CALIFORNIA ENERGY COMMISSION

CALIFORNIA NATURAL RESOURCES AGENCY

California Energy Commission

STAFF REPORT

Localized Health Impacts Report

Addendum 2 for Selected Project Awarded Funding Under Solicitation GFO-21-605 — Zero-Emission Transportation Manufacturing

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California Energy Commission

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ADDENDUM 2

The Localized Health Impacts Report (LHI Report) for Grant Solicitation GFO-21-605 was posted October 14, 2022 (CEC-600-2022-061).[1] On January 27, 2023, CEC staff released a Revised Noticed of Proposed Awards (NOPA)[2], which recommended an additional project for funding under GFO-21-605. This LHI Report Addendum uses the same approach as the original report to assess the localized health impacts for the new project. (In some cases, changes are described as an "LHI Report Revision." When project changes require new location analysis; however, an "LHI Report Addendum" is released with a new 30-day public comment period.)

The proposed GFO-21-605 awardee Ample, Inc. (Ample) plans to expand its manufacturing capacity at a facility in the Crocker Industrial Park in Brisbane. This location is described in Table 1, along with environmental justice (EJ) indicators.

As described in the original LHI Report, GFO-21-605 projects fall into one of four categories of manufacturing. Ample's project is in Category 4: batteries primarily for use in zero-emission vehicles (ZEV), ZEV infrastructure, or both.

Table 1: Details of New Project with EJ Indicators

Proposed Awardee	Project Category	Project Title	New Site Location	EJ Indicators for New Location
Ample, Inc.	4 (Batteries)	Expansion of Ample Battery Module Manufacturing	99 Park Ln Brisbane, CA 94005	Minority

Sources: CEC staff, Google Maps

Project Details

Ample has been producing swappable batteries for electric vehicle fleets. This project will upgrade an existing facility to allow more battery modules to be manufactured. Ample plans to use electric, not diesel, equipment for the upgrades. The company does not expect the project to significantly increase pollutant emissions and plans to recycle defective batteries, which is the only hazardous waste it expects to generate.

1 Tuggy, Benjamin. 2022. *Localized Health Impacts Report: Selected Projects Awarded Funding Through the Clean Transportation Program Under Solicitation GFO-21-605 — Zero-Emission Transportation Manufacturing*. California Energy Commission, Fuels and Transportation Division. Publication Number: CEC-600-2022-061. Accessed February 1, 2023. Available at https://www.energy.ca.gov/publications/2022/localized-health-impacts-report-selected-projects-awarded-funding-through-clean-4.

2 Willis, Crystal. January 27, 2023. *First Revised Notice of Proposed Awards: Grant Solicitation, GFO-21-605 Zero-Emission Transportation Manufacturing*. California Energy Commission. Accessed February 1, 2023. Available at https://www.energy.ca.gov/sites/default/files/2023-01/GFO-21-605_Revised_NOPA_%202023-01-27_ada.docx.

Ample did not provide specific estimates of overall pollution reduction; however, the company expects the project to reduce pollution, including greenhouse gas, by increasing the use of electric vehicles.

Outreach efforts have included engaging local governments, business groups, and City College of San Francisco. The company states that it has recruited workers from Brisbane and nearby low-income and disadvantaged communities.

Air Quality and EJ Indicators

High-risk community project locations are identified using data from the California Air Resources Board (CARB), the U.S. Census Bureau, and other public agencies. The data are analyzed to assign EJ indicators for each project location, shown in Table 1 with further detail in Table 2. The proposed project location must meet a two-part environmental and demographic standard to be considered in a "high-risk community."

Part 1: Environmental Standard

Communities meet the environmental standard if they have a high concentration of air pollutants. These pollutants include ozone, particulate matter 2.5 microns in diameter or less ($PM_{2.5}$), or particulate matter 10 microns in diameter or less (PM_{10}). The environmental standard uses CARB air quality monitoring data on nonattainment[3] status for these pollutants.

Part 2: Demographic Standard

Communities meet the demographic standard if they have two or more EJ indicators for minority, age, poverty, and unemployment. Staff defines the EJ indicator thresholds as:

1. A minority subset represents more than 30 percent of a given city's population.
2. The percentage of people living in a city who are younger than 5 years of age or who are 65 years of age or older, is more than 1.2 times (more than 20 percent higher than) the state average for those age categories.
3. A city's poverty rate exceeds the state average poverty rate.
4. The city (or county if city data are unavailable) unemployment rate exceeds the state average unemployment rate.

