resolution | <input checked="" type="checkbox"/> N/A | <input type="checkbox"/> Attached |
| 5. CEQA Documentation | <input type="checkbox"/> N/A | <input checked="" type="checkbox"/> Attached |

_____	_____
Agreement Manager	Date
_____	_____
Office Manager	Date
_____	_____
Deputy Director	Date

Additional Subcontractors for CEC-270

Legal Company Name:	Budget:
Mike Brack	\$ 50,000
TBD (Project consulting for environmental analysis)	\$ 50,000
Southern Contracting	\$ 90,000
Anaergia Technologies	\$ 3,000,000

Exhibit A

SCOPE OF WORK

TECHNICAL TASK LIST

Task #	CPR	Task Name
1		Administration
2	X	Facility Design and Engineering
3	X	Facility Construction and Commissioning
4		Outreach and Disadvantaged Community Support
5		Data Collection and Analysis
6		Technology/Knowledge Transfer Activities

KEY NAME LIST

Task #	Key Personnel	Key Subcontractor(s)	Key Partner(s)
1	Yaniv Scherson (recipient) Janet Cohen (Momentum)	Momentum	Anaergia
2	Juan Josse, Andrew Dale (recipient)	N/A	Anaergia
3	Andrew Dale (recipient)	WM Lyles	Anaergia
4	Yaniv Scherson (recipient)	Momentum	Anaergia
5	Yaniv Scherson (recipient)	Momentum	Anaergia

GLOSSARY

Specific terms and acronyms used throughout this scope of work are defined as follows:

Term/ Acronym	Definition
AB	Assembly Bill
CAM	Commission Agreement Manager
CPR	Critical Project Review
DAC	Disadvantaged Community
FTD	Fuels and Transportation Division

Term/ Acronym	Definition
gCO ₂ e/MJ	Grams of Carbon Dioxide Equivalent per Megajoule
LCFPP	Low Carbon Fuel Production Program
MTCO ₂ e	Metric Ton of Carbon Dioxide Equivalent
Recipient	SoCal Biomethane
RNG	Renewable Natural Gas
SB	Senate Bill
scf	Standard Cubic Feet
yr	Year

Background

The Low Carbon Fuel Production Program (LCFPP) is part of California Climate Investments, a statewide program that puts billions of cap-and-trade dollars to work reducing greenhouse gas (GHG) emissions, strengthening the economy, and improving public health and the environment, particularly in disadvantaged communities. The Cap-and-Trade Program also creates a financial incentive for industries to invest in clean technologies and develop innovative ways to reduce pollution. California Climate Investments projects include affordable housing, renewable energy, public transportation, zero-emission vehicles, environmental restoration, more sustainable agriculture, recycling, and much more. At least 35 percent of these investments are located within and benefiting residents of disadvantaged communities, low-income communities, and low-income households across California. For more information, visit the California Climate Investments website at www.caclimateinvestments.ca.gov.

All California Climate Investments programs must advance Assembly Bill (AB) 32 and Senate Bill (SB) 32 as the primary program goal, and each project must provide real and quantifiable GHG emission reductions. The LCFPP will accelerate the adoption of renewable fuels and alternative fuel vehicle technologies that support achieving the state's long-term GHG emissions reduction goals while maximizing other co-benefits. The Energy Commission, in alignment with California Climate Investments principles, will prioritize funds investment in projects that achieve the highest GHG reductions, maximize benefits to disadvantaged communities, and are necessary to meet the state's climate goals. These investments are expected to encourage projects that support California's existing plans, policies, and initiatives (for example, California's *2017 Climate Change Scoping Plan* and the measures included therein, *California Sustainable Freight Action Plan*, *Mobile Source Strategy*, and *Short-Lived Climate Pollutant Strategy*).

This program gives applicants opportunities to work together with other agencies to provide and maximize benefits (for example, the California Department of Food and Agriculture's Dairy Digester Research and Development Program and the California Department of Resources Recycling and Recovery's (CalRecycle) Organics Grant Program). To avoid duplicative funding, applicants must coordinate with local, state, and federal programs.

A full description of all the energy and climate laws and policies governing LCFPP is found in the Guidelines (<https://www.energy.ca.gov/programs-and-topics/programs/low-carbon-fuel-production-program>). The major policies that govern LCFPP include the following:

- **AB 32** created a comprehensive program mandating a reduction in California GHG emissions to 1990 levels by 2020. In implementing AB 32, the California Air Resources Board (CARB) developed a scoping plan describing the approach California will take to reduce GHG emissions, including the Cap-and-Trade Program. CARB must update the plan every five years. Additional information can be found at: <http://www.arb.ca.gov/cc/ab32/ab32.htm>.
- **SB 32** requires CARB to adopt rules and regulations to ensure that statewide GHG emissions are reduced to 40 percent below the 1990 levels by 2030.
- **SB 535** requires the California Environmental Protection Agency (CalEPA) to identify disadvantaged communities and requires CARB to provide guidance on maximizing benefits to these communities.
- **AB 1550** (Gomez, Chapter 369, Statutes of 2016) amends existing SB 535 (DeLeon, Chapter 830, Statutes of 2012) to set investment minimums for Greenhouse Gas Reduction Fund (GGRF) projects in and benefiting disadvantaged communities and low-income communities.

Problem Statement:

Each year, California manages about 6 million tons of organic / food waste that goes to a landfill. In response, the state has approved stringent requirements for organic waste management, targeting recycling by municipal waste managers and businesses that generate organic waste. Unfortunately, existing organic / food waste infrastructure is insufficient to manage the targeted amount of waste without landfilling. As an example, project partner Waste Management currently manages over 850,000 tons of organic / food waste per year, but does not have sufficient landfilling-alternative infrastructure to meet state statutory requirements. Additionally, although demand for compressed natural gas (CNG) in the Los Angeles Basin has been sharply increasing in recent years, availability of renewable natural gas (RNG), a renewable drop-in replacement for CNG, is strikingly limited. As a result, potential regional markets for RNG are significantly undersupplied. High-profile end users, including the University of California and other major fleets, intend to convert existing diesel fleets to RNG, but insufficient RNG is available to achieve that goal.

