Notice of Exemption

Appendix E

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044

County Clerk

County of: San Diego

From: (Public Agency): California Energy Commission
715 P Street, MS-45
Sacramento, CA 95814

Project Title: Securing Bulk Grid Reliability with a Zero-Emission High-Density Distributed Asset

Project Applicant: The Regents of the University of California; University of California, San Diego

Project Location - Specific: 9413 Voight Drive, La Jolla, CA 92093

Project Location - City: La Jolla Project Location - County: San Diego County

Description of Nature, Purpose and Beneficiaries of Project:

The Regents of the University of California, University of California San Diego (UCSD) owns and operates an existing microgrid electrical distribution system with onsite generation and storage. The microgrid is powered by the UCSD's existing energy infrastructure and consists of a 30-megawatt (MW) cogeneration plant, 3 MW of existing solar photovoltaic (PV), a 2.5 MW/5.0 megawatt hour (MWh) battery energy storage system (BESS) and all electrical assets including 12 kV distribution lines, high voltage switchgear, transformers, and associated metering equipment downstream of a 69 kilovolt (kV) substation which is owned and operated by San Diego Gas and Electric (SDG&E). SDG&E provides transmission and distribution services only.

The project will upgrade the microgrid's existing 2.5 MW/5.0 MWh lithium-ion BESS component with a more efficient BESS with a nameplate capacity of 9.8 MW/ 39.2 MWh. The nameplate capacity of the existing BESS, installed in 2015 and operational since 2016, is a 2.5 MW/ 5.0 MWh system. Due to cycle aging degradation of the lithium iron phosphate battery chemistry, string imbalances and software maintenance issues, the existing system's output can no longer maintain the 2.5 MW/5.0 MWh output. The more efficient BESS would not result in higher energy consumption or expansion of the utilities plant. The minor alteration of the microgrid's BESS component will secure the UCSD's microgrid's reliability and will connect to the existing 12 kV system, mitigate peak load at the SDG&E substation.

The upgraded BESS will occupy the same physical footprint as the existing BESS, utilize existing electrical infrastructure, and connect to the bulk electricity system at the same interconnection point. The proposed project meets and exceeds the solicitation goals of prioritizing and accelerating the implementation of feasible and cost-effective zero-emission resources to achieve bulk grid reliability. The project is consistent with the California Energy Commission's mission of leading the state to a 100 percent clean energy future and will contribute to meeting California's clean energy goals and support grid reliability.

Name of Public Agency Approving Project: California Energy Commission

Name of Person or Agency Carrying Out Project: The Regents of the University of California; University of California, San Diego

Exempt Status: **(check one):**

- ☐ Ministerial (Sec. 21080(b)(1); 15268);
- ☐ Declared Emergency (Sec. 21080(b)(3); 15269(a));
- ☐ Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- ■ Categorical Exemption. State type and section number: Class 1, Section 15301(b) Existing Facilities, Minor Alteration
- ☐ Statutory Exemptions. State code number: _____

Reasons why project is exempt:

California Code of Regulations, title 14, section 15301, subdivision (b) provides that the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, such as existing facilities of investor and publicly owned utilities used to provide electric power, natural gas, sewerage, or other public utility services, involving negligible or no expansion of existing or former use, are categorically exempt from the provisions of CEQA.

This project will involve upgrading the existing BESS, currently rated at 2.5 MW/5.0 MWh, with a new lithium-ion BESS with a capacity nameplate of 9.8 MW/ 39.2 MWh at the UCSD East Campus Utility Plant at 9413 Voight Drive, San Diego (APN 760-2511-700). The BESS is a component of the existing microgrid. The project site is approximately one-half acre of pre-disturbed land and is located immediately adjacent to the UCSD East Utility Plant and a 69 kVA substation (APN 3431-6040-00). The upgraded BESS will occupy the same footprint as the existing BESS. The site is a fully built-out, fenced-in, paved area with existing transformers, underground 12 kV high-voltage electrical lines, and high-voltage switchgear. The site is also encircled by an existing 8-inch curb for containment and has been fully permitted by UCSD's Fire Marshall Office for lithium-ion BESS use.

The current BESS will be removed and decommissioned. Work required to install the new BESS containers includes the construction of new concrete footings for the containers and five new 2 MW transformers, 180 feet of underground trenching between the containers and the 12 kV switchgear, installation of underground electrical conduits and associated conductor pulls, replacement fill and poured asphalt above the trenching, and crane lifts for each of the ten containers and five transformers. The project will involve the minor alteration of an existing microgrid with a more efficient BESS. This project will result in negligible or no expansion of use of the East Campus Utility Plant beyond that already existing.

University of California San Diego, with approval authority delegated by The Regents of the University of California has deemed the project as an allowed modification to the existing UCSD East Campus Utility Plant and it does not require a local discretionary permit. The installation of the upgraded BESS, which is a component of the microgrid, will be a minor alteration of an existing utility system for the UCSD East Campus Utility Plant, with no physical expansion beyond the existing system footprint.

The upgrade of the existing BESS will not result in a significant cumulative impact, there is no reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances, it will not damage resources within a scenic highway, it will not cause substantial adverse change to the significance of a historic resource, and it is not located on a listed site pursuant to Government Code 65962.5. Therefore, the project is categorically exempt under California Code of Regulations, title 14, section 15301, subdivision (b).

Lead Agency

Renee Webster-Hawkins
(916) 237-2507

Contact Person: _____ Area Code/Telephone/Extension: _____

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: Renee Webster-Hawkins Date: September 13, 2024 Title: Senior Attorney

Signed by Lead Agency Signed by Applicant

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

Date Received for filing at OPR: _____

Revised 2011