



**CALIFORNIA
ENERGY COMMISSION**



**California Energy Commission
September 10, 2025 Business Meeting
Backup Materials for Sepion Technologies, Inc.**

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

STATE OF CALIFORNIA
STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

RESOLUTION: Sepion Technologies, Inc.

WHEREAS, on April 28, 2023, the State Energy Resources Conservation and Development Commission (CEC) and CALSTART, Inc. (CALSTART) entered into Agreement Number ZVI-22-035; and

WHEREAS, pursuant to ZVI-22-035, CALSTART administers the PowerForward Zero-Emission Vehicle Battery Manufacturing Grant Program (PowerForward) to solicit, select, and fund projects that will promote in-state battery manufacturing for zero-emission vehicles and related infrastructure; and

WHEREAS, on April 5, 2024, pursuant to ZVI-22-035, CALSTART issued the PowerForward grant solicitation, a competitive grant funding opportunity; and

WHEREAS, on August 13, 2025, CALSTART issued a Notice of Proposed Awards for PowerForward, which includes a proposed \$9,537,000 grant to Sepion Technologies, Inc. (Sepion) for the Sepion Manufacturing Expansion project (Project), a project to build a manufacturing facility in West Sacramento for coated battery separator production to sell to lithium battery manufacturers; and

WHEREAS, the City of West Sacramento (City) is the lead agency under the California Environmental Quality Act (CEQA) for the Project; and

WHEREAS, the City reviewed the proposed Project and determined it is consistent with the City's General Plan 2035 and applicable zoning regulations, and the impacts of the proposed Project were analyzed and certified in the City's certified General Plan 2035 Environmental Impact Report, and no project-specific effects particular to the site or use have been identified, and no new significant impacts or substantially more severe impacts would result from the Project; and

WHEREAS, the City determined that the proposed Project is exempt under CEQA Guidelines section 15183; and

WHEREAS, pursuant to Public Resources Code section 21080.1 (a), the City as lead agency is responsible for determining whether the proposed Project is exempt from CEQA, and that determination is final and conclusive on responsible agencies unless challenged; and

WHEREAS, pursuant to ZVI-22-035, and as responsible agency under CEQA, CEC must make CEQA findings at a CEC Business Meeting before CALSTART may execute a grant agreement with Sepion for the Project; and

WHEREAS, CEC staff has reviewed and considered the City's CEQA findings and other related CEQA documentation and has no information indicating the documentation is inadequate.

THEREFORE, BE IT RESOLVED, that the CEC adopts CEC staff's CEQA findings contained in the Agreement Request Form; and

FURTHER BE IT RESOLVED, that CALSTART may execute a grant agreement with Sepion pursuant to the requirements of ZVI-22-035.

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 September 10, 2025.

AYE:

NAY:

ABSENT:

ABSTAIN:

Dated:

Kim Todd
Secretariat



GRANT REQUEST FORM (GRF)

A. New Agreement Number

New Agreement Number: issued under ZVI-22-035

B. Division Information

1. Division Name: Fuels and Transportation Division
2. Agreement Manager: Taiying Zhang
3. MS-:N/A
4. Phone Number: 916-258-2941

C. Recipient's Information

1. Recipient's Legal Name: Sepion Technologies, Inc.
2. Federal ID Number: 47-4950211

D. Title of Project

Title of project: Sepion Manufacturing Expansion

E. Term and Amount

1. Start Date:
2. End Date: 1/28/2028
3. Amount: \$9,537,000

F. Business Meeting Information

1. Are the ARFVTP agreements \$75K and under delegated to Executive Director? No
2. The Proposed Business Meeting Date: September 10, 2025
3. Consent or Discussion? Consent
4. Business Meeting Presenter Name: Taiying Zhang
5. Time Needed for Business Meeting: N/A
6. The email subscription topic is: N/A

Agenda Item Subject and Description:

Proposed resolution adopting staff's recommendation that Sepion Technologies, Inc.'s (Sepion) manufacturing expansion project under the PowerForward Zero-Emission Vehicle Battery Manufacturing Grant Program (PowerForward) is exempt from CEQA. CALSTART, Inc. administers PowerForward under CEC Agreement ZVI-22-035 and has proposed a grant to Sepion. Under ZVI-22-035, CEC is required to make CEQA findings prior to CALSTART, Inc. executing a grant agreement with Sepion.

G. California Environmental Quality Act (CEQA) Compliance

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

Yes

If yes, skip to question 2.