Goals of the Agreement:

The goal of this Agreement is to generate 960,000 scf/day (2.4 million DGE/yr) of new, ultra-low carbon-negative RNG for use in vehicles through partnerships with the University of California Office of the President (UCOP), Southwest Gas, and Element Markets under existing, contracted long-term offtake agreements, for a period of up to 20 years. All RNG will be used as vehicle fuel in California.

Objectives of the Agreement:

The objectives of this Agreement are to:

- (1) Convert biogas generated from 300 tons/day of organic waste extruded from municipal solid waste (MSW) into 960,000 scf/day (2.4 million DGE/yr) of RNG plus a Class A fertilizer product;
- (2) Produce RNG that will achieve an ultra-low carbon intensity value of -187 g CO₂e/MJ as previously calculated by Lawrence Berkeley National Laboratory (LBNL);
- (3) Deliver the RNG to the UCOP, Southwest Gas, and additional vehicle fleets in California through Element Markets, via a direct facility-to-grid pipeline connection, currently under construction;
- (4) Supply RNG to vehicle fleets for transportation use under existing, contracted agreements with UCOP, Southwest Gas, and Element Markets;
- (5) Reduce net annual GHG emissions by approximately 80,970 MT CO₂e;
- (6) Reduce on-road emissions to support clean air goals;
- (7) Directly invest in local disadvantaged and low income communities to create new jobs and provide extensive new community services; and
- (8) Deeply leverage prior and ongoing investments in the Rialto Bioenergy Facility to provide an exceptional return on Energy Commission investment while maximizing new RNG production capacity.

TASK 1 ADMINISTRATION

Task 1.1 Attend Kick-off Meeting

The goal of this task is to establish the lines of communication and procedures for implementing this Agreement. The CAM shall designate the date and location of this meeting and provide an agenda to the Recipient prior to the meeting.

The Recipient shall:

- Attend a "Kick-Off" meeting with the Commission Agreement Manager, the Grants Officer, and a representative of the Accounting Office. The Recipient shall bring its Project Manager, Agreement Administrator, Accounting Officer, and others designated by the Commission Agreement Manager to this meeting.
- Discuss the following administrative and technical aspects of this Agreement:
 - Agreement Terms and Conditions
 - Critical Project Review (Task 1.2)
 - Match fund documentation (Task 1.6) No reimbursable work may be done until this documentation is in place.
 - Permit documentation (Task 1.7)
 - Subcontracts needed to carry out project (Task 1.8)
 - The CAM's expectations for accomplishing tasks described in the Scope of Work
 - An updated Schedule of Products and Due Dates

- Monthly Progress Reports (Task 1.4)
- Technical Products (Product Guidelines located in Section 5 of the Terms and Conditions)
- Final Report (Task 1.5)

Recipient Products:

- Updated Schedule of Products
- Updated List of Match Funds
- Updated List of Permits

Commission Agreement Manager Product:

- Kick-Off Meeting Agenda

Task 1.2 Critical Project Review (CPR) Meetings

CPRs provide the opportunity for frank discussions between the Energy Commission and the Recipient. The goal of this task is to determine if the project should continue to receive Energy Commission funding to complete this Agreement and to identify any needed modifications to the tasks, products, schedule or budget.

The Commission Agreement Manager may schedule CPR meetings as necessary, and meeting costs will be borne by the Recipient.

Meeting participants include the CAM and the Recipient and may include the Commission Grants Officer, the Fuels and Transportation Division (FTD) program lead, other Energy Commission staff and Management as well as other individuals selected by the CAM to provide support to the Energy Commission.

The CAM shall:

- Determine the location, date, and time of each CPR meeting with the Recipient. These meetings generally take place at the Energy Commission, but they may take place at another location.
- Send the Recipient the agenda and a list of expected participants in advance of each CPR. If applicable, the agenda shall include a discussion on both match funding and permits.
- Conduct and make a record of each CPR meeting. Prepare a schedule for providing the written determination described below.
- Determine whether to continue the project, and if continuing, whether or not modifications are needed to the tasks, schedule, products, and/or budget for the remainder of the Agreement. Modifications to the Agreement may require a formal amendment (please see section 8 of the Terms and Conditions). If the CAM concludes that satisfactory progress is not being made, this conclusion will be referred to the Lead Commissioner for Transportation for his or her concurrence.
- Provide the Recipient with a written determination in accordance with the schedule. The written response may include a requirement for the Recipient to revise one or more product(s) that were included in the CPR.

The Recipient shall:

- Prepare a CPR Report for each CPR that discusses the progress of the Agreement toward achieving its goals and objectives. This report shall include recommendations and conclusions regarding continued work of the projects. This report shall be submitted along with any other products identified in this scope of work. The Recipient shall submit these documents to the CAM and any other designated reviewers at least 15 working days in advance of each CPR meeting.
- Present the required information at each CPR meeting and participate in a discussion about the Agreement.

CAM Products:

- Agenda and a list of expected participants
- Schedule for written determination
- Written determination

Recipient Product:

- CPR Report(s)

Task 1.3 Final Meeting

The goal of this task is to closeout this Agreement.

The Recipient shall:

- Meet with Energy Commission staff to present the findings, conclusions, and recommendations. The final meeting must be completed during the closeout of this Agreement.

This meeting will be attended by, at a minimum, the Recipient, the Commission Grants Office Officer, and the Commission Agreement Manager. The technical and administrative aspects of Agreement closeout will be discussed at the meeting, which may be two separate meetings at the discretion of the Commission Agreement Manager.

The technical portion of the meeting shall present an assessment of the degree to which project and task goals and objectives were achieved, findings, conclusions, recommended next steps (if any) for the Agreement, and recommendations for improvements. The Commission Agreement Manager will determine the appropriate meeting participants.

