



**CALIFORNIA
ENERGY COMMISSION**



California Energy Commission

STAFF REPORT

Localized Health Impacts Report

**Addendum 3 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 3

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 notice of proposed awards (NOPA)² proposing an additional GFO-21-605 awardee: Ample, Inc. (Ample). On February 23, 2023, staff published LHI Addendum 2 assessing the localized health impacts for Ample’s project.³

Ample has since notified the CEC of a location change. This addendum 3 uses the same approach as the previous LHI documents to assess the localized health impacts for a project with location changes. (In some cases, changes are described in 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.)

Ample proposes to add a storage location in South San Francisco to its battery manufacturing project. The new location is an existing building. Ample states that the only grant-related modifications will be installing storage racks, and the building will not be used to manufacture battery modules (although in the future it may be used for other manufacturing not related to the grant). This new location is described in Table 1, along with environmental justice (EJ) indicators.

Table 1: Details of New Project Location With EJ Indicators

Awardee	Project Title	New Site Location	EJ Indicators for New Location
Ample, Inc.	Expansion of Ample Battery Module Manufacturing	245 South Spruce Ave, Unit 200 South San Francisco, CA 94080	Minority

Sources: CEC staff

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, as shown in Table 1 with further

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](https://www.energy.ca.gov/publications/2022/localized-health-impacts-report-selected-projects-awarded-funding-through-clean-4). California Energy Commission, Fuels and Transportation Division. Publication Number: CEC-600-2022-061. Accessed March 10, 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](https://www.energy.ca.gov/sites/default/files/2023-01/GFO-21-605_Revised_NOPA_%202023-01-27_ada.docx). California Energy Commission. Accessed March 10, 2023. Available at https://www.energy.ca.gov/sites/default/files/2023-01/GFO-21-605_Revised_NOPA_%202023-01-27_ada.docx.

3 McKinny, Jana, and Benjamin Tuggy. 2023. [Localized Health Impacts Report: Addendum 2 for Selected Project Awarded Funding Under Solicitation GFO-21-605 — Zero-Emission Transportation Manufacturing](https://www.energy.ca.gov/sites/default/files/2023-02/CEC-600-2022-061-AD2.pdf). California Energy Commission, Fuels and Transportation Division. Publication Number: CEC-600-2022-061-AD2. Accessed March 9, 2023. Available at <https://www.energy.ca.gov/sites/default/files/2023-02/CEC-600-2022-061-AD2.pdf>.

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 (PM₁₀). The environmental standard uses CARB air quality monitoring data on nonattainment⁴ 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 estimates⁵ on race, ethnicity, age, and poverty, and the California Employment Development Department’s monthly data⁶ on unemployment. Specifically, this LHI Report Addendum uses city-level⁷ unemployment data. Unemployment data are not seasonally adjusted.

Analysis Results

Using 2022 data,⁸ the new project location meets the environmental standard since it is within a nonattainment zone for ozone, PM_{2.5}, or PM₁₀. This finding indicates that there may be existing poor air quality around the proposed project location.

4 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 March 10, 2023. Available at <https://ww2.arb.ca.gov/resources/documents/maps-state-and-federal-area-designations>.

5 American Community Survey codes DP05 and S1701 were used to find data. See “[Explore Census Data](#).” U.S. Census Bureau. Accessed March 10, 2023. Available at <https://data.census.gov/cedsci/>.

6 Overview page with data from most recent and previous months: “[Unemployment Rate and Labor Force](#).” Employment Development Department. Accessed March 10, 2023. Available at <https://labormarketinfo.edd.ca.gov/data/unemployment-and-labor-force.html>.

7 Most recent data only: “[Monthly Labor Force Data for Cities and Census Designated Places \(CDP\)](#).” Employment Development Department. Accessed March 10, 2023. Available at <https://labormarketinfo.edd.ca.gov/file/lfmonth/allsubs.xls>.

8 “[Maps of State and Federal Area Designations](#).” California Air Resources Board. Accessed March 10, 2023. Available at <https://ww2.arb.ca.gov/resources/documents/maps-state-and-federal-area-designations>.

However, the new project location does not meet the demographic standard since it does not exceed the threshold for two or more EJ indicators (Table 2). Therefore, the new location is not 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)	Unemployment (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%
South San Francisco	0.6%	43.4%*	1.9%	29.8%	0.9%	4.6%	16.6%	6.3%	1.9%

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 not within a high-risk community. Staff anticipates that the impacts to the community will remain neutral to positive in terms of cleaner air and reduced greenhouse gases.

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](https://www.energy.ca.gov/programs-and-topics/programs/clean-transportation-program/localized-health-impacts-reports) 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:

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