



**CALIFORNIA  
ENERGY COMMISSION**



**California Energy Commission  
May 8, 2025 Business Meeting  
Backup Materials for City of Pasadena Water and Power Department**

The following backup materials for the above-referenced agenda item are available in this PDF packet as listed below:

1. Proposed Resolution
2. Grant Request Form
3. Scope of Work
4. CEQA Materials

[PROPOSED]

RESOLUTION NO: 25-0508-09

**STATE OF CALIFORNIA**  
**STATE ENERGY RESOURCES**  
**CONSERVATION AND DEVELOPMENT COMMISSION**

**RESOLUTION: City of Pasadena Water and Power Department**

**WHEREAS**, the City of Pasadena (City) is the Lead Agency for the Pasadena Glenarm Battery Energy Storage System Project (Glenarm BESS Project), proposed by the City of Pasadena Water and Power Department (Department), to purchase, install, and report performance of a four-hour lithium-ion battery system with a nameplate capacity of 25 megawatts (MW) of up to 100 megawatt-hours at the City's Glenarm Power Plant; and

**WHEREAS**, the Department prepared an Initial Study and Mitigated Negative Declaration (IS/MND) for the Glenarm BESS Project (SCH #2024080270), a Mitigation Monitoring and Reporting Program (MMRP), and a Conditional Use Permit #7227 (CUP) for the development, construction, operation, maintenance, and decommissioning of a 25 megawatt (MW) battery energy storage system on an approximately 0.59-acre site at the City's existing Glenarm Power Plant located at 72 East Glenarm Street, in the City of Pasadena, California; and

**WHEREAS**, the Final IS/MND describes the role of the California Energy Commission (CEC) as a Responsible Agency for the proposed Glenarm BESS Project, with discretionary review and approval of potential grant funding under the Distributed Electricity Backup Asses (DEBA) Program; and

**WHEREAS**, the Final IS/MND documents the CEC staff's review and comments on the draft IS/MND which were incorporated by City staff in the revised project description, analysis, and mitigation measures in the Final IS/MND prepared by the Department; and

**WHEREAS**, a Hearing Officer for the City, under delegated authority from the City Council pursuant to Pasadena Municipal Code Section 17.60.070, adopted the Final IS/MIND, MMRP and CUP #7227 for the Glenarm BESS Project at a public hearing on March 19, 2025;

**WHEREAS**, the City filed a Notice of Determination with the State Clearinghouse on March 20, 2025, reflecting the actions taken as a Lead Agency for the project; and

**WHEREAS**, the CEC staff has reviewed and considered the Final IS/MND, MMRP, CUP #7227, Notice of Determination, and confirmed that all suggestions, comments, and mitigation that CEC staff provided to City staff during the review of the draft IS/MND and

MMRP were incorporated into the project description, analysis, and mitigation measures in the Final IS/MND and MMRP and fully address CEC staff's independent review of the potential impacts of the Glenarm BESS Project as a Responsible Agency; and

**WHEREAS**, the CEC Staff has prepared a memorandum for the CEC's consideration reflecting the staff's independent review and analysis of the whole of the record related to the Glenarm BESS Project; and

**WHEREAS**, the CEC is considering approving DEBA funding under agreement DBA-24-006 with the City of Pasadena Water and Power Department for a \$9,660,000 grant to purchase, install, and report performance of a four-hour lithium-ion battery system with a nameplate capacity of 25 megawatts (100 megawatt-hours) for the Glenarm BESS Project; and

**WHEREAS**, prior to acting on agreement DBA-24-006, the CEC desires to make certain findings as a Responsible Agency pursuant to the CEQA Guidelines at California Code of Regulations, title 14, section 15096.

**THEREFORE, BE IT RESOLVED,**

1. The CEC has independently reviewed the information contained in the Final IS/MND and MMRP prepared and adopted by the City, and the findings relevant CUP #7227 approving the Glenarm BESS Project funded by DBA-24-006, and has reviewed the CEC staff memorandum identified above.
2. The City has already adopted the mitigation measures recommended in the Final IS/MND, MMRP, and CUP #7227, and has authority to implement the mitigation measures or to seek any required approvals for the mitigation measures.
3. The CEC has reviewed and considered the Final IS/MND, MMRP, CUP #7227, and the CEC staff memorandum, and finds that these documents are adequate for its use as the decision-making body for its consideration of DBA-24-006.
4. Approval of DBA-24-006 is within the scope of the activities evaluated in the Final IS/MND and CUP #7227.

**FURTHER BE IT RESOLVED**, that the CEC finds, on the basis of the entire record before it, that with the City's implementation and enforcement of all mitigation measures in the MMRP and conditions of the CUP #7227, there is no substantial evidence that the activities funded by DBA-24-006 will have a significant effect on the environment; and

**FURTHER BE IT RESOLVED**, that CEC finds that this conclusion reflects its independent judgment and analysis as a responsible agency under CEQA; and

**FURTHER BE IT RESOLVED**, that the Energy Commission approves DBA-24-006 with the City of Pasadena Water and Power Department for \$9,660,000; 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 May 8, 2025.

AYE:

NAY:

ABSENT:

ABSTAIN:

Dated:

\_\_\_\_\_  
Kristine Banaag  
Secretariat



## GRANT REQUEST FORM (GRF)

### A. New Agreement Number

**IMPORTANT:** New Agreement # to be completed by Contracts, Grants, and Loans Office.

**New Agreement Number:** DBA-24-006

### B. Division Information

1. Division Name: Reliability, Renewable Energy & Decarbonization Incentives Division
2. Agreement Manager: O'Shea Bennett
3. MS-:45
4. Phone Number: (916) 626-0723

### C. Recipient's Information

1. Recipient's Legal Name: City of Pasadena Water and Power Department
2. Federal ID Number: 95-6000759

### D. Title of Project

Title of project: Pasadena Glenarm Battery Energy Storage System Project

### E. Term and Amount

1. Start Date: June 18, 2025
2. End Date: March 30, 2033
3. Amount: \$9,660,000

### F. Business Meeting Information

1. Are the ARFVTP agreements \$75K and under delegated to Executive Director? N/A
2. The Proposed Business Meeting Date: 05-08-2025
3. Consent or Discussion? Discussion
4. Business Meeting Presenter Name: O'Shea Bennett
5. Time Needed for Business Meeting: 5 minutes.
6. The email subscription topic is: Distributed Electricity Backup Assets

#### Agenda Item Subject and Description:

**City of Pasadena Water and Power Department.** Proposed resolution adopting California Environmental Quality Act (CEQA) findings for the City of Pasadena's Glenarm Battery Energy Storage System Project (Project) and approving grant agreement DBA-24-006 with the City of Pasadena Water and Power Department. (DEBA Funding) Contact: O'Shea Bennett (Staff Presentation: 5 Minutes)

a. CEQA Findings. Findings as a responsible agency that based on the whole record including the Mitigated Negative Declaration and Mitigation Monitoring & Reporting Program adopted by the City of Pasadena for the Glenarm Battery Energy Storage System Project, it is the independent judgement of the CEC that there is no substantial evidence that the actions under the Agreement will have a significant effect on the environment.

b. City of Pasadena Water and Power Department. Proposed approval of agreement DBA-24-006 with the City of Pasadena Water and Power Department for a \$9,660,000 grant to purchase, install, and report performance of a four-hour lithium-ion battery system with a nameplate capacity of 25 megawatts (100 megawatt-hours) at the City's Glenarm Power Plant.



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

### 1. Is Agreement considered a “Project” under CEQA?

Yes

### 2. If Agreement is considered a “Project” under CEQA answer the following questions.

#### a) Agreement **IS** exempt?

No

#### Statutory Exemption?

No

If yes, list PRC and/or CCR section number(s) and separate each with a comma. If no, enter “None” and go to the next question.

PRC section number: None

CCR section number: None

#### Categorical Exemption?

No

If yes, list CCR section number(s) and separate each with a comma. If no, enter “None” and go to the next question.

#### Common Sense Exemption? 14 CCR 15061 (b) (3)

No

If yes, explain reason why Agreement is exempt under the above section. If no, enter “Not applicable” and go to the next section.

#### b) Agreement **IS NOT** exempt.

Yes

Additional Documents	Applies
Initial Study	Yes
Negative Declaration	No
Mitigated Negative Declaration	Yes
Environmental Impact Report	No
Statement of Overriding Considerations	No
None	No

### H. Is this project considered “Infrastructure”?

No

### I. Subcontractors

List all Subcontractors listed in the Budget (s) (major and minor). Insert additional rows if needed. If no subcontractors to report, enter “No subcontractors to report” and “0” to funds.