The administrative portion of the meeting shall be a discussion with the Commission Agreement Manager and the Grants Officer about the following Agreement closeout items:

- What to do with any equipment purchased with Energy Commission funds (Options)
- Energy Commission's request for specific "generated" data (not already provided in Agreement products)

- Need to document Recipient's disclosure of "subject inventions" developed under the Agreement
 - "Surviving" Agreement provisions
 - Final invoicing and release of retention
- Prepare a schedule for completing the closeout activities for this Agreement.

Products:

- Written documentation of meeting agreements
- Schedule for completing closeout activities

Task 1.4 Monthly Progress Reports

The goal of this task is to periodically verify that satisfactory and continued progress is made towards achieving the objectives of this Agreement on time and within budget.

The objectives of this task are to summarize activities performed during the reporting period, to identify activities planned for the next reporting period, to identify issues that may affect performance and expenditures, and to form the basis for determining whether invoices are consistent with work performed.

The Recipient shall:

- Prepare a Monthly Progress Report which summarizes all Agreement activities conducted by the Recipient for the reporting period, including an assessment of the ability to complete the Agreement within the current budget and any anticipated cost overruns. Each progress report is due to the Commission Agreement Manager within 10 days of the end of the reporting period. The recommended specifications for each progress report are contained in Section 6 of the Terms and Conditions of this Agreement.
- In the first Monthly Progress Report and first invoice, document and verify match expenditures and provide a synopsis of project progress, if match funds have been expended or if work funded with match share has occurred after the notice of proposed award but before execution of the grant agreement. If no match funds have been expended or if no work funded with match share has occurred before execution, then state this in the report. All pre-execution match expenditures must conform to the requirements in the Terms and Conditions of this Agreement.

Product:

- Monthly Progress Reports

Task 1.5 Final Report

The goal of the Final Report is to assess the project's success in achieving the Agreement's goals and objectives, advancing science and technology, and providing energy-related and other benefits to California.

The objectives of the Final Report are to clearly and completely describe the project's purpose, approach, activities performed, results, and advancements in science and technology; to present a public assessment of the success of the project as measured by the degree to which goals and objectives were achieved; to make insightful observations based on results obtained; to draw conclusions; and to make recommendations for further projects and improvements to the FTD project management processes.

The Final Report shall be a public document. If the Recipient has obtained confidential status from the Energy Commission and will be preparing a confidential version of the Final Report as well, the Recipient shall perform the following activities for both the public and confidential versions of the Final Report.

The Recipient shall:

- Prepare an Outline of the Final Report, if requested by the CAM.
- Prepare a Final Report following the latest version of the Final Report guidelines which will be provided by the CAM. The CAM shall provide written comments on the Draft Final Report within fifteen (15) working days of receipt. The Final Report must be completed at least 60 days before the end of the Agreement Term.
- Submit one bound copy of the Final Report with the final invoice.

Products:

- Outline of the Final Report, if requested
- Draft Final Report
- Final Report

Task 1.6 Identify and Obtain Matching Funds

The goal of this task is to ensure that the match funds planned for this Agreement are obtained for and applied to this Agreement during the term of this Agreement.

The costs to obtain and document match fund commitments are not reimbursable through this Agreement. Although the Energy Commission budget for this task will be zero dollars, the Recipient may utilize match funds for this task. Match funds shall be spent concurrently or in advance of Energy Commission funds for each task during the term of this Agreement. Match funds must be identified in writing and the associated commitments obtained before the Recipient can incur any costs for which the Recipient will request reimbursement.

The Recipient shall:

- Prepare a letter documenting the match funding committed to this Agreement and submit it to the Commission Agreement Manager at least 2 working days prior to the kick-off meeting. If no match funds were part of the proposal that led to the Energy Commission awarding this Agreement and none have been identified at the time this Agreement starts, then state such in the letter. If match funds were a part of the proposal that led to the Energy Commission awarding this Agreement, then provide in the letter a list of the match funds that identifies the:

- Amount of each cash match fund, its source, including a contact name, address and telephone number and the task(s) to which the match funds will be applied.
 - Amount of each in-kind contribution, a description, documented market or book value, and its source, including a contact name, address and telephone number and the task(s) to which the match funds will be applied. If the in-kind contribution is equipment or other tangible or real property, the Recipient shall identify its owner and provide a contact name, address and telephone number, and the address where the property is located.
- Provide a copy of the letter of commitment from an authorized representative of each source of cash match funding or in-kind contributions that these funds or contributions have been secured. For match funds provided by a grant a copy of the executed grant shall be submitted in place of a letter of commitment.
- Discuss match funds and the implications to the Agreement if they are reduced or not obtained as committed, at the kick-off meeting. If applicable, match funds will be included as a line item in the progress reports and will be a topic at CPR meetings.
- Provide the appropriate information to the Commission Agreement Manager if during the course of the Agreement additional match funds are received.
- Notify the Commission Agreement Manager within 10 days if during the course of the Agreement existing match funds are reduced. Reduction in match funds must be approved through a formal amendment to the Agreement and may trigger an additional CPR meeting.

Products:

- A letter regarding match funds or stating that no match funds are provided
- Copy(ies) of each match fund commitment letter(s) (if applicable)
- Letter(s) for new match funds (if applicable)
- Letter that match funds were reduced (if applicable)

Task 1.7 Identify and Obtain Required Permits

The goal of this task is to obtain all permits required for work completed under this Agreement in advance of the date they are needed to keep the Agreement schedule on track.

Permit costs and the expenses associated with obtaining permits are not reimbursable under this Agreement. Although the Energy Commission budget for this task will be zero dollars, the Recipient shall budget match funds for any expected expenditures associated with obtaining permits. Permits must be identified in writing and obtained before the Recipient can make any expenditure for which a permit is required.