The demographic standard uses the U.S. Census Bureau's American Community Survey five-year estimates[4] on race, ethnicity, age, and poverty, and the California Employment Development Department's monthly data[5] on unemployment. Specifically, this LHI Report

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3 A *nonattainment* area is a geographic area that does not meet state and/or national Ambient Air Quality Standards for a given pollutant. See "Maps of State and Federal Area Designations." California Air Resources Board. Accessed February 2, 2023. Available at https://ww2.arb.ca.gov/resources/documents/maps-state-and-federal-area-designations.

4 American Community Survey codes DP05 and S1701 were used to find data. See "Explore Census Data." U.S. Census Bureau. Accessed February 2, 2023. Available at https://data.census.gov/cedsci/.

5 Overview page with data from most recent and previous months: "Unemployment Rate and Labor Force." Employment Development Department. Accessed February 2, 2023. Available at https://labormarketinfo.edd.ca.gov/data/unemployment-and-labor-force.html.

Addendum uses city-level[6] unemployment data. Unemployment data are not seasonally adjusted.

Analysis Results

Using 2022 data,[7] the new project location meets the environmental standard since it is in a nonattainment zone for ozone, $PM_{2.5}$, or PM_{10}. This indicates that there may be existing poor air quality around the location.

The new project location also meets the demographic standard since it exceeds the threshold for two or more EJ indicators (Table 2). Therefore, the location is in a high-risk community.

In Table 2, a **bold** number followed by an asterisk (*) indicates categories that exceed a given EJ indicator threshold. A city/county name in **bold**, followed by a dagger (†), indicates a high-risk community.

Table 2: EJ Indicators by Project Location City Demographic

Site Location	American Indian and Alaska Native (2021)	Asian (2021)	Black or African American (2021)	Hispanic or Latino (Any Race) (2021)	Native Hawaiian and Pacific Islander (2021)	Under 5 Years of Age (2021)	65 Years of Age and Over (2021)	Below Poverty Level (2021)	Unemploy-ment (December 2022)
California	**0.9%**	**14.9%**	**5.7%**	**39.5%**	**0.4%**	**6.0%**	**14.4%**	**12.3%**	**3.7%**
EJ Indicator Threshold	**30%**	**30%**	**30%**	**30%**	**30%**	**7.2%**	**17.3%**	**12.3%**	**3.7%**
Brisbane†	1.7%	**31.6%***	1.3%	25.7%	0.0%	6.3%	14.8%	6.2%	**4.2%***

Sources: CEC staff, Employment Development Department, and U.S. Census Bureau

Location Analysis Summary

The proposed project location is assessed according to the original LHI method. The assessment shows that the proposed project location is in a high-risk community. However, CEC staff does not expect the project to significantly increase local pollution. Instead, staff anticipates that the impacts to the community will be neutral to positive in terms of cleaner air and reduced greenhouse gases.

6 Most recent data only: "Monthly Labor Force Data for Cities and Census Designated Places (CDP)." Employment Development Department. Accessed February 2, 2023. Available at https://labormarketinfo.edd.ca.gov/file/lfmonth/allsubs.xls.

7 "Maps of State and Federal Area Designations." California Air Resources Board. Accessed February 2, 2023. Available at https://ww2.arb.ca.gov/resources/documents/maps-state-and-federal-area-designations.

Public Comment

As provided by the California Code of Regulations, Title 13, section 2343, a 30-day public review period applies to this LHI Report Addendum from the date it is posted on the CEC website. The original posting date for this report is at https://www.energy.ca.gov/programs-and-topics/programs/clean-transportation-program/localized-health-impacts-reports.

The CEC encourages comments by email. Please include your name or your organization's name in the name of the file. Send comments in either Microsoft® Word format (.doc) or Adobe® Acrobat® format (.pdf) to FTD@energy.ca.gov.

A hard copy can be mailed to:

California Energy Commission
Fuels and Transportation Division
715 P Street, MS-44
Sacramento, CA 95814-5512

Written comments will become part of the public record and may be posted to the Internet. News media should direct inquiries to the Media and Public Communications Office at 916-654-4989 or by email at mediaoffice@energy.ca.gov.