**Delete** any unused rows from the table



Subcontractor Legal Company Name	CEC Funds	Match Funds
TBD	\$9,660,000	\$3,400,750

### J. Vendors and Sellers for Equipment and Materials/Miscellaneous

List all Vendors and Sellers listed in Budget(s) for Equipment and Materials/Miscellaneous. Insert additional rows if needed. If no vendors or sellers to report, enter "No vendors or sellers to report" and "0" to funds. **Delete** any unused rows from the table.

Vendor/Seller Legal Company Name	CEC Funds	Match Funds
No vendors or sellers to report		

### K. Key Partners

List all key partner(s). Insert additional rows if needed. If no key partners to report, enter "No key partners to report." **Delete** any unused rows from the table.

Key Partner Legal Company Name
No key partners to report

### L. Budget Information

Include all budget information. Insert additional rows if needed. If no budget information to report, enter "N/A" for "Not Applicable" and "0" to Amount. **Delete** any unused rows from the table.

Funding Source	Funding Year of Appropriation	Budget List Number	Amount
DEBA	2021-22	500.108	\$9,660,000

**TOTAL Amount: \$**

R&D Program Area: Not Applicable

Explanation for "Other" selection Not Applicable

Reimbursement Contract #: Not Applicable

Federal Agreement #: Not Applicable

### M. Recipient's Contact Information

#### 3. Recipient's Administrator/Officer

Name: Melissa Gray

Address: 85 E State Street

City, State, Zip: Pasadena, CA, 91105

Phone: 626-744-3896



STATE OF CALIFORNIA  
CALIFORNIA ENERGY COMMISSION

Grant Request Form  
CEC-270 (Revised 01/2024)

E-Mail: mgray@cityofpasadena.net

#### 4. Recipient's Project Manager

Name: Art Silva

Address: 85 E State Street

City, State, Zip: Pasadena, CA, 91105

Phone: 626-744-4568

E-Mail: asilva@cityofpasadena.net

#### N. Selection Process Used

There are three types of selection process. List the one used for this GRF.

Selection Process	Additional Information
Competitive Solicitation #	GFO-23-401
First Come First Served Solicitation #	Not Applicable
Other	Not Applicable

#### O. Attached Items

1. List all items that should be attached to this GRF by entering "Yes" or "No".

Item Number	Item Name	Attached
1	Exhibit A, Scope of Work/Schedule	Yes
2	Exhibit B, Budget Detail	Yes
3	CEC 105, Questionnaire for Identifying Conflicts	Yes
4	Recipient Resolution	Yes
5	Awardee CEQA Documentation	Yes

#### Approved By

Individuals who approve this form must enter their full name and approval date in the MS Word version.

**Agreement Manager:** O'Shea Bennett

**Approval Date:** 3/7/2025

**Office Manager:** Ashley Emery



STATE OF CALIFORNIA  
CALIFORNIA ENERGY COMMISSION

Grant Request Form  
CEC-270 (Revised 01/2024)

**Approval Date:** 03/19/2025

**Director:** Deana Carrillo

**Approval Date:** Deputy Director's Approval Date 3/26/2025

## Exhibit A Scope of Work

### I. TASK ACRONYM/TERM LISTS

#### A. Task List

Task #	CPR <sup>1</sup>	Task Name
1		General Project Tasks
2		System Design and Engineering, Permitting
3	X	Long Lead Time and Major Equipment Procurement
4		System Construction, Interconnection, and Commissioning
5		BESS System Operation and Data Collection / Verification
6		Annual Measurement and Verification Reporting
7		Evaluation of Project Benefits
8		Project Fact Sheet

#### B. Acronym/Term List

Acronym/Term	Meaning
<b>CAISO</b>	<b>California Independent System Operator</b>
CAM	Commission Agreement Manager
CAO	Commission Agreement Officer
CEC	California Energy Commission
CPR	Critical Project Review
DEBA	Distributed Electricity Backup Assets
Emergency Event	<p>An extreme event is defined in Public Resources Code Section 25790.5(b) to mean either of the following:</p> <ul style="list-style-type: none"> <li>• An event occurring at a time and place in which weather, climate, or environmental conditions, including temperature, precipitation, drought, fire, or flooding, present a level of risk that would constitute or exceed a one-in-ten event, as referred to by the North American Electric Reliability Corporation, including when forecast in advance by a load-serving entity or local publicly owned electric utility.</li> <li>• An event where emergency measures are taken by a California balancing authority, including when forecast in advance by the California balancing authority.</li> </ul>
MW	Megawatt
MWh	Megawatt-hour
Recipient	City of Pasadena Water and Power Department
SCADA	Supervisory Control and Data Acquisition

<sup>1</sup> Please see subtask 1.3 in Part III of the Scope of Work (General Project Tasks) for a description of Critical Project Review (CPR) Meetings.

## **Exhibit A Scope of Work**

### **II. PURPOSE OF AGREEMENT, PROBLEM/SOLUTION STATEMENT, AND GOALS AND OBJECTIVES**

#### **A. Purpose of Agreement**

The purpose of this Agreement is to provide funding for the purchase, installation, and reporting of performance of a four-hour lithium-ion battery energy storage system anticipated to provide 25 MW of capacity, and to make the battery energy storage system capacity available during extreme events on a day-ahead and real-time basis to the host California Balancing Authority for a term of five years from the commercial online date of the battery energy storage system. This is a new battery system sited at an existing power plant at the Glenarm Power Plant, and will connect to the bulk electricity system at the same interconnection point as the existing power plant on site.

#### **B. Problem/ Solution Statement**

##### **Background**

Assembly Bill (AB) 205 (Ting, Chapter 61, Statutes of 2022) created the Strategic Reliability Reserve to support the state's electric grid reliability during extreme events. PRC Section 25790(c) states, "As California transitions to a clean energy future and contends with climate impacts and other challenges, sufficient capacity of new and existing generation assets will be required to maintain reliability during extreme events." As part of the Strategic Reliability Reserve, the Distributed Electricity Backup Assets (DEBA) Program provides incentives for constructing cleaner and more efficient distributed energy assets to strengthen electricity reliability. The DEBA Program also supports efficiency upgrades and capacity additions to existing bulk grid power generators in California that will support the state's electrical grid during extreme events, prioritizing 1) feasible, cost-effective zero- and low-emission resources, and then 2) feasible, cost-effective conventional resources. Grant funding under GFO-23-401 is intended to accelerate project timelines and help fill gaps in the market that are preventing implementation of eligible projects.

##### **Problem**

Interconnection of new bulk grid electricity assets can take multiple years. A large amount of existing bulk grid electricity assets plan to retire in coming years. Until new reliability resources are available, less efficient bulk grid natural gas power plants may be needed to maintain reliability, delaying the implementation of plans to take these resources offline.

##### **Solution**

Under this Agreement the Recipient will purchase, install, and report performance of a 4-hour, 25 MW (100 MWh) battery energy storage system. The project will be located at the existing Glenarm Generating Station and leverage the existing interconnection. The new storage capacity will enable the Glenarm Power Plant to provide incremental capacity available as a reliability resource to support the grid during extreme events.

#### **C. Goals and Objectives of the Agreement**

##### **Agreement Goals**

The goals of this Agreement are to:

## Exhibit A Scope of Work

- Accelerate purchase and installation of a 4-hour battery energy storage system co-located with an existing power plant and interconnected to the bulk transmission grid in California.
- Measure and verify five (5) years of performance of the availability of the capacity of the battery energy storage system during peak reliability hours (4 p.m. – 10 p.m.) and electricity grid emergency events.
- Measure and verify five (5) years of performance of the battery energy storage system to charge during the day when the greenhouse gas intensity of grid electricity is low and discharge during peak reliability hours (4 p.m. – 10 p.m.).

### **Agreement Objectives**

The objectives of this Agreement are to:

- Purchase and install a battery energy storage system sited at an existing power plant located in California and interconnected in California to the bulk transmission grid.
- Make the capacity of the battery energy storage system available during extreme events for a term of five years from the commercial online date of the battery energy storage system.
- Make the capacity of the battery energy storage system available on a day-ahead and real-time basis to the host California Balancing Authority for economic and exceptional dispatch, consistent with the applicable requirements and operational capabilities of the battery energy storage system.
- Provide measurement and verification data and performance reports according to a measurement verification plan approved by the CAM.

### **III. TASK 1 GENERAL PROJECT TASKS**

#### **PRODUCTS**

##### **Subtask 1.1 Products**

The goal of this subtask is to establish the requirements for submitting project products (e.g., reports, summaries, plans, and presentation materials). Unless otherwise specified by the Commission Agreement Manager (CAM), the Recipient must deliver products as required below by the dates listed in the **Project Schedule (Part V)**. All products submitted which will be viewed by the public, must comply with the accessibility requirements of Section 508 of the federal Rehabilitation Act of 1973, as amended (29 U.S.C. Sec. 794d), and regulations implementing that act as set forth in Part 1194 of Title 36 of the Federal Code of Regulations. All technical tasks should include product(s). Products that require a draft version are indicated by marking “**(draft and final)**” after the product name in the “Products” section of the task/subtask. If “(draft and final)” does not appear after the product name, only a final version of the product is required. With respect to due dates within this Scope of Work, “**days**” means working days.