The Recipient shall:

- Prepare a letter documenting the permits required to conduct this Agreement and submit it to the Commission Agreement Manager at least 2 working days prior to the kick-off meeting. If there are no permits required at the start of this Agreement, then state such in the letter. If it is known at the beginning of the Agreement that permits will be required during the course of the Agreement, provide in the letter:
 - A list of the permits that identifies the:
 - Type of permit
 - Name, address and telephone number of the permitting jurisdictions or lead agencies
 - The schedule the Recipient will follow in applying for and obtaining these permits.
- Discuss the list of permits and the schedule for obtaining them at the kick-off meeting and develop a timetable for submitting the updated list, schedule and the copies of the permits. The implications to the Agreement if the permits are not obtained in a timely fashion or are denied will also be discussed. If applicable, permits will be included as a line item in the Progress Reports and will be a topic at CPR meetings.
- If during the course of the Agreement additional permits become necessary, provide the appropriate information on each permit and an updated schedule to the Commission Agreement Manager.
- As permits are obtained, send a copy of each approved permit to the Commission Agreement Manager.
- If during the course of the Agreement permits are not obtained on time or are denied, notify the Commission Agreement Manager within 5 working days. Either of these events may trigger an additional CPR.

Products:

- Letter documenting the permits or stating that no permits are required
- A copy of each approved permit (if applicable)
- Updated list of permits as they change during the term of the Agreement (if applicable)
- Updated schedule for acquiring permits as changes occur during the term of the Agreement (if applicable)
- A copy of each final approved permit (if applicable)

Task 1.8 Obtain and Execute Subcontracts

The goal of this task is to ensure quality products and to procure subcontractors required to carry out the tasks under this Agreement consistent with the Agreement Terms and Conditions and the Recipient's own procurement policies and procedures. It will also provide the Energy Commission an opportunity to review the subcontracts to ensure that the tasks are consistent with this Agreement, and that the budgeted expenditures are reasonable and consistent with applicable cost principles.

The Recipient shall:

- Manage and coordinate subcontractor activities.
- Submit a draft of each subcontract required to conduct the work under this Agreement to the Commission Agreement Manager for review.
- Submit a final copy of the executed subcontract.
- If Recipient decides to add new subcontractors, then the Recipient shall notify the CAM.

Products:

- Draft subcontracts
- Final subcontracts

TECHNICAL TASKS

TASK 2 FACILITY DESIGN AND ENGINEERING

The goal of this task is to complete design and engineering of the proposed facility, to bring the project to construction-ready status. This task will culminate in approved construction documents and construction permits.

The Recipient shall:

- Design and engineer grading and foundation requirements for the project, including all equipment and appurtenances.
- Design and engineer electrical components of the project, including all equipment and appurtenances and connections to packaged gas upgrading equipment.
- Design and engineer mechanical components of the project, including all equipment and appurtenances and connections to packaged gas upgrading equipment.
- Design and engineer all structural components of the facility, including for all equipment and appurtenances and connections to packaged gas upgrading equipment.
- Prepare and provide a *Written Notification of Completion of Engineering Plans* to the CAM. The letter will include, but is not limited to:
 - Final engineering documents
 - Summary of lessons learned during the design phase
 - Approval from applicable agencies, as needed to initiate construction
- Prepare and provide to the CAM a *Construction and Equipment List* that will be used to develop bid packages to be sent to vendors.

Products:

- Written Notification of Completion of Engineering Plans

- Construction and Equipment List

[CPR WILL OCCUR DURING THIS TASK. SEE TASK 1.2 FOR DETAILS.]

TASK 3 FACILITY CONSTRUCTION AND COMMISSIONING

The goal of this task is to complete all construction activities for the project, to subsequently complete all testing and commissioning activities for the project, and finally to initiate full facility operation. This task includes milestones consistent with traditional construction project management including procurement, installation, and commissioning. Upon successful commissioning, commercial operations will commence.

The Recipient shall:

- Prepare and provide to the CAM a *Procurement Plan* for the project that will detail the process for procurement of equipment, materials, and services in a manner that provides transparency into the selection process and the rationale for optimizing the quality of services / equipment provided with price. The *Procurement Plan* will include but will not be limited to:
 - A description of the bid packages to be assembled
 - A methodology for receiving and evaluating responses
- Execute the *Procurement Plan*.
- Prepare and provide to the CAM a *Procurement Report* for the facility that will detail the completed selection process and justification for the service providers selected. The *Procurement Report* will include, but will not be limited to:
 - A list of respondents to bid packages
 - A review of rationale for the selected service providers
- Prepare and provide to the CAM a *Construction Plan* for the facility that will outline the budget and schedule for the completion of all construction and installation activities. The *Construction Plan* will include, but will not be limited to:
 - A list of construction and installation milestones
 - A Gantt chart and detailed project schedule
 - A description of best management practices to be utilized
 - A risk mitigation strategy
 - A plan for quality control and quality assurance
- Prepare and provide to the CAM a *Written Notification of Site Preparation* for the facility that will notify the CAM that the site has been prepared to initiate construction related activities.
- Implement the *Construction Plan* including all construction and installation related activities.

- Prepare and provide to the CAM a *Major Project Change List* for the project that will identify any major project changes that occur during implementation of the Construction Plan. The *Major Project Change List* will be updated on an as-needed basis and will include, but is not limited to:
 - A description of the scope of the identified challenge necessitating a material change in the Construction Plan
 - A solution to address the challenge and a rationale for the proposed solution
 - An update, as necessary, to the milestones and Gantt chart to reflect the new approach
- Prepare and provide to the CAM a *Construction Report* for the facility that will evaluate the actual construction activities compared to the Construction Plan. The Construction Report will include, but will not be limited to:
 - A final schedule of completed milestones
 - A description of lessons learned
 - A summary of major project changes
- Prepare and provide to the CAM *Written Notification of Completion of Construction* and Installation for the facility. This memorandum will notify the CAM that construction and installation activities have been completed.
- Prepare and provide to the CAM a *Testing and Commissioning Plan* for the facility that will detail the processes, deliverables, and milestones needed to complete testing and commissioning of the project. The *Testing and Commissioning Plan* will include, but is not limited to:
 - A description of the equipment to be tested
 - A description of the methodology to test the identified equipment
 - A list of goals and objectives for each test
 - A description of the quality control and quality assurance practices for the test methodology
- Implement the Testing and Commissioning Plan.
- Prepare and provide to the CAM a *Testing and Commissioning Report* for the facility that will document and evaluate the test results. The *Testing and Commissioning Report* will include, but will not be limited to:
 - A description of the results for the cold and hot tests for all applicable equipment
 - A description of any major changes that were made based on findings during the cold or hot testing
- Prepare and provide to the CAM a *Written Notification of Completion of Commissioning* for the project that will notify the CAM that all testing and commissioning activities have been completed, and that the project is now ready to commence commercial operations.

