



# GRANT REQUEST FORM (GRF)

## A) New Agreement # ARV-21-052 (to be completed by CGL office)

B) Division	Agreement Manager:	MS-	Phone
Fuels and Transportation	Taiying Zhang	27	916-903-4241

C) Recipient's Legal Name	Federal ID #
SoCal Biomethane, LLC	38-4044957

D) Title of Project
Victor Valley Anaerobic Digester Upgrade and RNG Production Expansion

## E) Term and Amount

Start Date	End Date	Amount
4 / 28 / 2022	6 / 30 / 2024	\$ 1,500,000

## 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 Taiying Zhang Time Needed: 5 minutes  
 Please select one list serve. Altfuels

### Agenda Item Subject and Description:

SOCAL BIOMETHANE, LLC. Proposed resolution approving Agreement ARV-21-052 with SoCal Biomethane, LLC for a \$1,500,000 grant to produce 1.6 million DGEs of low-carbon renewable natural gas as transportation fuel from food waste and wastewater and displace 18,256 metric tons (MTs) of CO2e per year, and adopting staff's determination that this action is exempt from CEQA. (Clean Transportation Program Funding) Contact: Taiying Zhang (Staff Presentation: 5 minutes)

## G) California Environmental Quality Act (CEQA) Compliance

- 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 .
- If Agreement is considered a "Project" under CEQA:
  - Agreement **IS** exempt.
  - Statutory Exemption. List PRC and/or CCR section number:
  - Categorical Exemption. List CCR section number: 15301 and 15303
  - Common Sense Exemption. 14 CCR 15061 (b)
- Explain reason why Agreement is exempt under the above section:
 

Work under this project consists of installation of small new equipment at an existing wastewater treatment plant, and falls under both Class 1 and Class 3.



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Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use. All new equipment will be installed at an existing wastewater treatment plant, and an existing renewable natural gas plant within that wastewater treatment facility. Modifications will be made to existing equipment and piping, and new equipment will be placed on existing concrete or in an existing biodigester. For these reasons, work under this project will have no significant impact on the environment and falls within 15301.

Class 3 consists of construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure. There are five components to the work. First, an existing thickener unit will be replaced. The new unit will be placed on existing concrete, and will be approximately 24 square feet. Pumps, piping, and a filter will be placed on existing lines. Second, a new membrane holder and piping will be installed, next to an existing membrane holder. The new membrane holder will be approximately 300 square feet. Third, modifications will be made to existing piping in an existing renewable natural gas (RNG) plant within the existing wastewater treatment facility. Small electronic controls and instrumentation, new piping, valves, and membranes on existing racks will all be added. The new membranes are approximately 12" x 36". Fourth, a microgrid controller – i.e., a computer – will be added at the RNG plant. Fifth, two mixers will be added to an existing anaerobic digester. Each mixer is approximately 900 pounds, with a 1.5-meter blade diameter. The result of these upgrades and additions of small new equipment will be to increase throughput without changing use, while simultaneously reducing biogas flaring. For these reasons, work under this project will have no significant impact on the environment and falls within 15303.

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)



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<b>Legal Company Name:</b>
Victor Valley Wastewater Reclamation Authority
Anaergia Services, LLC
Build Momentum, Inc.

### J) Budget Information

Funding Source	Funding Year of Appropriation	Budget List Number	Amount
ARFVTF	19/20	601.118L	\$1,500,000
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: Anton Stallinger  
 Address: 705 Palomar Airport Rd,  
 Suite 200  
 City, State, Zip: Carlsbad, CA  
 92011  
 Phone: 760-889-0321  
 E-Mail:  
 anton.stallinger@anaergia.com

#### 2. Recipient's Project Manager

Name: Jeremy Metts  
 Address: 705 Palomar Airport Rd,  
 Suite 200  
 City, State, Zip: Carlsbad, CA  
 92011  
 Phone: 760-517-7238  
 E-Mail: jeremy.metts@anaergia.com

### 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 checked="" type="checkbox"/> N/A | <input type="checkbox"/> Attached |

\_\_\_\_\_  
**Agreement Manager**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Office Manager**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Deputy Director**

\_\_\_\_\_  
**Date**

CEC-270 Attachment  
List of Subrecipients (and their own subrecipients and equipment providers)  
ARV-21-052 (SoCal Biomethane, LLC)

<b>Vendors/Subrecipients</b>	<b>CEC Funds</b>
W. M. Lyles Co.	\$1,000,000
Southern Contracting Company	\$90,000
Anaergia Technologies	\$0
Ecomembrane	\$100,000
Evonik	\$520,000
TBD	\$100,000
TBD	\$500,000

## 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		Project Fact Sheet

### KEY NAME LIST

Task #	Key Personnel	Key Subcontractor(s)	Key Partner(s)
1	Jeremy Metts Daniel Orozco (Momentum)	Momentum	Anaergia
2	Andrew Dale	N/A	Anaergia
3	Andrew Dale	WM Lyles	Anaergia
4	Andrew Dale Daniel Orozco (Momentum)	Momentum	Anaergia
5	Andrew Dale	Momentum	Anaergia
6	Andrew Dale	N/A	Anaergia

### GLOSSARY

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

Term/ Acronym	Definition
CAM	Commission Agreement Manager
CAO	Commission Agreement Officer
CEC	California Energy Commission
CTP	Clean Transportation Program
CPR	Critical Project Review

