



STATE OF CALIFORNIA

GRANT REQUEST FORM (GRF)

CEC-270 (Revised 12/2019)

CALIFORNIA ENERGY COMMISSION

A) New Agreement # ARV-21-051 (to be completed by CGL office)

B) Division	Agreement Manager:	MS-	Phone
Fuels and Transportation	Pilar Magaña	27	916-477-1548

C) Recipient's Legal Name	Federal ID #
California Grinding, Inc.	27-3638931

D) Title of Project
Fresno Anaerobic Digestion Facility

E) Term and Amount

Start Date	End Date	Amount
4 / 26 / 2022	3 / 31 / 2026	\$ 3,000,000

F) Business Meeting Information
☐ ARFVTP agreements \$75K and under delegated to Executive Director

 Proposed Business Meeting Date 4 / 26 / 2022 ☐ Consent ☒ Discussion

Business Meeting Presenter Hieu Nguyen Time Needed: 5 minutes

Please select one list serve. ALTFUELS

Agenda Item Subject and Description:

California Grinding, Inc. (CGI). Proposed resolution adopting CEQA findings for CGI's Fresno Anaerobic Digester Facility Project and approving agreement ARV-21-051 with CGI. (Clean Transportation Program funding) Contact: Pilar Magana. (Staff presentation: 5 minutes)

- I. CEQA Findings. Based on the lead agency City of Fresno's (City) Initial Study (IS) and Mitigated Negative Declaration (MND), and the City's Conditional Use Permit (CUP) No. C-15-030, which was approved by the City on July 19, 2016, work under the proposed project presents no new significant or substantially more severe environmental impacts beyond those already considered and mitigated; and that following the City's adoption of the MND and CUP, none of the circumstances within CEQA section 15162 are present.
- II. FRESNO ANAEROBIC DIGESTION FACILITY. Proposed resolution approving Agreement ARV-21-051 with CGI for a \$3,000,000 grant to construct and commission a commercial-scale fuel production facility at an existing waste processing facility for the City of Fresno. The facility will process 250 tons per day of organic waste materials to produce an estimated 1,345,000 diesel gallon equivalents (DGEs) per year of renewable compressed natural gas.

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 .



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

- 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
See Attached	\$
	\$ 0.00
	\$ 0.00

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

Legal Company Name:

J) Budget Information

Funding Source	Funding Year of Appropriation	Budget List Number	Amount
ARFVTF	2018-19	601.118K	\$3,000,000
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: Michael Brown

Address: 12640 Stanley Road

City, State, Zip:



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Van Buren Twp., MI 48111

Phone: (925) 451-1423

E-Mail:

Michael.mdbengineers@gmail.com

CALIFORNIA ENERGY COMMISSION

Address: 3077 S. Golden State
Frontage Blvd.

City, State, Zip: Fresno, CA 93725

Phone: (559) 647-3784

E-Mail:

Davidbalakian@sbcglobal.net

2. Recipient's Project Manager

Name: David Balakian

L) Selection Process Used

☒ Competitive Solicitation Solicitation #: GFO-20-608

☐ 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

CEC-270 Attachment
List of Subcontractors
ARV-21-051 (California Grinding)

MDB Consulting Engineers	\$250,000
Clements	\$5,000
West Coast Waste	\$84,000
Civil Engineering (TBD)	\$80,000
Electrical Engineering (TBD)	\$80,000
Structural Engineering (TBD)	\$75,000
Mechanical Engineering (TBD)	\$75,000
DBG Energy	\$50,000
VERDE	\$75,000
James Stewart Consultants	\$30,000

Exhibit A SCOPE OF WORK

TECHNICAL TASK LIST

Task #	CPR	Task Name
1		Administration
2		Design Development
3	X	Equipment Procurement
4		Construction and Equipment Installation
5	X	System Startup
6		Data Collection and Analysis
7		Project Fact Sheet

KEY NAME LIST

Task #	Key Personnel	Key Subcontractor(s)	Key Partner(s)
1	David Balakian, Michael Brown	MDB Consulting Engineers	
2	David Balakian Michael Brown	VERDE	
3	David Balakian Michael Brown Clayton Cope	VERDE	
4	David Balakian Michael Brown Clayton Cope		
5	David Balakian Michael Brown Clayton Cope	West Coast Waste	
6	David Balakian Michael Brown Clayton Cope	West Coast Waste VERDE	
7	David Balakian Michael Brown		

GLOSSARY

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

Term/ Acronym	Definition
AB	Assembly Bill
AD	Anaerobic Digestion
CAM	Commission Agreement Manager

Term/ Acronym	Definition
CAO	Commission Agreement Officer
CEC	California Energy Commission
CTP	Clean Transportation Program
CPR	Critical Project Review
DGE	Diesel Gallon Equivalent
EPC	Engineering, Procurement and Construction
FTD	Fuels and Transportation Division
GPD	Gallons Per Day
GPY	Gallons Per Year
GHG	Greenhouse Gas
GMP	Guaranteed Maximum Price
LCFS	Low Carbon Fuel Standard
LCOE	Levelized Cost of Electricity
MSW	Municipal Solid Waste
P&ID	Process and Instrumentation
PIIRA	Petroleum Industry Information Reporting Act
RCNG	Renewable Compressed Natural Gas
Recipient	California Grinding, Inc.
RINs	Renewable Information Numbers
RTF	Renewable Transportation Fuel
TAC	Technical Advisory Committee
TPD	Tons Per Day
TPY	Tons Per Year