Products:

- Procurement Plan
- Procurement Report
- Construction Plan
- Written Notification of Site Preparation
- Major Project Change List
- Construction Report
- Written Notification of Completion of Construction and Installation
- Testing and Commissioning Plan
- Testing and Commissioning Report
- Written Notification of Completion of Commissioning

[CPR WILL OCCUR DURING THIS TASK. SEE TASK 1.2 FOR DETAILS.]

TASK 4 OUTREACH AND DISADVANTAGED COMMUNITY SUPPORT

The goal of this task is to complete all outreach and community support efforts designed to provide direct and needed benefits to local AB 1550 low-income communities. This task also supports public outreach generally, including technology transfer activities.

The Recipient shall:

- Prepare and provide to the CAM an *Outreach and Support Schedule*, which will include development of a project-specific list and, where applicable, proposed schedule for implementation and completion of all proposed community outreach activities. The following activities will be included:
 - Complete site-specific commitments: odor control system, site appearance / landscaping

- Local community outreach to advertise job opportunities at the site
- Facility tours to schools
- Facility tours to community members and the public
- Annual scholarships
- Ribbon cutting event for stakeholders, industry leaders, local community members, and the public at large
- Develop an ecosystem map to illustrate areas of overlap between high-value California markets for advanced organic-waste-to-energy technologies and locations categorized as AB 1550 low-income communities and/or SB 535 disadvantaged communities. This tool will enable Recipient and other organizations to strategically site future projects to provide overlapping environmental, economic, and priority population benefits
- Deploy the outreach and community support program according to the list/schedule developed above.
- Collect data, lessons learned, and other relevant information regarding the outreach and community support efforts and tasks completed.

Products:

- Outreach and Support Schedule
- Results from the proposed outreach and community support efforts will be included in the Final Report.

TASK 5 DATA COLLECTION AND ANALYSIS

The goal of this task is to collect operational data from the project, to analyze that data for economic and environmental impacts, and to include the data and analysis in the Final Report.

The Recipient shall:

- Develop a data collection plan.
- Troubleshoot any issues identified.
- Collect at least six months of data, including:
 - Throughput, usage, and operations data
 - Normal operating hours, up time, down time, and explanations of variations
 - Feedstock supply summary
 - Maximum capacity of the new fuel production system in diesel gallon equivalents (DGE) and ordinary units
 - Gallons of gasoline and/or diesel fuel displaced (with associated mileage information), along with value converted into DGE
 - Record of wastes from production processes (waste water, solid waste, criteria emissions, etc.)

- Expected air emissions reduction, for example:
 - Non-methane hydrocarbons
 - Oxides of nitrogen
 - Non-methane hydrocarbons plus oxides of nitrogen
 - Particulate Matter
 - Formaldehyde
- Duty cycle of the current fleet and the expected duty cycle of future vehicle acquisitions
- Specific jobs and economic development resulting from this project
- Levelized Cost of Fuel and Finished fuel price
- Analysis of total facility costs, operation and maintenance costs, marginal abatement costs
- Comply with the Petroleum Industry Information Reporting Act (PIIRA) and complete CEC Form M810E and CEC Form M13 on a monthly basis for submission to the California Energy Commission's PIIRA Data Collection Unit.
- Provide a written record of registering with the Low Carbon Fuel Standard and Renewable Fuel Standard programs.
- Identify any current and planned use of renewable energy at the facility.
- Describe any energy efficiency measures used in the facility that may exceed Title 24 standards in Part 6 of the California Code Regulations.
- Provide data on potential job creation, economic development, and increased state revenue as a result of expected future expansion.
- Provide a quantified estimate of the project's carbon intensity values or provide an Air Resources Board approved pathway carbon intensity.
- Estimate annual life-cycle greenhouse gas emission reduction.
- Compare any project performance and expectations provided in the proposal to Energy Commission with actual project performance and accomplishments.
- Collect data, information, and analysis described above and include in the Final Report.

Products:

- Data collection information and analysis will be included in the Final Report

TASK 6 PROJECT FACT SHEET

The goal of this task is to develop an initial and final project fact sheet that describes the CEC-funded project and the benefits resulting from the project for the public and key decision makers.

The Recipient shall:

- Prepare an *Initial Project Fact Sheet* at start of the project that describes the project and the expected benefits. Use the format provided by the CAM.
- Prepare a *Final Project Fact Sheet* at the project's conclusion that describes the project, the actual benefits resulting from the project, and lessons learned from implementing the project. Use the format provided by the CAM.
- Provide at least (6) six *High Quality Digital Photographs* (minimum resolution of 1300x500 pixels in landscape ratio) of pre and post technology installation at the project sites or related project photographs.

Products:

- Initial Project Fact Sheet
- Final Project Fact Sheet
- High Quality Digital Photographs

Memorandum

FOR: LCF-19-004, Rialto Bioenergy Facility, LLC

Date : February 7, 2020

Telephone: CALNET (916) 653-1195

From : Taiying Zhang
California Energy Commission
1516 Ninth Street
Sacramento CA 95814-5512

Subject: California Environmental Quality Act Analysis for LCF-19-004

I am an Air Pollution Specialist in Fuel and Transportation Division, California Energy Commission, and am the Commission's Agreement Manager for proposed Agreement LCF-19-004 ("Agreement"), Rialto Bioenergy Phase 3: Expanded Renewable Natural Gas Refueling (the "Project"). This project is to double the fuel production of Phase 1 (ARV-17-019) and Phase 2 (ARV-18-029) by processing an additional 300 tons/day of organic waste, resulting in 2.4 M diesel gallons equivalent (DGE) per year of new renewable natural gas (RNG) production with a carbon intensity (CI) of -189 gCO₂e/MJ for use as transportation fuel in California. It will eliminate annual emissions of 90,496 metric tons CO₂ equivalent (MTCO₂e) per year, drive approximately \$22 million in combined local and statewide annual economic activity.

