

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

**From:** California Energy Commission  
 715 P Street  
 Sacramento, CA 95814

**Project Applicant:** Smartville, Inc.

**Project Title:** Low-Cost and Scalable Second Use Battery Demonstration in Central California for Equitable United States Based Manufacturing and Job Growth

**Project Location:**

Address	City	County
8105 S Lassen Ave	San Joaquin 93660	Fresno
2151 Las Palmas Dr Ste D	Carlsbad 92011	San Diego

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

The objective of the project is to implement two second life battery ESS demonstration projects and accomplish low-rate initial production of Smartville's proprietary second life energy storage building block Modular-Assembly-Battery (MOAB). The first demonstration will deploy 3MWh second life battery ESS at Wellhead Electric Company Inc. a Fresno, California, independent power producer site, integrating with onsite 70MW gas turbine generation and 3MW solar. This ESS site will contain 3 MOAB units (each approximately 15' L x 10' W x 10' T) and electrical control components that will create an overall site dimension of 68' L x 30' W. This power plant is located within an 85-90% percentile CalEnviroScreen Disadvantaged Community (DAC) in San Joaquin, California, that is negatively impacted by both criteria air pollution as well as an historic lack of clean energy investment. The second demonstration will deploy 500KWh second life battery ESS at Smartville headquarters that will have an overall site dimension of 25' L x 10' W. Both demonstrations will undergo at least 1 year-long testing and data-backed prognostics study. The projects will achieve >30% second life ESS cycle life extension compared to state-of-art, from combined benefit of life balancing control, data-backed prognostics, and unique second life battery pack integration hardware design. By the end of the project, the Smartville team will achieve key technology and commercialization advancements, specifically: accomplishing low-rate production of one 250 kW rated MOAB unit per day at <\$100/kWh cost with domestic manufacturing and US made sub-components. Through the project demonstrations and data analyses from the two project sites, Smartville will validate its performance claim of >30% life extension and 50% battery pack state of health uniformity improvement, compared to current state-of-art, elevating the TRL level to 9.

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

**Name of Person or Agency Carrying Out Project:** Smartville, Inc.

**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 ; Cal. Code Regs., tit. 14, § 15303

- Statutory Exemptions. State code number.

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

Smartville, Inc.

Common Sense Exemption. (Cal. Code Regs., tit. 14, §15061(b)(3))

**Reasons why project is exempt:**

The objective of the project is to demonstrate manufacture, and test a second life battery ESS (Energy Storage System). The ESS will be manufactured at an existing manufacturing facility and corporate headquarters in Carlsbad, California. The ESS will then be demonstrated at that Carlsbad location, as well as at an existing electric company in Fresno, California, for 12 months. Data gathered from the demonstration will be used to evaluate efficacy of the ESS.

California Code of Regulations, title 14, section 15301 provides that projects which consist of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, and which involve negligible or no expansion of use beyond that existing at the time of the lead agency's determination, are categorically exempt from the provisions of the California Environmental Quality Act.

The manufacturing component of this project will occur at an existing manufacturing facility in Carlsbad, California, using existing equipment. The ESS will also be demonstrated at this same existing facility in Carlsbad – a commercial office space and attached warehouse currently used for manufacturing, research and development, and storage. At this site, a 500KWh second life battery ESS will be installed, with an overall dimension of 25' L x 10' W. Expected alterations include upgrading existing electrical infrastructure to accommodate the battery ESS requirements, mounting the battery ESS to the existing concrete floor, and moving shelving to accommodate the battery ESS.

Demonstration in Fresno will deploy a 3MWh second life battery ESS at Wellhead Electric Company Inc. This ESS will integrate with an existing onsite 70MW gas turbine generation and existing 3MW solar. At the Fresno site, 3 MOAB units (each approximately 15' L x 10' W x 10' T) and electrical control components will be installed outdoors, with an overall dimension of 68' L x 30' W. The Fresno site is an existing 62 MW gas-fired power station, with a 3 MW solar PV generation plant, and a 16 MWh lithium-ion battery energy storage system. The project will be adding storage capacity to the battery system that operates in support of the gas plant and will require minimal changes to the existing facility. Currently, the existing lot is graded dirt with existing PV generation and energy storage equipment. In addition to pouring the concrete pad, the battery ESS units and electrical control components will be mounted directly to the concrete pad approximately 68' L x 30' W. In addition to the concrete pad, electrical infrastructure such as conduit and wire runs will be installed if necessary. The project will consist of the pouring of a concrete pad on land which does not have vegetation. No healthy, mature, scenic trees will be removed during the potential paving. For these reasons, the proposed work will not have any significant effect on the environment and falls under section 15301.

California Code Regs., tit. 14, section 15303 provides that project which consist of construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion

of existing small structures from one use to another where only minor modifications are made in the exterior of the structure, are categorically exempt from the provisions of the California Environmental Quality Act. At the Fresno site, 3 MOAB units (each approximately 15' L x 10' W x 10' T) and electrical control components will be installed outdoors, with an overall dimension of 68' L x 30' W. At the Carlsbad site, a 500KWh second life battery ESS will be installed indoors, with minor modifications to the existing facility, and with an overall dimension of 25' L x 10' W. For these reasons, the proposed work will not have any significant effect on the environment and falls under section 15303.

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.

For these reasons, the proposed work will not have any significant effect on the environment and falls under sections 15301 and 15303.

**Lead Agency**

**Contact Person:** \_\_\_\_\_ **Area code/Telephone/Ext:** \_\_\_\_\_

**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:**           *Bryan Lee*           **Date:**           10/20/2023           **Title:**           Mechanical Engineer          

**Signed by Responsible Agency**

**Signed by Lead Agency**

**Signed by Applicant**

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