Background

Assembly Bill (AB) 118 (Núñez, Chapter 750, Statutes of 2007), created the Clean Transportation Program. The statute authorizes the California Energy Commission (CEC) to develop and deploy alternative and renewable fuels and advanced transportation technologies to help attain the state's climate change, clean air, and alternative energy policies. AB 8 (Perea, Chapter 401, Statutes of 2013) re-authorizes the Clean Transportation Program through January 1, 2024. The Clean Transportation Program has an annual budget of approximately \$100 million and provides financial support for projects that:

- Reduce California's use and dependence on petroleum transportation fuels and increase the use of alternative and renewable fuels and advanced vehicle technologies.

- Produce sustainable alternative and renewable low-carbon fuels in California.
- Expand alternative fueling infrastructure and fueling stations.
- Improve the efficiency, performance and market viability of alternative light-, medium-, and heavy-duty vehicle technologies.
- Retrofit medium- and heavy-duty on-road and non-road vehicle fleets to alternative technologies or fuel use.
- Expand the alternative fueling infrastructure available to existing fleets, public transit, and transportation corridors.
- Establish workforce training programs and conduct public outreach on the benefits of alternative transportation fuels and vehicle technologies.

On April 12, 2021, the CEC released Grant Funding Opportunity, entitled “Ultra-Low-Carbon Fuel: Commercial-Scale Production Facilities & Blending Infrastructure.” This competitive grant solicitation was to support ultra-low-carbon fuel production in two funding categories: commercial-scale production facilities and blending infrastructure. In response to GFO-20-608, the Recipient submitted application #7 which was proposed for funding in the CEC’s Notice of Proposed Awards on November 5, 2021. GFO-20-608 and Recipient’s application are hereby incorporated by reference into this Agreement in their entirety.

In the event of any conflict or inconsistency between the terms of the Solicitation and the terms of the Recipient’s Application, the Solicitation shall control. In the event of any conflict or inconsistency between the Recipient’s Application and the terms of CEC’s Award, CEC’s Award shall control. Similarly, in the event of any conflict or inconsistency between the terms of this Agreement and the Recipient’s Application, the terms of this Agreement shall control.

Problem Statement:

California has enacted several laws that eliminate diversion credits for green waste when placed in landfills and requiring the diversion of organic waste from landfills. The only approved alternative methods are composting and anaerobic digestion (AD). While composting may be an effective solution for small quantities of organic wastes, it has limited markets and is not a viable alternative for most of the materials diverted from landfills, particularly in California’s major metropolitan areas. CalRecycle estimates that 50-100 new facilities will be required statewide to handle the organic wastes that can no longer be landfilled under the state regulations now in effect.

Both food and green/landscaping wastes, which face new recycling mandates, make abundant feedstocks for AD to produce sustainable transportation fuels. The primary obstacle to the widespread adoption of AD is its cost as compared to landfilling. This is exacerbated by the relatively poor carbon-to-methane conversion rates of conventional AD technology, particularly for highly cellulosic wastes like curbside collected green and landscaping wastes. This project will resolve principal barriers, key issues, and knowledge gaps that hinder the development and widespread use of AD in the production of renewable transportation fuels.

Goals of the Agreement:

The goal of this Agreement is to bring on-line a commercial scale, organic waste-fed AD project. The facility will process 250 tons per day of organic waste materials to produce an estimated 1,345,451 gallons of diesel gallon equivalent (DGE) per year of renewable compressed natural gas (RCNG) in California's Central Valley. This RCNG will be injected into the PG&E pipeline adjacent to the plant site through California Grinding's existing Interconnection Agreement with PG&E and provided to the City of Fresno for use with their existing CNG bus fleets and waste hauling trucks, or other public or private truck or bus fleets in the region.

This project will convert organic waste materials to RCNG, materials that would otherwise be landfilled, thereby offsetting the consumption of fossil fuels by heavy-duty, on-road vehicles. The project will also replace existing diesel-powered grinders, screens, and site mobile equipment with electric or hybrid-driven equipment, and it will eliminate more than 6,000 truck trips delivering organic waste from the site.

Objectives of the Agreement:

The objectives of this project are to:

- Produce an estimated 1,345,451 diesel equivalent gallons per year of RCNG
- Divert at least 91,250 tons per year (TPY) of green and food waste and dairy manure from landfill disposal.
- Self-generate all needed heat and power through a co-located gasification system utilizing the dried digestate as one of its feedstocks or other renewable fuel-based self-generation technologies
- Produce approximately 7 million gallons of clean waste extracted from the organic waste feedstocks
- Significantly reduce criteria air contaminants in the California Central Valley
- Provide fifty (50) full time equivalent jobs during construction and twenty-nine (29) on-going jobs in Fresno.
- Achieve a carbon intensity of approximately -180gCO₂/MJ or lower

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 Commission Agreement Manager (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 CAM, the Commission Agreement Officer (CAO), and a representative of the California Energy Commission (CEC) Accounting Office. The Recipient shall bring their Project Manager, Agreement Administrator, Accounting Officer, and any others determined necessary by the Recipient or specifically requested by the CAM to this meeting.

