

**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:** American Lithium Energy Corp.

**Project Title:** Advanced High Silicone Anode Prismatic Battery Production in California

**Project Location – Specific:** 2261 Rutherford Rd

**Project Location – City:** Carlsbad 92008      **Project Location – County:** San Diego

**Description of Nature, Purpose and Beneficiaries of Project:**

The purpose of this Agreement is to fund the build-out of a Low-Rate Initial Production (LRIP) pilot line for silicon anode prismatic batteries with up to 30% greater energy capacity compared to traditional graphite-based batteries. These batteries increase the lithium (Li) capacity - and therefore energy density - of the anode by alloying silicon (Si) with lithium while still mitigating lifecycle risks that are found in many Si anode technologies. This battery also incorporates a patented internal fuse, increasing the safety of the battery during short-circuit events. During the project, a production line will be built capable of manufacturing 500 cells/day while maintaining 90% yield.

This Agreement will result in the ratepayer benefits of lower energy costs and increased safety. Silicon is one of the most abundant elements in the earth and, when alloyed with lithium, provides up to 30% higher energy capacity than a standard Li-ion battery. This will lower the overall cost of the battery and, by extension, any applications that require energy storage. This battery technology also utilizes a patented safety technology that implements an internal fuse which delaminates the electrode from the current collector when the cell voltage or temperature or current exceeds the safety limit.

**Name of Public Agency Approving Project:** California Energy Commission

**Name of Person or Agency Carrying Out Project:** American Lithium Energy Corp.

**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:**

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

This project is exempt under CEQA Guidelines section 15301 because it will consist of minor alterations to an existing structure, involving negligible or no expansion of existing or former use. Specifically, this project will use available space in an already existing structure that is zoned for industrial manufacturing, covers 23,000 square feet, and is currently used for prismatic battery cell production. The recipient's facility currently relies on manually operated machines which can produce no more than 50 cells per day. To effectively scale production for LRIP, this project will install additional equipment including an automatic electrode die cutter, electrolyte filling machine and prismatic laser sealer. All installation will be performed within the shell of the existing building. This new equipment will only use approximately 200 square feet of floor space, does not use any water or other liquids as coolers, and will not cause any changes in facility design or operation.


The project will not impact an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, state, or local agencies; does not involve any cumulative impacts of successive projects of the same type in the same place that might be considered significant; does not involve unusual circumstances that might have a significant effect on the environment; will not result in damage to scenic resources within a highway officially designated as a state scenic highway; the project site is not 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. Therefore, none of the exceptions to categorical exemptions listed in CEQA Guidelines section 15300.2 apply to this project, and this project will not have a significant effect on the environment.

**Responsible Agency**

**Contact Person:** Joshua Croft **Area code/Telephone/Ext:** 925-452-7638

**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:**  **Date:** 8/14/2023 **Title:** EGSS I

**Signed by Responsible Agency**

**Signed by Lead Agency**

**Signed by Applicant**

**Date received for filing at OPR:** \_\_\_\_\_