Pursuant to my work in developing the Agreement, including the Scope of Work for the Agreement, I have reviewed the lead agency, the City of Rialto's (the "City"), California Environmental Quality Act ("CEQA") 2018 Final Environmental Impact Report for the Project ("EIR"), Air Permit from South Coast Air Quality Management District (Application No. 607719), the Resolution of the City approving the permit for the Project (Resolution No. 18-7309), the Resolution of the City certifying the EIR, adopting a Mitigation, Monitoring and Reporting Program, and adopting a Statement of Overriding Considerations (Resolution No. 18-7310), the City's filed Notice of Determination, and the proposed agreement including scope of work for proposed Agreement LCF-19-004.

It is my opinion that the work under the proposed project presents no new significant or substantially more severe environmental impacts beyond those already considered; and adopting a statement of overriding consideration. I have not found any new mitigation measures within the Energy Commission's authority that would lessen or further mitigate the Project's impacts. Overall, the significant environmental impacts identified by the lead agency will be sufficiently mitigated to below significant levels or economic, legal, social, technological, or other benefits of the Project outweigh the significant unavoidable and mitigatable environmental impact.

The City's EIR covered several projects on the site including the biomethane project (both Phase 1 ARV-17-019, Phase 2 ARV-18-029, and Phase 3 LCF-19-004), the microgrid project (EPC-17-054) and DOE project (combined heat and power by combustion). Phase 1 included the reestablishment and conversion of an existing non-operational regional biosolids processing facility into a regional organic waste processing facility for renewable energy, which was funded as Agreement ARV-17-019 and will receive and process/recycle up to 1080 wet tonnes per day of organic waste, which includes a combination of biosolids, biogas, food waste, and liquid waste, into approximately 13.38 megawatts (MW) of renewable energy in the form of electricity and natural gas and 27 dry tonnes of re-usable char. The Phase 2 focuses on biogas upgrading and renewable natural gas (RNG) compressor to turn biogas into 2.5 million diesel gallon equivalents per year of carbon negative renewable natural gas for use in waste collection and transport vehicles operated by Waste Management across the great Los Angeles metropolitan area. The Phase 3 construct a new biogas upgrading facility, which will process an additional 300 tons/day of organic waste, resulting in 2.4 M diesel gallons equivalent (DGE) per year of new renewable natural gas (RNG) production with a carbon intensity (CI) of -189 gCO₂e/MJ for use as transportation fuel in California. Phase 3 will effectively double the RNG production capacity of the Phase 1+2 RBF from 2.4 million DGE/year to 4.8 million DGE/year for the entire Phase 1+2+3 facility at a cost of only \$10,000,000. The biogas will undergo conditioning to remove contaminants to meet the requirements of all applicable equipment specifications, air permits, and pipeline injection requirements. Hydrogen sulfide (H₂S) removal will occur in two caustic scrubbers (or equivalent technology) to reduce H₂S content for the biomethane upgrading system. The mitigation measures adopted by the lead agency will reduce potentially significant impacts to biological resources, cultural resources, geology and soils, hazards, and hazardous materials, and hydrology and water quality to less than significant levels. The economic, legal, social, technological, or other benefits of the Project balanced by the lead agency outweigh the significant unavoidable environmental impact to air quality of the Project.

Land use:

The Project proposes to construct a new biogas upgrading facility, which will process an additional 300 tons/day of organic waste, resulting in 2.4 M diesel gallons equivalent (DGE) per year of new renewable natural gas (RNG) production with a carbon intensity (CI) of -189 gCO₂e/MJ for use as transportation fuel in California. This is the expansion of Phases I and II to reestablish and convert an existing non-operational biosolids processing facility on one 5.7 acre parcel of land located at 503 East Santa Ana Avenue within the Heavy Industrial zone of the Agua Mansa Specific Plan. There are no sensitive land uses near the Project site.

Biological Resources:

Because construction could have potentially significant impacts on the movement of candidate, sensitive, or special status species, construction of the Project could cause a significant impact, and mitigation is required as Mitigation Measure BIO-1. All trenches must be inspected twice daily to ensure no wildlife become entrapped. Trenches shall be covered at night. All pipes must be inspected prior to closure to ensure no wildlife are present. If a potential den or wildlife is observed at any time during construction, a qualified biologist must be contacted to determine the appropriate course of action. With the implementation of this mitigation measure, biological resource impacts during construction of the Project will be reduced to a less than significant level.

Cultural Resources:

The Project will have onsite and off-site ground disturbing activities during construction which would create a potentially significant impact and mitigation is required as Mitigation Measure CR-1 and Mitigation Measure CR-2. CR-1 requires that the grading permit contain a clause that, in the event

that subsurface archaeological resources are encountered during ground disturbing activities in the Project area, these activities must be suspended in the vicinity of the find until the deposits are recorded and evaluated by a qualified archaeologist. CR-2 requires monitoring of ground-disturbing construction activities below depths of 5 feet by a qualified paleontologist to avoid inadvertent impacts to buried paleontological deposits. With the implementation of the mitigation measures, cultural resource/tribal cultural resource impacts during construction of the Project will be reduced to a less than significant level.

Geology and Soils:

The Project location and onsite activities will be consistent with the current uses of the site and surrounding areas. The Project site is completely developed as a result of the previous EnerTech Project. Additional grading activities are expected to result in potential impacts to expose persons or structures to substantial adverse effects. In order to reduce this impact, the City adopted Mitigation Measure G-1. G-1 requires that prior to Grading Plan approval, the applicant shall demonstrate to the satisfaction of the City Engineer that the soils on the site are stable for construction of the Project or that the grading plan or facility engineering has been designed to account for any site-specific soils issues related to the landfill. With the implementation of the mitigation measure, impacts to geology and soils during construction of the Project will be reduced to a less than significant level.