- Provide a written statement of project activities that have occurred after the notice of proposed awards but prior to the execution of the agreement using match funds. If none, provide a statement that no work has been completed using match funds prior to the execution of the agreement. All pre-execution match expenditures must conform to the requirements in the Terms and Conditions of this Agreement.
- Discuss the following administrative and technical aspects of this Agreement:
 - Agreement Terms and Conditions
 - Critical Project Review (Task 1.2)
 - Match fund documentation (Task 1.7) No reimbursable work may be done until this documentation is in place.
 - Permit documentation (Task 1.8)
 - Subawards needed to carry out project (Task 1.9)
 - The CAM's expectations for accomplishing tasks described in the Scope of Work
 - An updated Schedule of Products and Due Dates
 - Monthly Calls (Task 1.4)
 - Quarterly Progress Reports (Task 1.5)
 - Technical Products (Product Guidelines located in Section 5 of the Terms and Conditions)
 - Final Report (Task 1.6)

Recipient Products:

- Updated Schedule of Products
- Updated List of Match Funds
- Updated List of Permits
- Written Statement of Match Share Activities

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 CEC 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 CAM 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 CAO, the Fuels and Transportation Division (FTD) program lead, other CEC staff and Management as well as other individuals selected by the CAM to provide support to the CEC.

The CAM shall:

- Determine the location, date, and time of each CPR meeting with the Recipient. These meetings generally take place at the CEC, but they may take place at another location or remotely.
- 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 CEC 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 and the CAM. 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 CAM.

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 CAM will determine the appropriate meeting participants.

The administrative portion of the meeting shall be a discussion with the CAM about the following Agreement closeout items:

- What to do with any equipment purchased with CEC funds (Options)
- CEC 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 Calls

The goal of this task is to have calls at least monthly between CAM and Recipient to 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 verbally 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, to verify match funds are being proportionally spent concurrently or in advance of CEC funds or are being spent in accordance with an approved Match Funding Spending Plan, to form the basis for determining whether invoices are consistent with work performed, and to answer any other questions from the CAM. Monthly calls might not be held on those months when a quarterly progress report is submitted, or the CAM determines that a monthly call is unnecessary.

The CAM shall:

- Schedule monthly calls.
- Provide questions to the Recipient prior to the monthly call.
- Provide call summary notes to Recipient of items discussed during call.

The Recipient shall:

- Review the questions provided by CAM prior to the monthly call
- Provide verbal answers to the CAM during the call.

Product:

- Email to CAM concurring with call summary notes

Task 1.5 Quarterly 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 Quarterly 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. Progress reports are due to the CAM the 10th day of each January, April, July, and October. The Quarterly Progress Report template can be found on the ECAMS Resources webpage available at <https://www.energy.ca.gov/media/4691>.

Product:

- Quarterly Progress Reports

Task 1.6 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 CEC 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 1.7 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 CEC budget for this task will be zero dollars, the Recipient may utilize match funds for this task. 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 CAM at least 2 working days prior to the kick-off meeting. If no match funds were part of the proposal that led to the CEC 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 CEC 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 CAM if during the course of the Agreement additional match funds are received.
- Notify the CAM 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 1.8 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 CEC budget for this task will be zero dollars, the Recipient may 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 CAM 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 CAM.
- As permits are obtained, send a copy of each approved permit to the CAM.
- If during the course of the Agreement permits are not obtained on time or are denied, notify the CAM 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 1.9 Obtain and Execute Subawards

The goal of this task is to ensure quality products and to procure subrecipients 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.

The Recipient shall:

- Manage and coordinate subrecipient activities.
- If requested by the CAM, submit a draft of each subaward required to conduct the work under this Agreement to the CAM for review.
- If requested by the CAM, submit a final copy of the executed subaward.
- If Recipient intends to add new subrecipients or change subrecipients, then the Recipient shall notify the CAM.

Products:

- Letter describing the subawards needed, or stating that no subawards are required
- Draft subcontracts (if requested)
- Final subcontracts (if requested)

TECHNICAL TASKS

TASK 2: DESIGN DEVELOPMENT

The goal of this task is to generate the basis of design and produce preliminary and final design documents and prepare and provide a construction contract with a clearly defined scope, schedule, and guaranteed maximum price (GMP) budget for project implementation.

Task 2.1: Basis of Design Report

The goal of this subtask is to finalize system mass and energy balance while taking into account the flexibility of varying outputs including renewable transportation fuels and renewable electricity. This task will ensure that the fuel will meet market conditions and offtake contract requirements within the control system design. Process flow and instrumentation diagram(s) will also be prepared as necessary to describe the process sequences and unit operations.

