

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: DasH2energy LLC

Project Title: Demand Based Renewable Hydrogen Power-to Power Project

Project Location – Specific: Leslie O. Carter Treatment Plant, 700 E. Avenue S

Project Location – City: Palmdale 93550 **Project Location – County:** Los Angeles

Description of Nature, Purpose and Beneficiaries of Project:

Under grant Agreement EPC-19-037, the California Energy Commission will provide a grant of \$1,275,475 to DasH2energy LLC to establish a renewable hydrogen energy storage system. The project focuses on creating an electricity in/electricity out system by integrating electrolysis, high-pressure hydrogen storage, fuel cell electrical regeneration, and microgrid control systems into a single system. The system will be integrated with an existing 1 MW wind turbine to provide electricity, and will store the energy as hydrogen to be converted back to electricity to provide cost savings and long duration resiliency for a municipal water treatment plant.

Goals include: The project will validate the hydrogen system's ability to: provide customer energy cost savings and price stability; resiliency during Public Safety Power Shutoff events, load follow; provide baseload renewables; and provide long duration storage of large amounts of power. The data obtained on capital cost, operating cost, performance and lessons learned will support commercial deployment.

Beneficiaries will include the Palmdale Water District Public Facilities Corporation and its water treatment plant, the District’s water ratepayers, California’s investor-owned electric utilities and their customers (i.e., ratepayers); along with the public at large and the environment.

Name of Public Agency Approving Project: California Energy Commission

Name of Person or Agency Carrying Out Project: DasH2energy LLC

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:

The project involves the design, installation, commissioning, and evaluation of a containerized fuel cell system that includes electrolysis; high-pressure, gaseous hydrogen storage; and a grid-connected, integrated microgrid.

Authority cited: Sections 21083 and 21110, Public Resources Code. Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

The design and evaluation work will mostly take place in the existing offices of the Recipient and subcontractors. Regarding installation and commissioning, the fuel cell(s), of possibly more than 500 kW capacity, will be housed in prefabricated containerized structures. The containers will be placed on already disturbed ground adjacent to an existing 1 MW wind turbine at the existing Leslie O. Carter Water Treatment Plant in Palmdale, California. Electrical and water connections will be made. Fire and explosion safety precautions will be taken regarding gaseous hydrogen storage and other project components.

The project consists of the operation, repair, maintenance, permitting, and minor alteration of operation of these existing private and public facilities, involving negligible or no expansion of existing or former use. Therefore, this project is exempt under California Code of Regulations, title 14, section 15301, Existing Facilities.

The Palmdale Water District is the Lead Agency under CEQA for the pilot test site at its water treatment plant. On May 12, 2020, the District filed a Notice of Exemption for its portion of the project, based on California Code of Regulations, title 14, section 15301, Existing Facilities.

Lead Agency

Contact Person: Robin Goodhand **Area code/Telephone/Ext:** 916-327-1412

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: David Erns (For Robin Goodhand) **Date:** 08/03/2020 **Title:** Supervisor

Signed by Responsible Agency

Signed by Lead Agency

Signed by Applicant

Date received for filing at OPR: _____