Hazards and Hazardous Materials:

The Project will be storing food waste and biosolids in large receiving bins located at the facility. In order to reduce the potential significant hazard through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment, the City adopted Mitigation Measure HAZ-1. HAZ-1 requires that prior to operations, the Project will prepare and implement a California Accidental Release Prevention Program (CalARP) compliant Risk Management Plan for sulfuric acid. CalARP is authorized under Health and Safety Code Sections 25531 to 25543.3, with program regulations in California Code of Regulations Title 19, Section 2735.1 through 2785.1. The intent of the Risk Management Plan is to provide basic information that may be used by first responders to prevent or mitigate damage to public health and safety and the environment from the release or threatened release of a hazardous material. With the implementation of the mitigation measure, impacts to hazards and hazardous material during construction of the Project will be reduced to a less than significant level.

Water Quality:

Construction of the Project has the potential to result in a violation of water quality standards, waste discharge requirements, or otherwise substantially degrade water quality. In order to reduce this impact, the City adopted Mitigation Measures W-2 and W-4 which requires that prior to issuance of City permits, the Project applicant apply to be enrolled in the existing National Pollutant Discharge Elimination System Statewide General Permit for Storm Water Discharges from Construction Activity and file Form 200 completely as required by the Santa Ana Regional Water Quality Control Board to document/disclose the disposal of the water that was dewatered from the sludge. Additionally the Project will be subject to annual storm water reporting requirements to State Water Resources Control Board in addition to the preparation of a Stormwater Pollution Prevention Plan (SWPPP) and monitoring plan. With the implementation of these mitigation measures, impacts to hydrology and water quality during construction of the Project will be reduced to a less than significant level.

Air Quality:

The Project will result in a cumulatively considerable net increase of a criteria pollutant for which the Project region is in nonattainment under an applicable federal or State ambient air quality standard.

Specifically, emissions of oxides of nitrogen (NO_x) would exceed the 55 lbs./day threshold. Nearly all other operational emissions of the Project would be below South California Air Quality Management District (SCAQMD).

NO_x emissions from operations would be mainly associated with combustion sources. In order to reduce this impact, the City adopted Mitigation Measures 4.8.1 and 4.9.1, which require the applicant to enter into a Title V permit with the SCAQMD and further reduce NO_x emissions as part of the air permit application process. With the implementation of the mitigation measures 4.8.1 and 4.9.1, NO_x emissions would be reduced but would remain above the 55 lbs./day threshold of significance. Since there are no reasonably feasible mitigation measures for operational air quality emissions of NO_x, this impact is considered significant and unavoidable.

Statement of Overriding Consideration:

Although nearly all of the long-term operational emissions for the Project would be below SCAQMD daily thresholds, the NO_x emissions would exceed the 55 lbs./day threshold of significance. The City, after balancing the specific economic, legal, social, technological and other benefits of the Project, determined that the unavoidable adverse environmental impacts may be considered acceptable due to the following specific considerations which outweigh the unavoidable, adverse environmental impacts. Therefore, the City Council adopted a Statement of Overriding Considerations in order to balance the benefits of the Project against the significant unavoidable adverse environmental impact in reaching its decision to approve the Project. The City considered each of the following considerations as sufficient to support approval of the Project in accordance with CEQA.

1. Revitalize existing industrial area. The Project site is on a non-operational biosolids plant. This regional biosolids processing facility, developed by EnerTech, is on City of Rialto property and has been unproductive for several years. The Project would reuse some of the existing equipment and would put into operation this existing non-operational industrial site.
2. Develop Renewable Energy from Organic Waste Streams. The Project will produce 13.38 MW in equivalent electricity of renewable energy from up to 1080 tonnes per day combination of food waste, liquid waste, and municipal biosolids. Renewable energy will be produced in the form of electricity (3.0 MW) used for sale for SCE through the BioMAT Power Purchase Agreement and biogas upgraded for delivery to the Southern California Gas Company (8.2 MW of equivalent power) for use in offsite power generation and vehicle fuels. Besides renewable electricity, 903,000 scf/day RNG with carbon intensity of -187 g CO₂e/MJ equals to 2.5 million diesel gallon equivalents per year will be used for Waste Management refueling. The Project will be converting organic waste streams by 2019 and assist large-quantity commercial food waste generators with meeting the AB 1826's new mandatory commercial organic waste recycling program requirements.
3. Reduce Regional Greenhouse Gases. The Project would reduce GHG emissions by over 433,000 metric tonnes of carbon dioxide equivalents over the next 10 years regionally through diverting 1,080 tonnes per day of food waste and municipal biosolids from landfill disposal and converting it into renewable energy.
4. Create an Additional Income Stream for the City of Rialto and Employment Opportunities for the Region. The Project would generate lease and tipping fee income for the City of Rialto from the use of City property.

5. Implementation of the Agua Mansa Industrial Corridor Specific Plan. The Project will replace old industrial uses to more modern, clean industrial development consistent with the Agua Mansa Industrial Corridor Specific Plan.

The City concluded that economic and social benefits and important public policy objectives from the Project will outweigh the significant unavoidable adverse environmental impact of the Project. Given the substantial social and economic benefits that will accrue to the City and to the region from the implementation of the Project, it is my opinion that the Project's identified benefits override the Project's identified significant unavoidable and inmitigable environmental impact. Therefore, I recommend adopting the CEQA findings and Statement of Overriding Considerations for Rialto Bioenergy Facility, LLC's bioenergy facility project and approving Agreement LCF-19-004 with Rialto Bioenergy Facility, LLC.