The Recipient Shall:

- Establish material balance, by taking into consideration:
 - Inputs
 - Feedstock
 - Outputs
 - Biogas
 - Co-products

- Emissions and waste
- Establish energy balance, by taking into consideration:
 - Total energy output
 - Parasitic energy demand (electric and heat)
 - Net energy output (RCNG, electricity and heat)
 - Hot water, steam, and heated air considerations
- Create Process Flow Diagram and Unit Operations Descriptions
- Develop Schematic Equipment Layout and process and instrumentation diagrams (P&ID)
- Prepare a Basis of Design Report which includes non-proprietary conceptual layout, process description, material balance, energy balance, and P&ID diagrams

Products:

- Draft Basis of Design Report
- Final Basis of Design Report

Task 2.2: Schematic Design of the System

The goal of this subtask is to generate preliminary design drawings and specifications based upon outputs from Task 2.1.

The Recipient Shall:

- Develop schematic design drawings, equipment lists and specifications for the biogas transportation fuel production/hybridization system. Schematic design products are anticipated to include:
 - Process and instrumentation diagrams
 - Process flow diagrams
 - Site plan
 - General arrangement drawings
 - Electrical single line diagrams
 - Equipment lists
 - Geotechnical study (if required)
- Develop Schematic Design Report that includes non-proprietary schematic design drawings, equipment lists and specifications for the biogas transportation fuel production system

Products:

- Draft Schematic Design Report
- Final Schematic Design Report

Task 2.3: Design and Construction Documents and Specifications

The goal of this subtask is to prepare the procurement package for equipment procurement and installation, site work and related construction, and obtain building permits.

The Recipient Shall:

- Complete more detailed design drawings and specifications as necessary for the EPC Contractor's use and obtain building permits including the following elements:
 - Site civil and drainage drawings
 - Site structural and foundation drawings
 - Site utility drawings
 - Overview, elevations and plan views of the design
 - Updated P&IDs showing all instrumentation and process elements
 - Mechanical, electrical and shop drawings
 - Control system design and interface hardware selection
 - Consumable and spare parts needed
 - Schedule and timeline for equipment procurement (including approvals, ordering and delivery), fabrication, site work, installation, testing, and commissioning
- Prepare building permit applications and provide necessary documentation to Lead Agencies to obtain permits
- Complete and submit a Design Summary Report that includes non-proprietary detailed designs and drawings developed, list of permits, and copies of permits obtained for construction and operation

Products:

- Design Summary Report

TASK 3: EQUIPMENT PROCUREMENT

The goal of this task is to procure components and manage the fabrication and assembly of equipment and systems. This includes custom, proprietary hardware, and licensed technologies that are integrated with off-the-shelf commercial equipment and instrumentation.

The Recipient Shall:

- Identify equipment suppliers
- Obtain pricing, delivery time and warranty information as needed
- Initiate orders
- Create an Equipment Procurement Summary Report to include a list of equipment vendors, pricing, and estimated delivery timeframes

Products:

- Equipment Procurement Summary Report

[CPR WILL BE HELD IN THIS TASK. See Task 1.2 for details]

TASK 4: CONSTRUCTION AND EQUIPMENT INSTALLATION

The goal of this task is to prepare the site; receive, assemble and install equipment; test and validate the system; and perform inspections.

Task 4.1: Complete Site Preparation and Major Equipment Installation

The goal of the subtask is to ensure the site is prepared such that the equipment delivery and utility hook-up is not delayed. Following site preparation, the Recipient will install and secure required equipment according to the final design documents and building codes and permits.

The Recipient Shall:

- Perform site grading (cut and fill) to Civil Grading Plan
- Excavate footings, foundations and underground utilities
- Pour concrete foundations, footings, pads, and structural supports
- Establish interconnections to all utilities and existing AD system
- Construct site walls, fences and gates
- Construct site security elements
- Make other site changes as determined by the Site Preparation Plan and city building permits
- Precision set, assemble, and insulate tanks
- Place skids and all major system components
- Anchor all equipment per the engineering specifications and building permit requirements
- Create a Site Preparation and Equipment Installation Summary Report that documents tasks completed under task 4.1

Products:

- Site Preparation and Equipment Installation Summary Report

Task 4.2: Quality Control Inspections and System Testing

The goal of this subtask is to conduct quality control and testing during the construction project such that the final equipment is ready for start-up and commissioning.

The Recipient Shall:

- Perform construction oversight and installation quality assurance/quality control processes.

- Test all subsystems prior to commencing commercial operations, including:
 - Verifying all point-to-point connections
 - Labeling all components and process lines
 - Testing installed equipment for wet, dry and gas/pressure leaks
- Test and validate installed functionality of:
 - Feedstock delivery system
 - VERDE pre-digestion system
 - Anaerobic digesters
 - Digestate removal and processing system
 - Contamination removal equipment
 - RCNG clean-up and delivery to PG&E pipeline
 - Heat exchanger system and valve assemblies
 - Circulation piping systems and valve assemblies
 - Biogas clean-up, compression and pipeline delivery systems
 - Computer controls system and control components
- Prepare a System Inspection and Testing Summary Report that documents tasks completed under Task 4.2

Products:

- System Inspection and Testing Summary Report

Task 5: SYSTEM STARTUP

The goal of this task is to complete training orientation for operations personnel, initiate system feeding and start-up, initiate automatic controls, and attain operational status for the transportation fuel production. This also includes the introduction of “biological seed” in the form of anaerobic sludge and VERDE pre-digestion bacteria to initiate the AD process and steady increase of loading to achieve steady-state conditions at the designed loading rate.