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

For products that require a draft version, including the Final Report Outline and Final Report

- Submit all draft products to the CAM for review and comment in accordance with the Project Schedule (Part V). The CAM will provide written comments to the Recipient on the draft product within 15 days of receipt, unless otherwise specified in the task/subtask for which the product is required.
- Consider incorporating all CAM comments into the final product. If the Recipient disagrees with any comment, provide a written response explaining why the comment was not incorporated into the final product.

## **Exhibit A**

### **Scope of Work**

- Submit the revised product and responses to comments within 10 days of notice by the CAM, unless the CAM specifies a longer time period, or approves a request for additional time.

#### For products that require a final version only

- Submit the product to the CAM for acceptance. The CAM may request minor revisions or explanations prior to acceptance.

#### For all products

- Submit all data and documents required as products in accordance with the following.

#### Instructions for Submitting Electronic Files and Developing Software:

##### ○ **Electronic File Format**

- Submit all data and documents required as products under this Agreement in an electronic file format that is fully editable and compatible with the California Energy Commission's (CEC) software and Microsoft (MS)-operating computing platforms, or with any other format approved by the CAM. Deliver an electronic copy of the full text of any Agreement data and documents in a format specified by the CAM, such as memory stick.

The following describes the accepted formats for electronic data and documents provided to the CEC as products under this Agreement, and establishes the software versions that will be required to review and approve all software products:

- Data sets will be in MS Access or MS Excel file format (version 2007 or later), or any other format approved by the CAM.
- Text documents will be in MS Word file format, version 2007 or later.
- Project management documents will be in Microsoft Project file format, version 2007 or later.

##### ○ **Software Application Development**

Use the following standard Application Architecture components in compatible versions for any software application development required by this Agreement (e.g., databases, models, modeling tools), unless the CAM approves other software applications such as open source programs:

- Microsoft ASP.NET framework (version 3.5 and up). Recommend 4.0.
- Microsoft Internet Information Services (IIS), (version 6 and up)  
Recommend 7.5.
- Visual Studio.NET (version 2008 and up). Recommend 2010.
- C# Programming Language with Presentation (UI), Business Object and Data Layers.
- SQL (Structured Query Language).
- Microsoft SQL Server 2008, Stored Procedures. Recommend 2008 R2.
- Microsoft SQL Reporting Services. Recommend 2008 R2.
- XML (external interfaces).

Any exceptions to the Electronic File Format requirements above must be approved in writing by the CAM. The CAM will consult with the CEC's Information Technology Services Branch to determine whether the exceptions are allowable.

## Exhibit A Scope of Work

### MEETINGS

#### Subtask 1.2 Kick-off Meeting

The goal of this subtask is to establish the lines of communication and procedures for implementing this Agreement.

#### The Recipient shall:

- Attend a “Kick-off” meeting with the CAM, the Commission Agreement Officer (CAO), and any other CEC staff relevant to the Agreement. The Recipient will bring its Project Manager and any other individuals designated by the CAM to this meeting. The administrative and technical aspects of the Agreement will be discussed at the meeting. Prior to the meeting, the CAM will provide an agenda to all potential meeting participants. The meeting may take place in person or by electronic conferencing (e.g., Teams), with approval of the CAM.

The administrative portion of the meeting will include discussion of the following:

- Terms and conditions of the Agreement;
- Invoicing and auditing procedures;
- Products (subtask 1.1);
- CPR meetings (subtask 1.3);
- Match Funds (subtask 1.8);
- Permits (subtask 1.9);
- Subcontracts (subtask 1.10); and
- Any other relevant topics.

The technical portion of the meeting will include discussion of the following:

- The CAM's expectations for accomplishing tasks described in the Scope of Work;
  - An updated Project Schedule;
  - Products (subtask 1.1);
  - Monthly Status Updates (subtask 1.5);
  - Quarterly Progress Reports and Invoices (subtask 1.6)
  - Final Report (subtask 1.7); and
  - Any other relevant topics.
- Provide *Kick-off Meeting Presentation* to include but not limited to:
    - Project overview (i.e. project description, goals and objectives, technical tasks, expected benefits, etc.)
    - Project schedule that identifies milestones
    - List of potential risk factors and hurdles, and mitigation strategy
  - Provide an *Updated Project Schedule, Match Funds Status Letter, and Permit Status Letter*, as needed to reflect any changes in the documents.

#### The CAM shall:

- Designate the date and location of the meeting.
- Send the Recipient a *Kick-off Meeting Agenda*.

#### Recipient Products:

- Kick-off Meeting Presentation
- Updated Project Schedule (*if applicable*)
- Match Funds Status Letter (subtask 1.8)

## **Exhibit A Scope of Work**

- Permit Status Letter (subtask 1.9)

### **CAM Product:**

- Kick-off Meeting Agenda

### **Subtask 1.3 Critical Project Review (CPR) Meetings**

The goal of this subtask is to determine if the project should continue to receive CEC funding, and if so whether any modifications must be made to the tasks, products, schedule, or budget. CPR meetings provide the opportunity for frank discussions between the CEC and the Recipient. As determined by the CAM, discussions may include project status, challenges, successes, advisory group findings and recommendations, final report preparation, and progress on technical transfer and production readiness activities (if applicable). Participants will include the CAM and the Recipient and may include the CAO and any other individuals selected by the CAM to provide support to the CEC.

CPR meetings generally take place at key, predetermined points in the Agreement, as determined by the CAM and as shown in the Task List on page 1 of this Exhibit. However, the CAM may schedule additional CPR meetings as necessary. The budget will be reallocated to cover the additional costs borne by the Recipient, but the overall Agreement amount will not increase. CPR meetings generally take place at the CEC, but they may take place at another location, or may be conducted via electronic conferencing (e.g., Teams) as determined by the CAM.

### **The Recipient shall:**

- Prepare and submit a *CPR Report* for each CPR meeting that: (1) discusses the progress of the Agreement toward achieving its goals and objectives; and (2) includes recommendations and conclusions regarding continued work on the project.
- Attend the CPR meeting.
- Present the CPR Report and any other required information at each CPR meeting.

### **The CAM shall:**

- Determine the location, date, and time of each CPR meeting with the Recipient's input.
- Send the Recipient a *CPR Agenda* with a list of expected CPR participants in advance of the CPR meeting. If applicable, the agenda will include a discussion of match funding and permits.
- Conduct and make a record of each CPR meeting. Provide the Recipient with a schedule for providing a Progress Determination on continuation of the project.
- Determine whether to continue the project, and if so whether modifications are needed to the tasks, schedule, products, or budget for the remainder of the Agreement. If the CAM concludes that satisfactory progress is not being made, this conclusion will be referred to the Director of the Reliability, Renewable Energy, and Decarbonization Incentives Division.
- Provide the Recipient with a *Progress Determination* on continuation of the project, in accordance with the schedule. The Progress Determination may include a requirement that the Recipient revise one or more products.

### **Recipient Products:**

- CPR Report(s)

## **Exhibit A Scope of Work**

### **CAM Products:**

- CPR Agenda
- Progress Determination

### **Subtask 1.4 Final Meeting**

The goal of this subtask is to complete the closeout of this Agreement.

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

- Meet with CEC staff to present project findings, conclusions, and recommendations. The final meeting must be completed during the closeout of this Agreement. This meeting will be attended by the Recipient and CAM, at a minimum. The meeting may occur in person or by electronic conferencing (e.g., Teams), with approval of the CAM.

The technical and administrative aspects of Agreement closeout will be discussed at the meeting, which may be divided into two separate meetings at the CAM's discretion.

- The technical portion of the meeting will involve the presentation of findings, conclusions, and recommended next steps (if any) for the Agreement. The CAM will determine the appropriate meeting participants.
- The administrative portion of the meeting will involve a discussion with the CAM and the CAO of the following Agreement closeout items:
  - Disposition of any procured equipment.
  - The CEC's request for specific "generated" data (not already provided in Agreement products).
  - Need to document the Recipient's disclosure of "subject inventions" developed under the Agreement.
  - "Surviving" Agreement provisions including but not limited to the repayment provisions, confidential products, and data sharing listed in the Standard Terms & Conditions, Section 22(K).
  - Final invoicing and release of retention.
- Prepare a *Final Meeting Agreement Summary* that documents any agreement made between the Recipient and Commission staff during the meeting.
- Prepare a *Schedule for Completing Agreement Closeout Activities*.
- Provide copies of *All Final Products* on a USB memory stick, organized by the tasks in the Agreement.

