

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: Joseph Gallo Cheese Company LP

Project Title: Joseph Gallo Farms Net-Zero Refrigeration System Optimization Project

Project Location – Specific: 10561 State Highway 140

Project Location – City: Atwater 95301 Project Location – County: Merced

Description of Nature, Purpose and Beneficiaries of Project:

The California Energy Commission will provide a \$4,410,810 grant to Joseph Gallo Cheese Company LP (Recipient) to fund the project. The Recipient will replace existing refrigeration systems in addition to installing a waste heat recovery system at the Recipient's dairy processing facility located in Atwater, CA. These new systems will reduce both direct and indirect greenhouse gas (GHG) emissions by reducing electricity consumption, natural gas usage, peak demand load, and eliminate high-GWP refrigerant leaks. Beneficiaries include Joseph Gallo Cheese Company LP and local communities around the Recipient's dairy processing facility (with decrease of GHG emissions).

Name of Public Agency Approving Project: California Energy Commission

Name of Person or Agency Carrying Out Project: Joseph Gallo Cheese Company LP

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, § 15302
- Statutory Exemptions. State code number.
- Common Sense Exemption. (Cal. Code Regs., tit. 14, §15061(b)(3))

Reasons why project is exempt:

The project falls under categorical exemption listed in 14 C.C.R. § 15301. This project will involve replacement of existing mechanical equipment at an existing food processing facility in Atwater, CA. The project will replace existing inefficient refrigeration systems in addition to installing a waste heat recovery system. This may involve modifying existing refrigeration lines and concrete work at the recipient's dairy processing facility. The installation will involve minor alteration of existing mechanical equipment with no expansion beyond the existing use of the food processing facility and will not have a significant effect on the environment.

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

The project falls under categorical exemption listed in 14 C.C.R. § 15302. This project involves the replacement of existing mechanical equipment at an existing food processing facility in Atwater, CA. This project will replace existing inefficient equipment at an existing food processing facility to reduce energy consumption and greenhouse gas emissions. The new equipment will be located on the same site as the equipment replaced and have substantially the same purpose and capacity as the equipment replaced.

Each exemption is an independent basis for finding the project is exempt.

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.

Lead Agency

Contact Person: Matthew Stevens **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: Matthew Stevens **Date:** 09/19/2024 **Title:** Mechanical Engineer

Signed by Responsible Agency

Signed by Lead Agency

Signed by Applicant

Date received for filing at OPR: _____