Task 5.1: System Feeding and Start-Up and Initiation of Automatic Controls

The goal of this subtask is to evaluate the system performance to establish optimum feed rates.

The Recipient Shall:

- Acquire and transfer seed sludge to AD system and biological inoculant to VERDE pre-digestion system
- Establish a feeding schedule and commence feeding
- Initiate automated controls
- Monitor feed ramp up to maximum specification and allowable capacity based on system design
- Monitor digester performance including:

- Gas production (flare, transportation fuel generation)
 - pH of each reactor
 - Solids concentration of feedstock and reactor liquids
- Create a System Feeding and Start-up Summary Report to summarize feeding schedule and digester performance

Products:

- System Feeding and Start-up Summary Report

Task 5.2: Operations and Maintenance Documentation and Staff Training

The goal of this subtask is to prepare the documentation and provide training necessary for transfer from start-up to commercial operations.

The Recipient Shall:

- Develop and document Standard Operating Procedures (e.g. checklists, data collection, routine maintenance)
- Develop and document Non-Standard Operating Procedures (e.g. troubleshooting, restarts, non-routine maintenance, equipment changes)
- Establish and implement a Maintenance Plan to include:
 - Preventive Maintenance Schedule
 - Spare Parts and Consumables
 - Contract Services
- Prepare a Training and Maintenance Plan Summary Report that includes training procedures, the Standard Operating Procedures, Non-Standard Operating Procedures, and Maintenance Plan

Products:

Training and Maintenance Plan Summary Report

Task 5.3 Performance of Steady-State, Normal Operations and Commercial Operation

The goal of this subtask is to record system performance operational parameters and document the system is ready to commence commercial operations.

The Recipient Shall:

- Create a System Start-Up and Commissioning Summary Report that includes a summary and documentation of the following:
 - Certification of the steady-state system performance of AD, gas cleaning and compression system, VERDE pre-digestion and other value-added products as compared to the original specification
 - Record the steady-state “process fingerprint” (normal condition for instruments and parameters)

- Perform environmental and other tests required by regulatory agencies (air emissions, noise, etc.)
- Prepare a written notification of commencement of commercial operation. The written notification shall contain the following elements:
 - Date the project achieved commercial operation
 - A narrative of the status of the project and initial operation
 - Any changes made from the project as originally proposed and reasons for the changes

Products:

- Draft System Start-Up and Commissioning Summary Report
- Final System Start-Up and Commissioning Summary Report
- Written Notification of Commencement of Commercial Operation

[CPR WILL BE HELD IN THIS TASK. See Task 1.2 for details]

Task 6 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 facility issues identified.
- Collect at least six months of data, including:
 - Throughput, usage, and operations data
 - Normal operating hours, up time, downtime, 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 (wastewater, 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, and
 - 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 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 the 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 7 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

M e m o r a n d u m

To: ARV-21-051, California Grinding, Inc. – Fresno Anaerobic Digestion Facility

Date: 4/19/2022

From: **Pilar Magaña**
California Energy Commission
715 P Street
Sacramento, CA 95814-5512

Telephone: 916-577-1548

Subject: California Environmental Quality Act Analysis for ARV-21-051

I am an Air Pollution Specialist in the Fuels and Transportation Division of the California Energy Commission and am the Commission's Agreement Manager for proposed grant Agreement ARV-21-051, titled "Fresno Anaerobic Digestion Facility, "(Project) with California Grinding, Inc. (Awardee).

This memo analyzes the environmental impacts of the proposed Project, which is part of a separate, but overlapping project considered and approved by the City of Fresno (City). The City evaluated Conditional Use Permit Application No. 15-003, Fresno Anaerobic Digestion Facility, which analysis includes evaluation of work under the Project.

Work under the Project will be conducted at a West Coast Waste (WCW) Facility, which is a chipping and grinding operation where green material, wood waste, and food waste is received, ground, and either composted on-site or sent to biomass power plants and other users. The facility also includes a construction, demolition, and inert (CDI) debris recycling operation, a Material Recovery Facility (MRF), and a municipal solid waste (MSW) transfer station with a full Solid Waste Facility Permit (SWFP). CDI is sorted and shipped off-site to recycling markets. Source separated recyclables and select commercial loads are sorted and recyclables shipped to markets. MSW and non-salvageable residue is trucked to the County landfill. In their initial CUP West Coast Waste requested authorization to expand allowed material handling types, operations, and tonnage to enhance overall recycling and organics handling operations, which includes the installation of a covered composting system, anaerobic digester with Compressed Natural Gas (CNG) production, and Food Material into the composting of organic material.

The Project will allow California Grinding to expand on existing demonstration work at the facility to scale up to a commercial-scale facility that would allow for the expanded processing of waste for the production of CNG. The City describes the site as, "located at 3077 South

Golden State Frontage Road, Fresno, California 93725. A vacant portion of the fully permitted, company-owned and operated green waste processing facility in an industrially zoned area will be used for the Project expansion.”