### **Products:**

- Final Meeting Agreement Summary (*if applicable*)
- Schedule for Completing Agreement Closeout Activities
- All Final Products

## **REPORTS AND INVOICES**

### **Subtask 1.5 Monthly Status Updates**

- The goal of this task is to have monthly status updates between the 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 updates shall include information to monitor the timeliness of the commercial online date and ensure that all reimbursable activities are scheduled to be completed by March 30, 2030 and are complete and reimbursed by the CEC before the liquidation date of

## **Exhibit A**

### **Scope of Work**

June 30, 2030. No tasks completed after March 30, 2030, shall be reimbursed by CEC funds.

- 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, to verify that all CEC reimbursable activities scheduled to be completed by March 30, 2030, are completed and reimbursed before the liquidation date of June 30, 2030, 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 may determine that a monthly email summary is not required for a month when a quarterly progress is submitted.

#### **The CAM shall:**

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

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

- Email a summary every month to the CAM.
- Schedule a follow-up call with the CAM to discuss project status updates.
- Review the questions provided by CAM prior to the monthly call.
- Provide verbal answers to the CAM during the call.

#### **Product:**

- Email to CAM every month with status updates.
- Email to CAM concurring with monthly call summary notes.

#### **Subtask 1.6 Quarterly Progress Reports and Invoices**

- The goals of this subtask are to: (1) periodically verify that satisfactory and continued progress is made towards achieving the project objectives of this Agreement; and (2) ensure that invoices contain all required information and are submitted in the appropriate format.

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

- Submit a Quarterly Progress Report to the CAM. Each progress report must:
  - Summarize progress made on all Agreement activities as specified in the scope of work for the reporting period, including accomplishments, problems, milestones, products, schedule, fiscal status, and 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>
- Submit a monthly or quarterly Invoice on the invoice template(s) provided by the CAM.

#### **Recipient Products:**

- Quarterly Progress Reports

## **Exhibit A Scope of Work**

- Invoices

### **CAM Product:**

- Invoice template

### **Subtask 1.7 Final Report**

- The goal of this subtask is to prepare a comprehensive Final Report that describes the original purpose, approach, results, and conclusions of the work performed under this Agreement. When creating the Final Report Outline and the Final Report, the Recipient must use the CEC Style Manual provided by the CAM.

#### **Subtask 1.7.1 Final Report Outline**

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

- Prepare a Final Report Outline in accordance with the Energy Commission Style Manual provided by the CAM.

##### **Recipient Products:**

- Final Report Outline (draft and final)

##### **CAM Products:**

- Energy Commission Style Manual
- Comments on Draft Final Report Outline
- Acceptance of Final Report Outline

#### **Subtask 1.7.2 Final Report**

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

- Prepare a Final Report for this Agreement in accordance with the approved Final Report Outline, Energy Commission Style Manual, and Final Report Template provided by the CAM with the following considerations:
- Ensure that the report includes the following items, in the following order:
  - Cover page (**required**)
  - Credits page on the reverse side of cover with legal disclaimer (**required**)
  - Acknowledgements page (optional)
  - Preface (**required**)
  - Abstract, keywords, and citation page (**required**)
  - Table of Contents (**required**, followed by List of Figures and List of Tables, if needed)
  - Executive summary (**required**)
  - Body of the report (**required**)
  - References (if applicable)
  - Glossary/Acronyms (If more than 10 acronyms or abbreviations are used, it is required.)
  - Bibliography (if applicable)
  - Appendices (if applicable) (Create a separate volume if very large.)
  - Attachments (if applicable)

## **Exhibit A Scope of Work**

- Submit a draft of the report to the CAM for review and comment at least two months prior to the end of the agreement. The CAM will provide written comments to the Recipient on the draft product within 15 days of receipt.
- Incorporate all CAM comments into the Final Report. If the Recipient disagrees with any comment, provide a Written Responses to Comments explaining why the comments were not incorporated into the final product.
- Submit the revised Final Report electronically with any Written Responses to Comments within 10 days of receipt of CAM's Written Comments on the Draft Final Report, unless the CAM specifies a longer time period or approves a request for additional time. The final report must be submitted at least one month prior to the agreement end date.

### **Products:**

- Draft Final Report
- Written Responses to Comments (*if applicable*)
- Final Report

### **CAM Product:**

- Written Comments on the Draft Final Report

## **MATCH FUNDS, PERMITS, AND SUBCONTRACTS**

### **Subtask 1.8 Match Funds**

The goal of this subtask is to ensure that the Recipient obtains any match funds planned for this Agreement and applies them to the Agreement during the Agreement term.

While the costs to obtain and document match funds are not reimbursable under this Agreement, the Recipient may spend match funds for this task. The Recipient may spend match funds during the Agreement term, including after the liquidation date of June 30, 2030. With supporting documentation, the Recipient may also spend match funds prior to the execution of this Agreement after the Notice of Proposed Awards was posted, subject to all other requirements for eligible match funds provided in this Agreement. Match funds must be identified in writing, and the Recipient must obtain any associated commitments before incurring any costs for which the Recipient will request reimbursement.

### **The Recipient shall:**

- Prepare a *Match Funds Status Letter* that documents the match funds committed to this Agreement. 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 this 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 cash match funds, their source(s) (including a contact name, address, and telephone number), and the task(s) to which the match funds will be applied.
  - The amount of each in-kind contribution, a description of the contribution type (e.g., property, services), the documented market or book value, the 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 must identify its owner and provide

## Exhibit A Scope of Work

a contact name, address, telephone number, and the address where the property is located.

- If different from the solicitation application, provide a letter of commitment from an authorized representative of each source of match funding that the funds or contributions have been secured.
- At the Kick-off meeting, discuss match funds and the impact on the project if they are significantly reduced or not obtained as committed. If applicable, match funds will be included as a line item in the progress reports and will be a topic at CPR meetings.
- Provide a *Supplemental Match Funds Notification Letter* to the CAM of receipt of additional match funds.
- Provide a *Match Funds Reduction Notification Letter* to the CAM if existing match funds are reduced during the course of the Agreement. Reduction of match funds may trigger a CPR meeting.

### Products:

- Match Funds Status Letter
- Supplemental Match Funds Notification Letter (*if applicable*)
- Match Funds Reduction Notification Letter (*if applicable*)

### Subtask 1.9 Permits

The goal of this subtask is to obtain all certifications and permits required for construction upgrades, work completed, and continued operations as required 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, with the exception of costs incurred by University of California recipients. Permits must be identified and obtained before the Recipient may incur any costs related to the use of the permit(s) for which the Recipient will request reimbursement.

### The Recipient shall:

- Prepare a Certification and *Permit Status Letter* that documents the permits required to conduct this Agreement. If no permits are required at the start of this Agreement, then state this in the letter. If certifications or permits will be required during the course of the Agreement, provide in the letter:
  - A list of the certifications or permits that identifies: (1) the type of certification or permit; and (2) the name, address, and telephone number of the permitting jurisdictions or lead agencies.
  - The schedule the Recipient will follow in applying for and obtaining the permits.
  - The schedule for any conditions or mitigation required to obtain or comply with the permits, including but not limited to plans or testing required by the conditions or mitigation in the permits.

The list of certifications and permits, plus any plans or testing required by the conditions or mitigation in the permits, and the schedule for obtaining or completing them will be discussed at the Kick-off meeting (subtask 1.2), and a timetable for submitting the updated list, schedule, and copies of the permits will be developed. The impact on the project if the permits are not obtained in a timely fashion or are denied will also be discussed. If applicable, permits, plus any plans or testing required by the conditions or mitigation in the permits, will be included as a line item in progress reports and will be a topic at CPR meetings.

- If during the course of the Agreement additional permits become necessary, then provide the CAM with an *Updated List of Certifications and Permits* (including the

## **Exhibit A**

### **Scope of Work**

appropriate information on each permit) and an *Updated Schedule for Acquiring Certifications and Permits*.

- Send the CAM a *Copy of Each Approved Certification and Permit*.
- Upon request by the CAM, send a copy of plans or testing required by the conditions or mitigation in the permits.
- If during the course of the Agreement permits are not obtained on time or are denied, notify the CAM within 5 days. Either of these events may trigger a CPR meeting.

#### **Products:**

- Certification and Permit Status Letter
- Updated List of Certifications and Permits (*if applicable*)
- Updated Schedule for Acquiring Certifications and Permits (*if applicable*)
- Copy of Each Approved Certification and Permit (*if applicable*)
- Copy of plans or testing required by the conditions or mitigation in the permits (*if requested by the CAM*)

#### **Subtask 1.10 Subcontracts**

The goals of this subtask are to: (1) procure subcontracts required to carry out the tasks under this Agreement; and (2) ensure that the subcontracts are consistent with the terms and conditions of this Agreement.

