

**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:** Zero Net Energy Alliance, Inc.

**Project Title:** Lancaster Advanced Energy Community (AEC) Project

**Project Location:**

Address	City	County
W Ave I and Sierra Highway	Lancaster 93534	Los Angeles
TBD	Lancaster 93534	Los Angeles
44333 27Th St W	Lancaster 93536	Los Angeles
44044 36Th St W	Lancaster 93536	Los Angeles
753 E Ave K 2	Lancaster 93535	Los Angeles
361 E Pondera St	Lancaster 93535	Los Angeles
1555 W Ave H-10	Lancaster 93534	Los Angeles
43926 2Nd St E	Lancaster 93535	Los Angeles
44924 5Th St E	Lancaster 93535	Los Angeles
1235 W Kettering St	Lancaster 93534	Los Angeles
3540 W Ave K 4	Lancaster 93536	Los Angeles
1233 W Avenue J8	Lancaster 93534	Los Angeles
Various Locations	Lancaster 93534	Los Angeles

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

The purpose of this Agreement is to fund the deployment of a Virtual Power Plant (VPP) in Lancaster that will integrate and manage various distributed energy resources (DERs) across the city. Microgrids will be installed in two new residential developments and three Lancaster city schools. Seven additional Lancaster city schools will have solar PV and battery storage installed. In addition, this agreement will fund the Lancaster Green District Program, an innovative public-private partnership model to deploy battery storage systems in commercial and industrial facilities across Lancaster.

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

**Name of Person or Agency Carrying Out Project:** Zero Net Energy Alliance, 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.
- 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.

Zero Net Energy (ZNE) Alliance

EPC-18-011

The proposed project is a net zero project that involves three components. The first component modifies existing solar systems within the Lancaster School District to incorporate microgrid equipment and batteries. The second component involves installation of battery storage systems at existing commercial and industrial facilities. The third component involves installation of microgrid equipment and battery storage at a low-income housing development. The school, commercial, and industrial sites are already developed and are not located in environmentally sensitive areas. All utilities exist and are serving the sites and no exceptions exist (cumulative impacts, scenic highways, hazardous materials, etc.) that would prevent the use of these exemptions.

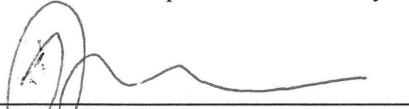
The residential development was approved by the Lancaster Planning Commission in May 2018 and is covered under an initial study/mitigated negative declaration prepared for the project. The installation of the microgrid system and battery storage is covered under the initial study/mitigated negative declaration as part of the construction of the housing development and under Section 15303, New Construction. This exemption specifically allows for the "installation of small new equipment" and utilities to serve new construction. The project site is not located within an environmentally sensitive area, utilities are immediately adjacent to the project site, and no exceptions exist that would prevent the use of the exemption.

**Lead Agency**

**Contact Person:** James Friedrich **Area code/Telephone/Ext:** 916-445-5299

**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:** 5/30/19 **Title:** EGSS I

**Signed by Responsible Agency**

**Signed by Lead Agency**

**Signed by Applicant**

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

Governor's Office of Planning & Research

MAY 30 2019

STATE CLEARINGHOUSE