The City’s Development and Resource Management Department, on January 1, 2016, considered and filed an Initial Study and Mitigated Negative Declaration for Conditional Use Permit Application No. C-15-030, which proposed an amendment to Conditional Use Permit No. C-04- 174 and requested authorization to expand material handling types (including food waste), operations, and tonnage to enhance overall recycling and organics handling operations. Expansions include the installation of a covered composting system and anaerobic digester with CNG production. On July 20, 2016, the City’s Development and Resource Management Department approved the CUP, and made mitigation measures a condition of approval. The related environmental document, Mitigated Negative Declaration (SCH No. 2016041045) (MND), has also been approved. The MND was routed for public review from January 1, 2016, through January 25, 2016, and routed to the State Clearinghouse for agency review and comment from April 15, 2016, through May 16, 2016.

Pursuant to my work in developing the Project, including the Scope of Work for the Project, I have reviewed the 2016 Initial Study and Mitigated Negative Declaration (IS/MND), including mitigation measures; Conditional Use Permit; filed Notice of Determination; related documentation; and the Master Environmental Impact Report No. SCH No. 2012111015 General Plan Mitigation Measure Monitoring Checklist

Based on my review and consideration of the above documents, it is my independent and professional opinion that, since the above CEQA documents have been finalized, there have been no new project changes, and no new, additional, or increased significant environmental impacts have occurred. Furthermore, I have not identified any new information which would change the conclusions of the City’s CEQA documents or render those conclusions inadequate. It is also my independent and professional opinion that the work to be performed under the proposed Project falls within the scope of the IS/MND, and that the Project will not result in any new significant environmental impacts. Finally, I have not identified any new mitigation measures, within the Commission’s authority, that would lessen or further mitigate the impacts of the Project.

The reasons for my conclusions are as follows:

Under the Project, the Awardee will annually produce an estimated 1,345,451 diesel equivalent gallons (DGE) of renewable natural gas (RNG) while processing 91,250 tons of municipal solid waste (MSW) per year on-site at West Coast Waste’s waste processing facility. This will consist of 60% green waste, 30% dairy waste and 10% food waste, diverting these wastes from landfill disposal, decomposition, or open field burning. The Awardee will process green waste from the City of Fresno and landscapers. Food waste will be sourced from the City’s future collection program and manure will be acquired from dairies operating within 10 miles of the site. The

Project will consume a total waste volume of 91,250 tons per year (TPY), 60% of which is currently being delivered to the site under contract to the City of Fresno.

This project is located at an existing waste processing facility and will not result in increased waste or traffic, but rather act as a pathway for processing the excessive waste the site is already taking in and result in the diversion of some waste to landfills. Additionally, while water usage mitigation measures are included as a part of the Project, this project will result in a diversion that will annually produce an estimated 7 million gallons of clean water from green waste moisture reduction, a critical factor in times of drought. Some equipment installations will occur, however the impacts to the existing site and facility are considered minimal.

The environmental factors and mitigation measures identified for the Project by the Lead Agency's IS/MND are listed below:

Air Quality:

The Project will comply with all applicable air quality plans. Therefore, no violations of air quality standards will occur, and no net increase of pollutants will occur. The proposed use, if approved, will be allowed on the subject site, and will not expose sensitive receptors to substantial pollutant concentrations as the facility is located in a highly industrial area, bounded by railroad tracks, highway, and other industrial facilities. The proposed project is not proposing a use which will create objectionable odors more obnoxious than the current use and surrounding uses; therefore, there will be no impact.

Biological Resources:

Given that the Project will be located in an area surrounded by urban uses, and that there are no existing biological resources, and the proposed use does not conflict with any local policies or ordinances protecting biological resources, the proposed project will have no impact on biological resources.

The Project will not have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, by the California Department of Fish and Game or U.S. Fish and Wildlife Service, because said species are not identified to be located within the project area. There is no riparian habitat, or any other sensitive natural community identified in the vicinity of the proposed project by the California Department of Fish and Game or the US Fish and Wildlife Service. No federally protected wetlands are located on the subject site; therefore, there would be no impacts to species, riparian habitat or other sensitive communities and wetlands. The project site is not located in an area containing native residents or migratory fish or wildlife species. The project site has no trees or other vegetation that could be considered a biological resource and thus the project will not conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance. The project area is not located within an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation

plan. In conclusion, with MEIR mitigation measures incorporated, the project will not result in any biological impacts beyond those analyzed in MEIR SCH No. 2012111015.

Cultural Resources/Tribal Cultural Resources:

There are no structures which exist within the project area that are listed in the National or Local Register of Historic Places, and the subject site is not within a designated historic district.

There are no known archaeological resources, paleontological resources, and human remains that exist within the project area. The MEIR certified for the Fresno General Plan, Mitigation Measure Monitoring Checklist includes measures to address archaeological resources, paleontological resources, and human remains. In conclusion, with MEIR mitigation measures incorporated, the project will not result in any cultural resource impacts beyond those analyzed in MEIR SCH No. 2012111015.

Hazard and Hazardous Materials:

There are no known existing hazardous material conditions on the site and the project is not located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5. The project itself will not generate or use hazardous materials, is not in an airport hazard zone, is not near any wildland fire hazard zones, and poses no interference with the City's or County's Hazard Mitigation Plans or emergency response plans. The subject site has not been under cultivation for at least twenty-three (23) years dating back to 1992. Therefore, no known pesticides or hazardous materials exist on the site and the proposed project will have no environmental impacts related to potential hazards or hazardous materials as identified above.

