



**CALIFORNIA
ENERGY COMMISSION**



**California Energy Commission
April 8, 2026 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 or Grant Amendment Request Form or Contract Request Form or Loan Request Form.

CALIFORNIA ENERGY COMMISSION

PROPOSED RESOLUTION: Sepion Technologies, Inc.

RESOLUTION NO: 26-0408-3c

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 in Alameda for coated battery separator production to support lithium battery manufacturing; and

WHEREAS, the City of Alameda (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 that the project is consistent with the City of Alameda's applicable zoning regulations, which designate the site for industrial and employment-generating uses. The existing and proposed use is allowed by zoning and does not require any further review for land use or environmental approval; and

WHEREAS, the City determined that the proposed Project is exempt from CEQA pursuant to CEQA Guidelines section 15268; 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; and

APPROVED AND ADOPTED this 8th day of April 2026, by the following vote:

AYE:

NAY:

ABSENT:

ABSTAIN:

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 approved and adopted by the affirmative vote of the CEC at a meeting held on April 8, 2026.

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-:27
4. Phone Number: 916-258-2941

C. Recipient's Information

1. Recipient's Legal Name: Sepion Technologies, Inc.

D. Title of Project

Title of project: Sepion Manufacturing Expansion

E. Term and Amount

1. Start Date: 04/08/2026
2. End Date: 10/30/2028
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: 04/08/2026
3. Consent or Discussion? Consent
4. Business Meeting Presenter Name: Not applicable
5. Time Needed for Business Meeting: Not applicable
6. The email subscription topic is: Not applicable

Project 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 award to Sepion. CEC is required to make CEQA findings prior to CALSTART, Inc. executing a grant agreement with Sepion. Contact: Taiying Zhang

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: Not applicable



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.

PRC section number: None

CCR section number: None

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: 14 CCR 15301

The lead agency for the proposed project, the City of Alameda, determined the project is allowed by zoning, that the proposed expansion to be performed is allowed by right, and therefore the project is ministerially exempt pursuant to Cal. Code Regs., tit. 14, section 15268.

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 Alameda found this project exempt under Cal. Code Regs., tit. 14 section 15268 and this determination is therefore final and conclusive upon the Energy Commission, which is a responsible agency for this project.

The proposed grant recipient Sepion Technologies, Inc. has an existing label-scale manufacturing line for polymer materials at the existing project facility in Alameda. This project will design and build an expansion at the facility to enable the production of ~ 50 million square meters of advanced separator material per year, supporting ~ 5 GWh of battery capacity. The expansion will build-out around 6,000 square feet of interior office space to production space. There will be no exterior development but some adaptation of existing internal infrastructure will be needed to support the expanded production. All manufacturing, testing, and material handling activities will occur within enclosed building areas.

This project therefore consists of the minor alteration of existing structures, facilities, or mechanical equipment involving negligible or no expansion of existing or former use of the site. The Energy Commission therefore finds this project exempt from CEQA pursuant to Cal. Code Regs., tit. 14, section 15301.

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.

Not applicable

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	Yes

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
No vendors or sellers to report	\$0	\$0



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
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	N/A	N/A	\$0

TOTAL Amount:

R&D Program Area: N/A

Explanation for “Other” selection N/A

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
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 #	Not Applicable



Other	Not Applicable
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O. Attached Items

- 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: 2/18/2026

Office Manager: Charles Smith

Approval Date: 2/25/2026

Deputy Director: Melanie Vail

Approval Date: 2/25/2026