California Energy Commission

April 8, 2020 Business Meeting – Agenda Item # 12c

RIALTO BIOENERGY FACILITY, LLC. Project: “Rialto Bioenergy Phase 3: Expanded Renewable Natural Gas Refueling” (LCF-19-004) The full California Environmental Quality Act (CEQA) supporting documentation for LCF-19-004 can be obtained at:

FINAL [ENVIRONMENTAL IMPACT REPORT](#). STATE CLEARINGHOUSE

NO. 2017091011 available at

<https://www.yourrialto.com/wp-content/uploads/2018/02/RBF-Final-EIR-021418.pdf>

[Rialto Bioenergy Facility Air Permit](#) South Coast Air Quality Management District Permit to Construct Application No. 607719 available at

https://energyarchive.ca.gov/contracts/arv-18-029/RialtoBioenergy_Air_Permit_Full.pdf

[Draft ENVIRONMENTAL IMPACT REPORT](#) available at

<https://www.yourrialto.com/wp-content/uploads/2016/08/RialtoBioenergyFacility-DRAFT-EIR.pdf>

City of Rialto [Resolution 7310](#) available at

<https://rialto.legistar.com/LegislationDetail.aspx?ID=3459261&GUID=DFEE81A9-0965-4236-8AB3-6B79BDF275AF>

City of Rialto [Resolution 7309](#) available at

<https://rialto.legistar.com/LegislationDetail.aspx?ID=3459261&GUID=DFEE81A9-0965-4236-8AB3-6B79BDF275AF>

City of Rialto [RECAP Agenda-3-27-18](#) available at

<https://www.yourrialto.com/wp-content/uploads/2014/04/Action-Agenda-7-24-18.pdf>

STATE OF CALIFORNIA

STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

RESOLUTION - RE: Rialto Bioenergy Facility, LLC

WHEREAS, the City of Rialto is the Lead Agency for purposes of the California Environmental Quality Act ("CEQA") for Rialto Bioenergy Phase 3: Expanded Renewable Natural Gas Refueling (hereinafter "Project"); and

WHEREAS, the City of Rialto prepared a Final Environmental Impact Report for the Project ("FEIR"), Mitigation, Monitoring and Reporting Program ("MMRP"), CEQA findings of fact, a Statement of Overriding Considerations, and a Notice of Determination, evaluating the potential environmental impacts of implementing the Project, and all of which are on file with the Energy Commission; and

WHEREAS, the City of Rialto, on March 27, 2018 considered and certified the FEIR for the Project, approved the permit for the Project, adopted the MMRP, adopted CEQA findings of fact, and adopted a Statement of Overriding Considerations, under Resolution Nos 18-7309 and 18-7310, copies of which are on file with the Energy Commission; and

WHEREAS, the Energy Commission has reviewed and considered the City's FEIR, MMRP, Resolution Nos 18-7309 and 18-7310 containing CEQA findings of fact and an adopted Statement of Overriding Considerations, filed Notice of Determination, and the Energy Commission staff's findings are contained in February 7, 2020 Memorandum, CEQA Analysis of LCF-19-004.

WHEREAS, the Energy Commission is considering proposed Agreement LCF-19-004, Phase 3 Biomethane Expanded Renewable Natural Gas Refueling at the Rialto Bioenergy Facility (hereinafter "LCF-19-004"), a grant to fund the revitalization of the Rialto Bioenergy Facility to convert food waste and biosolids into biomethane transportation fuel; and

Prior to acting on Agreement LCF-19-004, the Energy Commission desires to make certain findings pursuant to CEQA Guidelines, title 14, sections 15091, 15092, 15093, and 15096;

NOW THEREFORE, BE IT RESOLVED:

1. To the extent relevant to LCF-19-004, the Energy Commission has considered the information contained in the City of Rialto's FEIR, MMRP, CEQA findings of fact, Statement of Overriding Considerations, and Resolutions identified above;
2. The City of Rialto has the authority and has already adopted the MMRP to implement mitigation measures or seek any required approvals for mitigation measures identified, to reduce the selected impacts to a less than significant level, and the Energy Commission has no direct authority to implement the mitigation measures identified.
3. The Energy Commission finds the City of Rialto's FEIR, MMRP, Statement of Overriding Considerations, CEQA findings of fact, and Resolutions are adequate for its use as the decision-making body for its consideration of LCF-19-004.

4. Approval of LCF-19-004 is within the scope of the City of Rialto's FEIR, MMRP, Statement of Overriding Considerations, CEQA findings of fact, and Resolutions.
5. Since the City of Rialto's FEIR, MMRP, Statement of Overriding Considerations, CEQA findings, and Resolutions were finalized, there have been no substantial project changes and no substantial changes in the Project circumstances that would require major revisions to these documents due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth therein.
6. The Energy Commission has not identified any feasible alternative or additional feasible mitigation measures within its power that would substantially lessen or avoid any significant effect the Project would have on the environment.

BE IT FURTHER RESOLVED, that the Energy Commission finds, on the basis of the entire record before it, including the City of Rialto's CEQA documents and staff's February 7, 2020 Memorandum identified above, that the mitigation measures incorporated will prevent LCF-19-004 from having any significant environmental impacts, or on balance, there are economic, legal, social, technological or other benefits, including environmental benefits, associated with the Project that serve to outweigh and as overriding considerations of the Project's significant unavoidable effects; and

BE IT FURTHER RESOLVED, that this document authorizes the Executive Director or his or her designee to prepare and file a Notice of Determination on behalf of the Energy Commission; and

BE IT FURTHER RESOLVED, that the Energy Commission approves Agreement LCF-19-004 with Rialto Bioenergy Facility, LLC for \$5,000,000; and

BE IT FURTHER RESOLVED, that the Executive Director or his or her designee shall execute the same on behalf of the Energy Commission.

CERTIFICATION

The undersigned Secretariat to the Commission does hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly and regularly adopted at a meeting of the California Energy Commission held on April 8, 2020.

AYE: *[List Commissioners]*

NAY: *[List Commissioners]*

ABSENT: *[List Commissioners]*

ABSTAIN: *[List Commissioners]*

*Cody Goldthrite,
Secretariat*