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

- Manage and coordinate subcontractor activities in accordance with the requirements of this Agreement.
- Incorporate this Agreement by reference into each subcontract.
- Include any required Energy Commission flow-down provisions in each subcontract, in addition to a statement that the terms of this Agreement will prevail if they conflict with the subcontract terms.
- If required by the CAM, submit a draft of each *Subcontract* required to conduct the work under this Agreement.
- Submit a final copy of each executed subcontract.
- Notify and receive written approval from the CAM prior to adding any new subcontractors (see the discussion of subcontractor additions in the terms and conditions).

#### **Products:**

- Subcontracts (*draft if required by the CAM*)

### **IV. TECHNICAL TASKS**

*Products that require a draft version are indicated by marking “(draft and final)” after the product name in the “Products” section of the task/subtask. If “(draft and final)” does not appear after the product name, only a final version of the product is required. **Subtask 1.1 (Products)** describes the procedure for submitting products to the CAM.*

#### **TASK 2: SYSTEM DESIGN AND ENGINEERING, PERMITTING**

The goal of this task is to complete the project’s system design, establish a procurement list, and complete all final permitting documentation.

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

## **Exhibit A**

### **Scope of Work**

- Complete all system design and engineering
  - This will include limited engineering and design for system appurtenances and interconnection to the existing power system
- Prepare the following documents:
  - Technical Documentation
  - Manuals for Construction
  - Test Plans for Construction
  - Fire Safety Manual
  - Manufacturing Origin / Audit
- Prepare fire engineering and an Emergency Response and Emergency Action Plan required by Senate Bill 38 (Laird, Chapter 377, Statutes of 2023) for battery energy storage facilities, including:
  - Emergency Response and Emergency Action Plan
  - Hazard Mitigation Analysis
  - Offsite Consequence Analysis
- Provide the following products to the CAM:
  - *Issued for Construction Design Package*
  - *Permit(s)*
  - *Technical Documentation*
  - *Manuals for Construction*
  - *Test Plans for Construction*
  - *Fire Safety Manual*
  - *Manufacturing Origin / Audit*
  - *Emergency Response and Emergency Action Plan*
  - *Hazard Mitigation Analysis*
  - *Offsite Consequence Analysis*

#### **Products:**

- Issued for Construction Design Package
- Permit(s)
- Technical Documentation
- Manuals for Construction
- Test Plans for Construction
- Fire Safety Manual (Draft and Final)
- Manufacturing Origin / Audit
- Emergency Response and Emergency Action Plan (Draft and Final)
- Hazard Mitigation Analysis (Draft and Final)
- Offsite Consequence Analysis (Draft and Final)

#### **TASK 3: LONG-LEAD TIME AND MAJOR EQUIPMENT PROCUREMENT**

The goal of this task is to procure long-lead time and major equipment for the Battery Energy System.

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

- Initiate long-lead time equipment procurement process.
- Issue procurement order for transformers.
- Issue procurement order for 4-hour battery energy storage system containers with integrated alternating current output.
- Prepare a CPR Report in accordance with subtask 1.3 (CPR Meetings)
- Participate in a CPR meeting.

## **Exhibit A Scope of Work**

- Provide the following products to the CAM:
- *Long Lead-Time Equipment Procurement Plan Report*
- *Transformer Procurement Report*
- *Battery Container Procurement Report*
- *Transformer Delivery Report*
- *Battery Container Delivery Report*

### **Products:**

- CPR Report
- Long Lead-Time Equipment Procurement Plan Report
- Transformer Procurement Report
- Battery Container Procurement Report
- Transformer Delivery Report
- Battery Container Delivery Report

### **TASK 4: PROJECT CONSTRUCTION**

The goal of this task is to construct the battery energy storage system.

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

- Site preparation, grading, and trenching
- Construct, install, and commission a new battery energy storage system, including:
  - Civil and electrical construction
  - Large equipment and transformer pads
  - California Independent System Operator (CAISO) metering and telemetry installation
  - Equipment delivery and installation
  - Crane off-loading
  - Equipment anchoring
  - Low-voltage conduit and cable installation
  - Medium-voltage terminations and testing
  - Energy management system controller installation and wiring
  - Arc flash signage
  - Commissioning
  - Reviews and final checklist
- Prepare the Pre-Construction Final Report summarizing all pre-construction activities and site preparation.
- Prepare the Site Construction Final Report summarizing all construction, installation, and commissioning activities for the new battery energy storage system.
- Provide the following products to the CAM:
  - *Pre-Construction Final Report*
  - *Site Construction Final Report*

### **Products:**

- Pre-Construction Final Report
- Site Construction Final Report

### **TASK 5: SYSTEM INTERCONNECTION AND COMMERCIAL OPERATION**

The goal of this task is to complete system interconnection and begin commercial operation.

## **Exhibit A Scope of Work**

### **The Recipient shall:**

- Conduct CAISO New Resource Implementation Application and Processing Buckets 1-3:
  - Full network model and forecast preparation
  - Regulatory contracts and model testing
  - Market preparation
- Conduct CAISO New Resource Implementation Application and Processing Buckets 4-6:
  - Trial operations approval
  - Trial operations
  - Commercial operation
  - CAISO Commercial Operation Certificate issuance prior to declaring commercial operation date
- Complete interconnection and market pre-commissioning
- Complete market commissioning
- Declare commercial operation date
- Provide the following products to the CAM:
  - *Interconnection and Market Pre-Commissioning Report*
  - *Copy of CAISO Commercial Operation Certificate*
  - *Commercial Operation Report*

### **Products:**

- Interconnection and Market Pre-Commissioning Report
- Copy of CAISO Commercial Operation Certificate
- Commercial Operation Report

### **TASK 6: ANNUAL MEASUREMENT AND VERIFICATION REPORTING**

The goal of this task is to measure and verify five (5) years of performance of the battery energy storage system.

### **The Recipient shall:**

- Develop a *Measurement and Verification Plan* for approval by the CAM. The Measurement and Verification Plan must include, but is not limited to, a plan to provide annual measurement data and performance reports on the following:
  - Availability of the capacity of the battery energy storage system during extreme events for a term of five years from the commercial online date of the battery energy storage system.
  - Availability of the capacity of the battery energy storage system on a day-ahead and real-time basis to the host California Balancing Authority for economic and exceptional dispatch, consistent with the applicable requirements and operational capabilities of the battery energy storage system.
  - Charging of the battery energy storage system during the day when the greenhouse gas intensity of grid electricity is low and discharge during peak reliability hours (4 p.m. – 10 p.m.)
- Provide annual measurement and verification data and performance reports according to a measurement verification plan approved by the CAM.

### **Products:**

- Measurement and Verification Plan (draft and final)
- Measurement and Verification Report 1 (draft and final)
- Measurement and Verification Report 2 (draft and final)

## **Exhibit A**

### **Scope of Work**

- Measurement and Verification Report 3 (draft and final)
- Measurement and Verification Report 4 (draft and final)
- Measurement and Verification Report 5 (draft and final)

#### **TASK 7: EVALUATION OF PROJECT BENEFITS**

The goal of this task is to report the benefits resulting from this project.

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

- Complete the *Initial Project Benefits Questionnaire*. The Initial Project Benefits Questionnaire shall be initially completed by the Recipient with 'Kick-off' selected for the 'Relevant data collection period' and submitted to the CAM for review and approval.
- Complete the *Annual Survey* each year.
- Complete the *Final Project Benefits Questionnaire*. The Final Project Benefits Questionnaire shall be completed by the Recipient with 'Final' selected for the 'Relevant data collection period' and submitted to the CAM for review and approval.
- Respond to CAM questions regarding the questionnaire drafts.

##### **Products:**

- Initial Project Benefits Questionnaire
- Annual Surveys
- Final Project Benefits Questionnaire

#### **TASK 8: 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 (draft and final)
- Final Project Fact Sheet (draft and final)
- High Quality Digital Photographs

#### **V. PROJECT SCHEDULE**

Please see the attached Excel spreadsheet.



## MEMORANDUM

TO: David Hochschild  
Andrew McAllister  
Siva Gunda  
Noemí Gallardo  
Nancy Skinner

FROM: Renee Webster-Hawkins, Senior Attorney, Chief Counsel's Office

SUBJECT: California Environmental Quality Act (CEQA) Analysis for City of Pasadena Water and Power Department's Glenarm Battery Energy Storage System Project (DBA-24-006)

DATE: April 23, 2025

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### Summary

On the notice for the Business Meeting scheduled for May 8, 2025, the staff of the California Energy Commission (CEC staff) are proposing agreement DBA-24-006 (Agreement) with the City of Pasadena Water and Department (Department) for the Glenarm Battery Energy Storage System Project (Glenarm BESS Project, or Project). The DEBA funding will enable the Department to purchase, install, and report performance of a four-hour lithium-ion battery system with a nameplate capacity of 25 megawatts (MW) of up to 100 megawatt-hours at the Glenarm Power Plant. The Department – commonly known as Pasadena Water and Power (PWP) – is a not-for-profit community owned utility owned and operated by the City of Pasadena (City). The Department proposed the Glenarm BESS Project to the City in response to recommendations in PWP's Integrated Resources Plan (IRP) to accelerate the shift of the City's energy supply portfolio to low-carbon and renewable resources and to increase energy reliability in the event of outages. The Department applied for funding from the California Energy Commission (CEC) in support of the Project under GFO-23-401 and the Distributed Electricity Backup Assets (DEBA) Program. The Department's application was recommended for funding by CEC staff.