This site is currently permitted to handle clean wood and green waste with a peak loading of 500 tons per day (TPD). The current operating area is 15 acres. This expansion would consist of increasing its materials handling to include select loads of municipal solid waste, source-separated recyclables, construction and demolition debris, tires, and food waste. This site's main focus will remain receiving and processing green and wood waste. The addition of the permitted facility expansion will enhance the overall recycling and organics handling operations by being able to efficiently deal with mixed wastes. Processed organics (food waste and green waste) will be utilized as feedstock for the proposed covered composting system. At full build-out, approximately 3.5 acres will be designated for the composting system that will be designed to handle 300 TPD. The third phase of construction incorporates anaerobic digesters, including CNG production and fuel station. At full build-out, the anaerobic digester will be designed to handle roughly 200 TPD.

Only non-hazardous material is accepted at the facility. This includes materials from curbside-collection programs, green waste, wood waste, food waste, commercial accounts, or other recycling programs. The facility is also permitted to receive and process mixed loads of

residential, commercial, industrial, and municipal solid waste (MSW), as well as construction, demolition, and debris, tires, and self-hauled material.

No designated, special, medical, liquid, or hazardous wastes are accepted at the facility. A Hazardous Waste Load Checking Program has been implemented to enforce this policy.

Furthermore, the County of Fresno has incorporated several conditions of approval into the project: The applicant/operator was required to submit, if applicable, construction permits for development subject to assurance of sewer capacity of the Regional Wastewater Treatment Facility. Concurrence should be obtained from the California Regional Water Quality Control Board (RWQCB); and an application to operate a recycling center to the California Department of resources Recycling and Recovery (CalRecycle). Construction permits for the development should be subject to assurance that the City of Fresno community water system has the capacity and quality to serve this project. Concurrence should be obtained from the State Department of Health Services, Division of Drinking Water and Environmental Management (DDWEM).

Hydrology and Water Quality

With MEIR mitigation measures incorporated, the project will not result in any hydrology and water quality impacts beyond those analyzed in MEIR SCH No. 2012111015. The Department of Public Utilities has reviewed the proposed project and has determined that the water supply is adequate to support the project. The nearest water main to serve the proposed project is an 8-inch main located in Golden State Frontage. Water facilities are available to provide service to the site subject the requirement that all on-site water facilities shall remain private. This was made a condition of approval by the City.

Currently, drainage is directed to the existing onsite system. The current system includes inlets to an on-site ponding basin and all drainage goes to the ponding basin. A second ponding basin may be installed to ensure no storm drainage goes off-site. The drainage and runoff control plan will be submitted as part of the revised Stormwater NPDES Permit. The purpose is to ensure that runoff does not contain solids or other contaminants; that flooding does not occur; and that erosion is avoided. The plan indicates the direction of surface runoff into the drainage structures. A Storm Water Pollution Prevention Plan and Monitoring Program Plan will be developed and implemented to manage stormwater at the facility.

Wastewater generated by the facility will be minimized as a result of dry sweeping methods employed at the facility. Dry clean-up methods are used exclusively at the site; therefore, no industrial wastewater will be generated. Sanitary wastewater from the employee restrooms will be pumped for treatment at the City's wastewater treatment plant. Truck travel areas will be paved, surfaced with crushed rock, or mixed with fly ash to provide a good all-weather surface. All municipal solid waste (MSW) will be handled inside a building, thus eliminating the potential for contact water.

Transportation

The proposed project is not expected to generate traffic which would significantly impact any nearby roads. There would also not be an increase in traffic beyond what is allowed. Therefore, the project would have no impact and not cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system, or in a substantial increase in vehicle miles traveled.

The City of Fresno Public Works Department, Traffic Engineering Division has determined, based on the information shown on page 5 of the Transfer Processing Report Draft, dated September 2015, the Average Daily Trips (ADT) was calculated to be 660 ADT. To account for employees leaving throughout the day for errands, breaks, etc., an additional 50 more ADT is added for a total of 710 ADT for the proposed project.

Aesthetics

The Project is expected to have less than significant to no impacts on Aesthetics.

Agricultural and Forestry Resources

The Project is expected to have less than significant to no impacts on Agricultural and Forestry Resources.

Energy

The Project is expected to have less than significant impacts on Energy Resources.

Geology and Soils

The Project is expected to have less than significant to no impacts on Geology and Soils.

Greenhouse Gas Emissions

The Project is expected to have less than significant impacts on Greenhouse Gas Emissions.

Land Use and Planning

The proposed project will not divide an established community and will not conflict with any policies given the fact that the use is allowed in the M-3 zone district subject to a conditional use permit. The project will not conflict with any conservation plans since it is not located within any conservation plan areas.

Mineral Resources

The Project is expected to have no impacts on Mineral Resources.