If no, complete the following (PRC 21065 and 14 CCR 15378) and explain why Agreement is not considered a "Project":



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

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

a) Agreement **IS** exempt?

Yes

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. None

PRC section number: N/A

CCR section number: N/A

Categorical Exemption?

Yes

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

CCR section number: Cal. Code Regs., tit. 14, section 15183

Cal. Code Regs., tit. 14, § 15183 provides that projects which are consistent with the development density established by existing zoning, community plan, or general plan policies for which an EIR was certified shall not require additional environmental review, except as might be necessary to examine whether there are project-specific significant effects which are peculiar to the project or its site.

The lead agency for the proposed project, the City of West Sacramento, determined the project is consistent with the City’s General Plan 2035 and applicable zoning regulations, and that the impacts of the proposed project were analyzed and certified in the City’s certified General Plan 2035 Environmental Impact Report, and no project-specific effects particular to the site or use were identified, and no new significant impacts or substantially more severe impacts would result from the project. The City determined that the project is exempt under Cal. Code Regs., tit. 14, section 15183.

Public Resources Code § 21080.1 (a) provides that the lead agency shall be responsible for determining whether a project is exempt from CEQA and whether an environmental impact report, a negative declaration, or a mitigated negative declaration shall be required for any project that is subject to CEQA. That determination shall be final and conclusive on all persons, including responsible agencies, unless challenged.

The City of West Sacramento found this project exempt under Cal. Code Regs., tit. 14 section 15183 and this determination is final and conclusive upon the Energy Commission, which is a responsible agency for this project. The Energy Commission therefore finds this project exempt from CEQA pursuant to CEQA Guidelines section 15183.



The project does not involve any unusual circumstances, will not result in damage to any scenic resources within a highway officially designated as a state scenic highway, none of the sites are included on any list compiled pursuant to Government Code section 65962.5, and the project will not cause a substantial adverse change in the significance of a historical resource. The project, when considered as a whole, will not result in a cumulative impact that is significant on the environment. Therefore, none of the exceptions to exemptions listed in CEQA Guidelines section 15300.2 apply to this project and this project will not have a significant effect on the environment.

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. N/A

b) Agreement **IS NOT** exempt.

IMPORTANT: consult with the legal office to determine next steps.

If yes, answer yes or no to all that applies. If no, list all as "no" and "None" as "yes".

Additional Documents	Applies
Initial Study	No
Negative Declaration	No
Mitigated Negative Declaration	No
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
No subcontractors to report	\$ 0	\$0

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
ComplianceHelp Consulting, LLC	\$ 0	\$ 20,000



STATE OF CALIFORNIA
CALIFORNIA ENERGY COMMISSION

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

Vendor/Seller Legal Company Name	CEC Funds	Match Funds
Sensiba, LLP	\$ 0	\$ 25,000
Sierra College	\$ 0	\$ 140,000
California Mobility Center, INC	\$ 0	\$ 90,000

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
Blue Rise Ventures LLC
Avery Dennison
Sacramento Municipal Utility District (SMUD)
CALSTART, Inc.

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
N/A			

TOTAL Amount:

R&D Program Area: N/A

Explanation for "Other" selection

Reimbursement Contract #: N/A

Federal Agreement #: N/A

M. Recipient's Contact Information

1. Recipient's Administrator/Officer

Name: Peter Frischmann

Address: 950 Marina Village Pkwy. Suite 102

City, State, Zip: Alameda, CA 94501

Phone: 208-406-9888

E-Mail: pete@sepiontechnologies.com

2. Recipient's Project Manager

Name: Peter Frischmann

Address: 950 Marina Village Pkwy. Suite 102



STATE OF CALIFORNIA
CALIFORNIA ENERGY COMMISSION

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

City, State, Zip: Alameda, CA 94501

Phone: 208-406-9888

E-Mail: pete@sepiontechnologies.com

N. Selection Process Used

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

Selection Process	Additional Information
Competitive Solicitation #	PowerForward grant solicitation issued by CALSTART, Inc.
First Come First Served Solicitation #	
Other	

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	No
2	Exhibit B, Budget Detail	No
3	CEC 105, Questionnaire for Identifying Conflicts	No
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: Taiying Zhang

Approval Date: 8/26/2025

Office Manager: Charles Smith

Approval Date: 8/26/2025

Deputy Director: Melanie Vail

Approval Date: 8/26/2025