<b>Term/ Acronym</b>	<b>Definition</b>
DGE	Diesel Gallon Equivalent
FTD	Fuels and Transportation Division
GHG	Greenhouse Gas
Recipient	SoCal Biomethane, LLC
RNG	Renewable Natural Gas
Scfm	Standard cubic feet per minute

**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 a Grant Funding Opportunity entitled “Ultra-Low-Carbon Fuel: Commercial-Scale Production Facilities & Blending Infrastructure.” This competitive grant solicitation was an offer to fund ultra-low-carbon transportation fuel in two funding categories: commercial-scale production facilities and blending infrastructure at new and existing advanced fuel production or fuel blending facilities. Existing fuel production and fuel blending facilities must expand or modify facilities to increase production or blending capacity. In response to GFO-20-608, the Recipient submitted application #2 which was proposed for funding in the CEC’s Notice of Proposed Awards on November 5, 2021. GFO-20-608 and the 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:**

Every year, California landfills nearly 6 million tons of organic and food waste. 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 and food waste infrastructure is insufficient to manage the targeted amount of waste without landfilling. Currently, there are 156 wastewater treatment plants in California that have some amount of available capacity for co-digestion, which greatly increases biogas generation. Victor Valley Water Reclamation Authority (VWVRA) recently initiated co-digestion on site. Nonetheless, the organization has identified additional available organic and food waste streams, along with excess demand for produced biogas. Key upgrades to VWVRA's digester and biogas upgrading system are needed to further increase organic and food waste handling capacity and renewable natural gas production. More generally, economically beneficial solutions to manage large volumes of food and organic waste are needed to support further advancement of state goals for both waste management and renewable fuels production across California.

## **Goals of the Agreement:**

The goal of this Agreement is to more than double the capacity of an existing, recently-completed 500 standard cubic feet per minute (scfm) anaerobic digester facility owned by the VWVRA to produce a total of 1,200 scfm biogas (a 700 scfm increase). The project will upgrade the new biogas into approximately 420 scfm (1,640,988 diesel gallon equivalent [DGE] per year) of 100% renewable, low-carbon renewable natural gas (RNG), to be transported via pipeline for sale as transportation fuel. The work includes a new thickener, mixers, a new membrane holder, a microgrid controller, and new piping and small modification of the existing facility. The project seeks to offset fossil fuel emissions from transportation by at least 18,256 metric tons of carbon dioxide equivalent per year from offsetting conventional diesel fuel.

## **Objectives of the Agreement:**

The objectives of this Agreement are to:

- Expand the existing waste receiving bins to handle an additional 100,000 gallons per day of liquid food waste;
- Increase the effective throughput capacity of the existing digester by approximately 100,000 gallons per day by installing high solids management equipment;
- Expand gas cleaning and compression system capacity to process at least 1,200 scfm (700 scfm expansion) of incoming biogas;
- Sell product biogas (1,640,988 DGE per year) for use as transportation fuel under California's Low Carbon Fuel Standard;
- Deploy a streamlined microgrid controller on site to further improve greenhouse gas (GHG) emissions reduction potential of produced fuel;
- Support direct benefits to local disadvantaged and low-income communities through new employment and education opportunities.

## **TASK 1 ADMINISTRATION**

### **Task 1.1 Attend Kick-off Meeting**

April 26, 2022

Page 3 of 16  
Scope of Work

ARV-21-052  
SoCal Biomethane, LLC

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 CEC 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 10<sup>th</sup> 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 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 includes the five main components: a new thickener, mixers, a new membrane holder, a microgrid controller, and new piping and modification of the existing facility. 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 all equipment and appurtenances and connections to packaged gas upgrading equipment
- Prepare 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 to initiate full facility operation. The project will replace the thickener, install two mixers, construct a new membrane holder, install a microgrid controller, and modify the piping of the existing facility. This task includes detailed subtasks and 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 and 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 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 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 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 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 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 *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 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 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 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 activities designed to provide direct and needed benefits to local communities identified as low-income per AB 1550. This task also supports public outreach generally, including technology transfer activities.

##### **The Recipient shall:**

- Prepare an *Outreach and Support Schedule*, which will include the 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 and landscaping
  - Local community outreach to advertise job opportunities at the site
  - Facility tours to schools
  - Facility tours to community members and the public
  - \$3,000 in annual scholarships
- Deploy the outreach and community support activities according to the list and schedule developed above.
- Collect data, lessons learned, successes, and other relevant information regarding the completed outreach and community support activities. and include in the Final Report.

##### **Products:**

- Outreach and Support Schedule
- Results from the proposed outreach and community support activities 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 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
  - 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 CEC'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 a California Air Resources Board approved pathway carbon intensity.
- Estimate annual life-cycle GHG emission reduction.
- Compare any project performance and expectations provided in the proposal to CEC 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

STATE OF CALIFORNIA

STATE ENERGY RESOURCES  
CONSERVATION AND DEVELOPMENT COMMISSION

RESOLUTION: SoCal Biomethane, LLC

**RESOLVED**, that the State Energy Resources Conservation and Development Commission (CEC) adopts the staff CEQA findings contained in the Agreement or Amendment Request Form (as applicable); and

**RESOLVED**, that the CEC approves Agreement ARV-21-052 with SoCal Biomethane, LLC for a \$1,500,000 grant to produce 1.6 million DGEs of low-carbon renewable natural gas as a transportation fuel from food waste and wastewater and displace 18,256 metric tons (MTs) of CO<sub>2</sub>e per year; and

**FURTHER BE IT RESOLVED**, that the Executive Director or their designee shall execute the same on behalf of the CEC.

**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:

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Liza Lopez  
Secretariat