This memo discusses the environmental impacts of the proposed Agreement which will partially fund the Glenarm BESS Project. The Project was considered by the City as the lead agency under the California Environmental Quality Act (CEQA) and approved by the local land use agency in Conditional Use Permit #7227 on March 19, 2025. The discretionary decision by the CEC to provide funding for the Project under the proposed Agreement makes the CEC a responsible agency under CEQA. This analysis includes staff's recommendations for the CEC's findings as a responsible agency should the CEC decide to approve the Agreement.

## **Record and Documentation related to the Project and Agreement**

### **CEC Solicitation and City's Application**

On December 7, 2023, the CEC released competitive solicitation GFO-23-401 for grant funds for Bulk Grid Assess Enhancements for Grid Reliability for the purchase and installation of 1) efficiency upgrades and 2) capacity additions to existing bulk grid power generators in California that will serve as emergency supply for the state's electrical grid during extreme events. The solicitation proposed a total of \$150 million from DEBA funds for qualifying projects.<sup>1</sup>

On February 20, 2024, the Department submitted an application for \$9,660,000 in funding under GFO-23-401 for the proposed Glenarm BESS Project, specifically to deploy a BESS system, including a 25 MW / 100 MWh capacity Li-ion BESS plus relevant auxiliaries, and associated controls, engineering, and design. In the Application, the Department affirmed that the City of Pasadena would serve as the lead agency under CEQA and that the City was preparing an Initial Study/Mitigated Negative Declaration (IS/MND) to ensure CEQA compliance for the project.

On April 22, 2024, the CEC staff recommended the Department's application for \$9,660,00 in funding, contingent upon the approval of the Agreement at a publicly noticed CEC business meeting and execution of a grant agreement.

### **City's CEQA Process and CEC's Review and Comment**

On July 29, 2024, the City posted to CEQANet<sup>2</sup> a Notice of Intent to prepare an Initial Study and adopt a Mitigated Negative Declaration (IS/MND), and the project was assigned a state clearinghouse number SCH # 2024080720.<sup>3</sup> The first Draft IS/MND dated July 2024 was initially posted on August 19, 2024, and the 30-day comment period on the first Draft IS/MND ran from August 19, 2024 to September 17, 2024.

In response to the first Draft IS/MND, the Department of Transportation (DOT) and the Department of Toxic Substances Control (DTSC) each publicly posted comment letters on CEQANet.

Additionally, as a responsible agency the CEC staff independently reviewed the Project and the first Draft IS/MND and provided comments directly to the City. The City also shared a pre-release draft of the second Draft IS/MND and invited the CEC staff's review and comment on the updated project description, analysis, and mitigation measures. The CEC's comments on both versions included: suggested edits to the project description; recommendations on the analysis of potential environmental impacts; and specific language for new and amended mitigation measures to reduce potential impacts to a level below significant.

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<sup>1</sup> The entire solicitation and the CEC staff's notice of proposed awards can be accessed at: <https://www.energy.ca.gov/solicitations/2023-12/gfo-23-401-bulk-grid-asset-enhancements-grid-reliability>.

<sup>2</sup> CEQANet is the online searchable database of the State Clearinghouse (SCH) within the California Office of Land Use and Climate Innovation and can be viewed at <https://ceqanet.opr.ca.gov/>.

<sup>3</sup> All documents posted to CEQANet by the City and commenters regarding the Glenarm BESS Project and referenced herein can be viewed at: <https://ceqanet.opr.ca.gov/2024080720>.

The CEC's comments related to battery safety included, but were not limited to, particular emphasis on the description of the battery technology and installation and operational details, the interconnection plans with the existing transmission system, and the safety of the construction and operation of battery energy storage systems to reduce potentially significant environmental impacts from BESS facilities. Recommendations from the CEC for enhanced analysis and mitigation measures related to battery safety included:

- Mitigation measures typically required by the CEC in siting BESS projects
- Requirements consistent with the substantive provisions of Senate Bill 38
- Preparation and approval by the Pasadena Fire Department for an Emergency Response and Emergency Action Plan, which include specified Fire Safety Components, Emergency Response Procedures, and Emergency Evacuation Procedures
- Regular inspections, electrical system evaluation, and battery health assessments
- Construction of the BESS in compliance with the National Fire Protection Association (NFPA) 855 standards for lithium-ion battery systems
- Training for the Pasadena Fire Department and other emergency responders on the potential hazards, methodology for addressing explosion risks and other hazardous conditions
- Requirement that the lithium-ion battery components would be transported to the site on trucks that meet the U.S. Department of Transportation (DOT) safety regulations, including but not limited to Hazardous Materials Regulations and the Lithium Battery Guide for Shippers (Updated October 2024)
- Emphasis on the importance of the soil management plan to avoid hazardous exposure to lead-impacted and contaminated soils
- Updated analysis and mitigated measures to minimize the potential for and response to fire.

The first and second Draft IS/MNDs identified potentially significant impacts from the Project on Biological Resources, Cultural Resources, Geology and Soils, Hazards and Hazardous Materials, Public Services, and Tribal Cultural Resources, and described mitigation measures to reduce those potential impacts to less than significant levels. In addition to the recommendations listed above to enhance BESS safety, the CEC staff reviewed the analysis and mitigation measures in both versions independently, and recommended additional specific language to:

- Require compliance with the Migratory Bird Treaty Act to protect active bird and raptor nests
- Ensure that decommissioning activities at the end of life of the Glenarm BESS Project avoid significant environmental impacts
- Recommend more technical and in-depth analysis of potential noise levels, and require that the construction and operation of the Project comply with noise levels set by Pasadena Municipal Code Section 9.36
- Clarify the visibility of the Project site from adjacent residential areas and other land uses, and the requirement for a concrete fence surrounding the entire site along the public right of way
- Provide additional information about sensitive receptors including schools at greatest risk for toxic air contaminants
- Enhance the air quality discussion and analysis by summarizing the reduced demand from natural gas units as documented in the Application submitted by the Department, and citing applicable regulations and measures by the California Air Resources Board (CARB) regarding retrofitting, repowering, or replacement of diesel off-road construction equipment, and limiting

heavy-duty diesel motor vehicle idling

- Update maps for seismic hazard zones and the site plan
- Recommend updated analysis regarding the Project's impact on population and housing
- Request better substantiation to improve traffic and vehicle trips discussion and analysis
- Recommend clarification to improve utility, water supply, and waste management analysis

On January 3, 2025, the City posted the second Draft IS/MND dated January 2025, and the 30-day comment period on the second Draft IS/MND ran from January 6, 2025 to February 4, 2025. In that second version of the environmental review, the City states "as a Responsible Agency, the CEC has reviewed a draft of the IS/MND and provided input on the overall content, project description, analysis, and associated mitigation." The second Draft IS/MND included all edits, recommendations, and language requested by the CEC staff.

As a responsible agency, the CEC staff independently reviewed the Project and the second Draft IS/MND and provided comments directly to the City. The CEC's recommendations included ensuring that the environmental document describes the letters submitted by the DOT and DTSC, clarification regarding the specifications for the concrete fence surrounding the Property to mitigate visual impacts, and greater visibility about what content was changed between the several drafts to better reflect the City's response to all commenters.

After the public comment period on the second Draft IS/MND expired, the Department posted on its own website the Final Initial Study and Mitigated Negative Declaration (Final IS/MND), its Response to Comments, and a Mitigation Monitoring and Reporting Program (MMRP).<sup>4</sup>

### **City's Public Hearing on the Mitigated Negative Declaration, Mitigation Monitoring and Reporting Program and Conditional Use Permit**

Pursuant to Pasadena Municipal Ordinance section 17.70.050, a Hearing Officer assigned by the Pasadena Planning Director may hold hearings and make decisions on applications for administrative permits, including decisions related to CEQA review of the applications. The ordinances provide the procedures to enable actions taken by the Hearing Officer to be appealed to the Pasadena Board of Zoning Appeals or the City Council.<sup>5</sup>

The City timely posted a Public Notice of a Hearing on the application for Conditional Use Permit #7227 (CUP) to design, construct, and maintain the Glenarm BESS Project. The CUP described the proposal "to establish a Major Utility use (Battery Energy Storage System) at the City of Pasadena's Glenarm Power Plant. The 25-megawatt (MW) Battery Energy Storage System (BESS) would consist of 28 units that would charge and store electricity, with a minimum storage capability of four hours. Design, construction, and maintenance of the BESS Project is required to adhere to all applicable local, state, and federal regulations and protocols."<sup>6</sup>

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<sup>4</sup> These three documents can be accessed at the City's website for planning and environmental notices for the Project at: <https://www.cityofpasadena.net/planning/glenarm-bess-project/>.

