

Notice of Exemption**Form D**

To: Office of Planning and Research
PO Box 3044
1400 Tenth Street, Room 113
Sacramento, CA 95812-3044

From: California Energy Commission
1516 Ninth Street, MS-48
Sacramento, CA 95814

Project Applicant: Primus Power Corporation

Project Title: Production Scale-Up of Low-Cost, Long-Life Flow Battery

Project Location – Specific: 3967 Trust Way

Project Location – City: Hayward 94545

Project Location – County: Alameda

Description of Nature, Purpose and Beneficiaries of Project:

Under grant Agreement EPC-18-012 with Primus Power Corporation (Primus), the California Energy Commission will provide a grant to fund the production scale-up of the Primus Power EnergyPod® 2 battery to demonstrate the manufacturability and cost-effectiveness of the battery. It is a zinc bromide flow battery that Primus asserts offers energy storage with an estimated five hours of continuous output at 25 kW, a useful life of 20 years, no electrode stack replacement, and a non-flammable electrolyte. The battery should benefit grid-level electricity storage providers looking for long-duration storage of renewable generated electricity.

The grant project activities will include design of, and scaling up of, Primus' existing, initial production line to a pilot production line, followed by scale-up to Low Rate Initial Production. To scale-up, Primus will add equipment and chemicals to the existing production line at a light-industrial facility in Hayward, California. In addition, the design will be tested for conformance with Underwriters Laboratories (UL) standards.

Beneficiaries will include California's investor-owned electric utilities and their customers (i.e., ratepayers), along with the public at large and the environment. The grant project is intended to result in the ratepayer benefits of greater electricity reliability, lower costs, and increased safety.

Name of Public Agency Approving Project: California Energy Commission

Name of Person or Agency Carrying Out Project: Primus Power Corporation

Exempt Status: (check one)

- Ministerial Exemption (Pub. Resources Code § 21080(b)(1); Cal. Code Regs., tit 14, § 15268);
- Declared Emergency (Pub. Resources Code § 21080(b)(3); Cal. Code Regs., tit 14, § 15269(a));
- Emergency Project (Pub. Resources Code § 21080(b)(4); Cal. Code Regs., tit 14, § 15269(b)(c));
- Categorical Exemption. State type and section number
Cal. Code Regs., tit. 14, § 15301
- Statutory Exemptions. State code number.
- Common Sense Exemption. (Cal. Code Regs., tit 14, §15061(b)(3))

Reasons why project is exempt:

To scale-up, Primus will add equipment and chemicals to its existing production line at a light-industrial facility in Hayward, California. Equipment to be added includes, for example, injection mold equipment, pick-and-place robotics, and a "clean room." These additions are a minor alteration of existing private facilities and mechanical

equipment. (Parts suppliers will also add equipment at their existing facilities.) The nature of the manufacturing and the types of chemicals used will not change. Primus maintains a Hazardous Materials Business Plan overseen by the City of Hayward Fire Department. The Primus facility already includes fire-sprinkling, safety features, a scrubber, and other features required by environmental and health and safety regulations. The floor area occupied by Primus will not increase. The grant project does not involve a change in land use or any changes to, or expansion of, the exterior of the building. Therefore, this project is exempt under California Code of Regulations, title 14, section 15301, Existing Facilities.

Lead Agency

Contact Person: Benson Gilbert **Area code/Telephone/Ext:** 916-445-5406

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: Benson Gilbert **Date:** 6-20-2019 **Title:** Associate Energy Specialist

Signed by Responsible Agency

Signed by Lead Agency

Signed by Applicant

Date received for filing at OPR: Governor's Office of Planning & Research

JUL 05 2019

STATE CLEARINGHOUSE