Noise

The construction of this Project includes both short-term, construction related noise, and long-term noise potentially generated by increases in area traffic, nearby stationary sources, or other transportation sources. The Fresno Municipal Code (FMC) allows for construction noise in excess of standards if it complies with the section below (Chapter 10, Article 1, Section 10-109 - Exemptions). Thus, construction activity would be exempt from City of Fresno noise regulations, as long as such activity is conducted pursuant to an applicable construction permit and occurs between 7:00 a.m. and 10:00 p.m., excluding Sunday. Therefore, short-term construction impacts associated with the exposure of persons to or the generation of noise levels in excess of standards established in the general plan or noise ordinance 01· applicable standards of other agencies would be less than significant.

Population and Housing

The Project is expected to have less than significant to no impacts on Population and Housing.

Public Services

The Project is expected to have less than significant impacts on Public Services.

Recreation

The Project is expected to have no impacts on Recreation.

Utilities and Service System

The Project is expected to have less than significant impacts on Utilities and Service System.

Wildfire

The Project is expected to have no impacts on Wildfire.

Mandatory Findings of Significance:

There is no evidence in the record to indicate that the increment of environmental impacts that would be potentiated by this project would be cumulatively significant. There is also no evidence in the record that the proposed project would have any adverse impacts directly, or indirectly, on human beings. Therefore, there are no mandatory findings of significance.

California Environmental Quality Act

Initial Study/Mitigated Negative Declaration and County of Fresno's Notice of Determination

California Grinding, Inc's Fresno Anaerobic Digestion Facility Project

Follow the link below to view the documents listed above

https://drive.google.com/drive/folders/1dan9d54R1KAJ1i-kU0ZvGIDUwj_wcLgv?usp=sharing

STATE OF CALIFORNIA

STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

RESOLUTION – RE: Fresno Anaerobic Digestion Facility

WHEREAS, the City of Fresno (“City”) is the Lead Agency for “Fresno Anaerobic Digestion Facility” (“Project”), a proposed project to construct and commission a commercial-scale fuel production facility at an existing waste processing facility in the City; and

WHEREAS, the City Development and Resource Management Department, in 2016, prepared an Initial Study and Mitigated Negative Declaration (“IS/MND”) and Conditional Use Permit No. C-15-030 (“CUP”) for work at 3077 S Golden State Frontage Road (“Project Site”), to West Coast Waste, which leases the Project Site to California Grinding, Inc.; and which IS/MND included analysis of the Project and evaluated the potential environmental impacts of implementing the Project; and copies of which are on file with the California Energy Commission and are provided in the backup materials; and

WHEREAS, the City Development and Resource Management Department considered and filed the IS/MND on January 1, 2016, a copy of which is on file with the Energy Commission and is provided in the backup materials; and made mitigation measures a condition of approval; and on July 20, 2016 the City Development and Resource Management Department approved the CUP for the Project, a copy of which is also on file with the Energy Commission; and

WHEREAS, the Energy Commission has reviewed and considered the City’s IS/MND, mitigation measures, and the findings contained therein, and filed Notice of Determination, and the Energy Commission staff’s findings, which are contained in the Staff Memorandum and CEQA Analysis of ARV-21-051, which is included in the backup materials; and

WHEREAS, the Energy Commission is considering proposed Agreement ARV-21-051, “Fresno Anaerobic Digestion Facility”, a grant to construct the fuel production facility; and

WHEREAS, Prior to acting on the Agreement ARV-21-051, the Energy Commission desires to make certain findings pursuant to the CEQA Guidelines, title 14, section 15096;

NOW THEREFORE, BE IT RESOLVED:

1. The Energy Commission has reviewed the information contained in the IS/MND, mitigation measures, and the CUP that is relevant to its approval of ARV-21-051, and has reviewed the CEQA findings contained in the City’s IS/MND, mitigation measures, and the CUP, which are adopted to the extent that they are relevant to

the Energy Commission's decision to approve ARV-21-051, and has reviewed the Staff Memorandum identified above.

2. The City has already adopted the mitigation measures recommended in the Mitigated Negative Declaration, and the CUP, and has authority to implement the mitigation measures or to seek any required approvals for the mitigation measures, and the Energy Commission has no direct authority to implement the mitigation measures.
3. The Energy Commission has reviewed and considered the IS/MND, mitigation measures, CUP, and Staff Memorandum, and finds that these documents are adequate for its use as the decision-making body for its consideration of ARV-21-051.
4. Approval of ARV-21-051 is within the scope of the Solid Waste Facilities Permit for West Coast Waste approved by the City, and within the activities evaluated in the IS/MND and CUP.
5. Since the MND was finalized and filed on January 1, 2016; and since the CUP was approved on July 19, 2016, none of the circumstances within CEQA section 15162 are present and there have been no substantial project changes and no substantial changes in the project circumstances that would require major revisions to the MND or CUP, either due to the involvement of new significant environmental effects or to an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusion set forth in the MND.
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.

THEREFORE BE IT RESOLVED, that the Energy Commission finds, on the basis of the entire record before it, that the mitigation measures incorporated in the Conditional Use Permit and Mitigated Negative Declaration will prevent ARV-21-051 from having any significant environmental impacts; and

BE IT FURTHER RESOLVED, that the Energy Commission approves ARV-21-051 with California Grinding, Inc. for \$3,000,000; and

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

CERTIFICATION

The undersigned Secretariat to the CEC 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 CEC held on April 26, 2022.

AYE:

NAY:

ABSENT:

ABSTAIN:

Liza Lopez
Secretariat