<sup>5</sup> The Pasadena Municipal Ordinances are at:

[https://library.municode.com/ca/pasadena/codes/code\\_of\\_ordinances?nodeId=TIT17ZOCO\\_ART7ZO\\_COAD\\_CH17.70ADRE](https://library.municode.com/ca/pasadena/codes/code_of_ordinances?nodeId=TIT17ZOCO_ART7ZO_COAD_CH17.70ADRE).

<sup>6</sup> The Public Notice for the Hearing on CUP #7227 and all documents presented to and considered by the Hearing Officer are posted at: <https://www.cityofpasadena.net/commissions/hearing-officer/past->

The Public Notice provided that the Hearing Officer would hold a public hearing on March 19, 2025, to consider and potentially adopt the Mitigated Negative Declaration and also to consider and potentially approve the CUP with implementation of mitigation measures from the Final IS/MND.

The Staff Report prepared for the Hearing Officer provided that CUP #7227 is a proposal by the PWP to install a 25-MW utility-scale BESS on an approximately 0.59-acre site, located at 72 East Glenarm Street at PWP's existing Glenarm Power Plant. The Project would charge and store energy, with a minimum storage capability of four hours and would connect to the existing PWP electric transmission system to transfer power, as needed. A private entity would be selected to develop and maintain the BESS and sell the associated capacity and operational attributes to the City under an Energy Storage Agreement (ESA).

The Staff Report summarized the potentially significant impacts identified in the Final IS/MND, and recommended that the Hearing Officer adopt the Final IS/MND and Mitigation Monitoring and Reporting Program (MMRP) in order to implement measures to reduce or avoid significant effects on the environment from the approval of the CUP to allow the Glenarm BESS Project to be constructed and operated. Attachments to the Staff Report included:

- Specific Findings for the Conditional Use Permit #7227
- Conditions of Approval for Conditional Use Permit #7227
- Mitigation Monitoring and Reporting Program (MMRP)
- Mitigated Negative Declaration
- Response to Comments on Draft Initial Study/Mitigated Negative Declaration

On March 19, 2025, the Hearing Officer opened a public hearing on the CUP #7227 and related CEQA environmental documentation.<sup>7</sup> That same day the Hearing Officer adopted the Final IS/MND, the MMRP and CUP #7227.<sup>8</sup> On April 21, 2025, the City posted the approved minutes of the public hearing including the Hearing Officer's decision to adopt the staff's recommendations including the Final IS/MND and CUP #7227.

On March 20, 2025, the City filed a Notice of Determination (NOD) on CEQANet<sup>9</sup>, reporting that as Lead Agency: a Mitigated Negative Declaration was prepared for the project; mitigating measures were made a condition of the approval of the project; and a mitigation reporting or monitoring plan was adopted for the project. No comments or legal claims were filed with the City within the 30-day statute of limitations for the NOD.

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agendas/ and date-stamped "2025-03-19 Hearing Officer B".

<sup>7</sup> The audio recording of the hearing can be streamed at <http://www.cityofpasadena.net/commissions/audio-video-recordings/>.

<sup>8</sup> [https://www.cityofpasadena.net/commissions/wp-content/uploads/sites/31/2025-03-19-Hearing-Officer-Minutes\\_1.pdf?v=1745444455064](https://www.cityofpasadena.net/commissions/wp-content/uploads/sites/31/2025-03-19-Hearing-Officer-Minutes_1.pdf?v=1745444455064).

<sup>9</sup> <https://ceqanet.opr.ca.gov/2024080720/3>.

## **The CEC's Independent Judgment as a Responsible Agency**

The CEC has noticed an agenda for a Business Meeting on May 8, 2025, and CEC staff has proposed that the CEC approve DEBA Agreement DBA-24-006 with the City of Pasadena Water and Power Department to provide \$9,660,000 to partially fund the City's Glenarm BESS Project. Because the decision to award funding for the construction and operation of this Project is a discretionary decision within the meaning of CEQA, the agenda also proposes CEQA findings for the CEC to adopt as a responsible agency. The findings must reflect the CEC's independent judgment.

The proposed Agreement will allow the grantee, City of Pasadena Water and Power Department, to construct and operate the Glenarm BESS Project.

To prepare the proposed Agreement for the CEC's consideration, the CEC staff has reviewed and considered the entirety of the record for the project. As documented above, this includes independent review of:

- The Application submitted by the Department in response to GFO-23-401,
- The City's CEQA documents relevant to the Glenarm BESS Project including:
  - The Notice of Intent to prepare an Initial Study and Mitigated Negative Declaration (IS/MND),
  - The first IS/MND,
  - The pre-publication draft of the second IS/MND,
  - The second IS/MND,
  - The written comments on these drafts submitted to the City by the Department of Transportation (DOT) and the Department of Toxic Substances Control (DTSC), and individual commenters
  - The Final IS/MND,
  - The City's Response to Comments,
  - The Mitigation Monitoring and Reporting Program (MMRP),
  - The Staff Report submitted to the City's Hearing Officer including Specific Findings for the Conditional Use Permit #7227, Conditions of Approval for Conditional Use Permit #7227, Mitigation Monitoring and Reporting Program (MMRP), the Final IS/MND, and the City's Response to Comments on Draft Initial Study/Mitigated Negative Declaration
- The audio recording of the noticed Public Hearing before the Hearing Officer
- The minutes of the Public Hearing and the Hearing Officer's decision.
  - Agreement.

The CEC staff has been actively engaged with the City staff during the preparation of the CEQA documents listed above. Throughout, the CEC staff has independently considered and analyzed the project, the environmental documentation, and the City staff's preliminary conclusions about the potentially significant impacts of the Glenarm BESS Project on the environment. And throughout, the CEC staff has provided the City staff written and verbal comments, recommendations, and specific edits to the project description, analysis, and mitigation measures. The City staff incorporated all of the CEC staff's input. The Final IS/MND and MMRP fully reflect the independent consideration and analysis of the CEC staff.

All of the construction, operation, and other activities described in the scope of work of the proposed Agreement fall within the activities evaluated by the City's CEQA documents identified above. The scope of work of the proposed Agreement has no conflicts of information with the City's Final IS/MND and MMRP. Further, the scope of work of the proposed Agreement requires the Department to provide the CEC staff a schedule for all the conditions or mitigation required to obtain or comply with the CUP, including but not limited to plans or testing required by the conditions or mitigation in the MMRP and CUP, and also to provide copies of the plans or testing to the CEC staff upon request.

Based on its independent review, analysis and judgement, the CEC staff offers the following for the CEC's consideration:

### **Aesthetics**

The Final IS/MND found that the Project site is predominantly an empty paved lot enclosed in a well-established industrial facility containing numerous structures that define the visual character of the site, and that public views of the Project site are confined to viewers on nearby roads, schools, and PWP facilities. The Final IS/MND found the Project's impacts on Aesthetics would be less than significant, and the City affirmed in Response to Comments that an 8-foot-tall concrete wall would be constructed along the northern property line to screen views of the proposed Project to those traveling along South Raymond Avenue. The proposed Agreement will not have any impact on aesthetics, and will not change the impacts identified in the City's CEQA documents.

### **Agriculture and Forest Resources**

The Final IS/MND found that there are no forest lands, timberlands, or any Timberland Production zones in the City, nor are there any designated Prime Farmland, Unique Farmland, or Farmland of Statewide Importance within the Project site or surrounding area. The Final IS/MND found that the Project would have no impact on Agriculture and Forest Resources. The proposed Agreement will not have any impact on agricultural resources, and will not change the impacts identified in the City's CEQA documents.

### **Air Quality**

The Final IS/MND found that the project will comply with all federal, state, and local air quality regulations and permitting, including those under the jurisdiction of the South Coast Air Quality Management District (SCAQMD), and that the Project's emissions are below the SCAQMD Regional Emissions Significance Thresholds for both short-term construction and long-term operational emissions. A project with emissions rates below these thresholds is considered to have a less than significant effect on air quality. The proposed Agreement will not have any impact on air quality, and will not change the impacts identified in the City's CEQA documents.

### **Biological Resources**

The Final IS/MND found that with the implementation of mitigation measures, the Project's impacts to biological resources would be reduced to a less than significant level. Because of the urbanized and industrial nature of the Project area, the presence of candidate, sensitive, or special species is nonexistent, and no wildlife corridors or native wildlife nursery sites are present or adjacent to the

Project area. MM BIO-1 will reduce potentially significant impacts to nesting birds protected under the Migratory Bird Treaty Act to a level of less than significant. With the implementation of these mitigation measures by the City, the proposed Project Agreement will not have any impact on biological resources, and will not change the impacts identified in the City's CEQA documents.

## **Cultural Resources**

The Final IS/MND found that there are four properties located within or immediately adjacent to the project site that are considered historical resources for purposes of CEQA: Glenarm Power Plant, Broadway Power Plant, Pacific Electric Railway Company, Substation No. 2, and Arroyo Seco Parkway. The proposed Glenarm BESS Project does not propose any changes or direct impacts to these resources that would impair major character-defining features; however, the proximity of these resources to the project is considered a potentially significant impact due to the potential risk of fire and explosion associated with BESS facilities. MM HAZ-1 will reduce the potential impacts from risk of fire to a less than significant level. Additionally, MM CUL-1 requires an avoidance and protection plan to prevent physical damage to these resources during demolition and construction of the Project. With the implementation of these mitigation measures by the City, the proposed Agreement will not have any impact on cultural resources, and will not change the impacts identified in the City's CEQA documents.

## **Energy**

The Final IS/MND found the Project's impacts related to energy are less than significant. The Project would have minimal new energy demands, limited to that required to operate various components of the BESS, including the ventilation, thermal management, and security systems. Additionally, the BESS would improve overall energy efficiency by storing excess energy during off-peak hours and releasing it during peak demand periods, thereby reducing the need for additional power generation and associated fuel consumption. The proposed Agreement will not have any impact on energy, and will not change the impacts identified in the City's CEQA documents.

## **Geology and Soils**

The Final IS/MND found that with the implementation of mitigation measures, the Project's potential impacts related to geology and soils would be reduced to less than significant. The Project site is not located within an identified potential fault rupture zone. However, the Project site is located in a seismically active area that would be subject to ground shaking, similar to most of Southern California. The CUP requires PWP submit a soils report to the Building Division for review and approval prior to beginning of construction. The records search did not identify any previously recorded paleontological resources within the Project site. However, there are documented fossil localities near the Project site from the same sedimentary deposits. Therefore, MM GEO-1 requires that a qualified Paleontologist be retained for on-call services in the event of the discovery of paleontologically sensitive rock formations (i.e., bedrock) during ground disturbing activities. With the implementation of this mitigation measure, the proposed Agreement will not have any impact on geology and soils, and will not change the impacts identified in the City's CEQA documents.

## **Greenhouse Gases**

The Final IS/MND found that the Project would result in less than significant impacts related to Greenhouse Gas (GHG) issues. The GHG emissions generated from construction activities will be finite and occur for a relatively shortterm period. Operational GHG emissions for the proposed Project would be minimal since there would not be additional vehicle trips associated with the monitoring and maintenance of the proposed facility. Additionally, the Project itself will result in reductions in GHG emissions relative to the existing conditions by facilitating reduced power production by natural gas-fired units operating in the baseline. The proposed Agreement will not have any impact on greenhouse gases, and will not change the impacts identified in the City's CEQA documents.

## **Hazards and Hazardous Materials**

The Final IS/MND found that with the implementation of mitigation measures, the Project's impacts related to hazards and hazardous materials would be less than significant. CEC staff provided substantial input into the City's draft CEQA documents to reduce the known risks from battery energy storage systems to a level of less than significant. The MMRP and conditions of the CUP require the construction and operation to comply with the substantive requirements of Senate Bill 38 and NAFP 855. To reduce potential impact from risk of fire to a less than significant level, MM HAZ-1 requires an Emergency Response and Emergency Action Plan that addresses installation of fire prevention and detection equipment, procedures for regular inspections of equipment and safety systems, and emergency response procedures. Due to historic power plant and oil company use and underground storage tanks on site, there are areas of the site that are contaminated with petroleum and lead. MM HAZ-2 provides guidance for proper handling and management of petroleum and lead contaminated soil identified at specific areas of the site during construction in conformance with the recommendations in the project's soil management plan. Implementation of Mitigation Measures MM HAZ-1 and MM HAZ-2 would render potential impacts related to the release of hazardous materials into the environment less than significant. The proposed Agreement will not have any impact on hazards and hazardous materials, and will not change the impacts identified in the City's CEQA documents.

## **Hydrology and Water Quality**

The Final IS/MND found that the Project would result in less than significant impacts related to hydrology and water quality. The Project site is currently developed, and there are no natural or channelized drainage features occurring within the Project area. The proposed Agreement will not have any impact on hydrology and water quality, and will not change the impacts identified in the City's CEQA documents.

## **Land Use and Planning**

The Final IS/MND found that the Project would result in no impacts relating to land use and planning. The Project site is located within the SFP-IF HL-56 (South Oaks Specific Plan, Industrial Flex) zoning district, and the General Plan Land Use Designation is R&D Flex Space (0.0-1.25 FAR), which allows for a range of light industrial, utility, and commercial uses for city use. The

proposed Agreement will not have any impact on land use and planning, and will not change the impacts identified in the City's CEQA documents.

## **Mineral Resources**

The Final IS/MND found the Project would have no impact on mineral resources. The Project site is located in an urbanized area and has been previously developed. The site is currently a crushed gravel lot with a small concrete pad, indicating that any potential mineral resources would have been made inaccessible by previous development activities. The proposed Agreement will not have any impact on mineral resources, and will not change the impacts identified in the City's CEQA documents.

## **Noise**

The Final IS/MND found the Project would have less than significant impacts on noise. The Project would have temporary increases in ambient noise levels during construction and operation, but would remain within established noise limits. The proposed Agreement will not have any impact on noise, and will not change the impacts identified in the City's CEQA documents.

## **Population and Housing**

The Final IS/MND found the Project 's impacts on population and housing would be less than significant. The Project does not propose any new housing or businesses that would directly induce population growth. Additionally, while the Project would improve energy infrastructure, it is designed to enhance the efficiency and reliability of the existing power system rather than to extend service to new areas that could indirectly induce growth. The proposed Agreement will not have any impact on population and housing, and will not change the impacts identified in the City's CEQA documents.

## **Public Services**

The Final IS/MND found that with the implementation of mitigation measures, the Project would have less than significant impacts relating to public services. CEC staff provided substantial input into the City's draft CEQA documents to reduce the known risks to public services from battery energy storage systems to a level of less than significant. MM PS-1 and MM PS-2 would be implemented to reduce impacts to fire protection services and emergency responders due to the potential risks of fire and release of harmful gases associated with thermal runaway in BESS facilities. No impacts were found for other public services. With the implementation of the mitigation measures, the proposed Agreement will not have any impact on public services, and will not change the impacts identified in the City's CEQA documents.

## **Recreation**

The Final IS/MND found the Project would have no impact on recreation. The Project would be located within an established power plant with no physical effect on nearby park or other recreational opportunities. The proposed Agreement will not have any impact on recreation, and will not change the impacts identified in the City's CEQA documents.

## **Transportation**

The Final IS/MND found that the Project's impacts on transportation would be less than significant. Although the Project would result in limited long-term maintenance related trips, the Project would result in short-term construction-related vehicle and truck trips. The CUP requires all construction activities to be conducted in accordance with adopted transportation standards and the City's modifications to those standards. The proposed Agreement will not have any impact on transportation, and will not change the impacts identified in the City's CEQA documents.

## **Tribal Cultural Resources**

The Final IS/MND found that with Project's impacts on tribal cultural resources would be less than significant with the implementation of mitigation measures. While there are no known prehistoric and/or historic-era archaeological resources within approximately ½-mile of the Project site, and no documented archaeological resources have been recorded on the Project site, MM-TCR-1 and MM-TCR-2 will provide notification to the Gabrieleño Band of Mission Indians – Kizh Nation and specified procedures related to earthwork activities on site. With the implementation of these mitigation measures, the proposed Agreement will not have any impact on tribal cultural resources, and will not change the impacts identified in the City's CEQA documents.

## **Utilities and Service Systems**

The Final IS/MND found that the Project's impacts on utilities and services systems would be less than significant. The proposed Agreement will not have any impact on utilities and service systems, and will not change the impacts identified in the City's CEQA documents.

## **Wildfire**

The Final IS/MND found that there will be no significant impacts associated with wildfire from the Project. The proposed BESS would be designed and constructed in accordance with all applicable fire safety regulations and standards, including NFPA 855. The proposed Agreement will not have any impact on wildfire, and will not change the impacts identified in the City's CEQA document.

## **Conclusion**

In summary, prior to the CEC reaching a decision on the Agreement, the CEC staff provides this memo for the CEC to consider the environmental effects of the Glenarm BESS Project approved by the City in CUP #7227 and proposed for DEBA funding. On the basis of the whole record developed by the City, the CEC staff recommends that the CEC find that with the City's implementation and enforcement of all mitigation measures in the MMRP and conditions of the CUP #7227, there is no substantial evidence that the project will have a significant effect on the environment. The CEC staff further recommends that the CEC find that this conclusion reflects its independent judgment and analysis as a responsible agency under CEQA.