Notice of Exemption Form D

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, MS-48 Sacramento, CA 95814

Project Applicant: Indian Energy, LLC.

Project Title: Long-Duration Energy Storage Demonstration with Viejas Tribe

Project Location – Specific: 5000-5636 Willows Road, APN 406-051-13-00 and APN 406-070-10-00

Project Location – City: Alpine, 91901 Project Location – County: San Diego

Description of Nature, Purpose and Beneficiaries of Project:

Viejas Band of Kumeyaay Indians is a federally-recognized Native American Tribe. The project will take place entirely on land that is self-governed by the Viejas Tribe. The Viejas Tribe conducted a tribal environmental impact report for the Viejas Casino and Resort pursuant to its own environmental policy ordinance, which requires a detailed report on the environmental impacts of the microgrid that is in substantial compliance with the requirements set out in the National Environmental Policy Act. Therefore, this Notice of Exemption examines the potential for, or lack of, off-reservation environmental impacts under California Code of Regulations, title 14, section 15277.

The project is a 100 percent renewable microgrid for the Viejas Business Enterprises group of tribally owned businesses that includes an outlet center, business zone, casino, resort, and two hotels. The project will occur within the existing Viejas Business Enterprises commercial facility of the Viejas Reservation located in unincorporated San Diego County east of the community of Alpine, California. The project will be supported in part by a California Energy Commission grant with the purpose to scale non-lithium-ion long duration energy storage (LDES) configured in a Hybrid Module Storage System (HMSS) arrangement to demonstrate how LDES can sustain critical facility operations at a scale of 6 megawatts (MW) for 10 hours, support Public Safety Power Shut Off (PSPS) scenarios, and enable 100 percent renewable penetration throughout California. This will be accomplished by installing and operating a 60 megawatt-hour (MWh) hybrid system with vanadium redox flow battery (VRFB) and zinc hybrid cathode (ZHC) battery LDES combined with a 15-MW car port mounted solar photovoltaic (PV) system configured in a behind the meter application that will provide energy security on a 12 kilovolt (kV) microgrid. The microgrid will interconnect to the local San Diego Gas & Electric utility 12 kV distribution system, providing relief for utility grid operations when needed. The installation of the microgrid components will disturb and occupy a total of approximately 4.5 acres maximum within the existing 95-acre Viejas Business Enterprises facility. The microgrid will serve the Viejas Tribe of Kumeyaay Indians and their critical and essential economic infrastructure that is the lifeline of the community. The nearest off-reservation residences are located south of Willows Road, across from the Viejas Business Enterprises facility where approximately 300 of the 400 enrolled members of the tribe reside. The Viejas Reservation is located in an area mapped by the California Public Utilities Commission as a Tier 3 fire-threat where there is an extreme risk (including likelihood and potential impacts on people and property) from utility related wildfires. The new microgrid will provide energy security to tribal operations during emergencies including PSPS events.

The solar PV carport system will involve the installation of steel carport structures mounted on new concrete pilings distributed throughout existing parking lots on the site for a total footprint area of approximately 10,000 square feet. All solar PV panels will have an antiglare coating that maximizes light absorption and will be tilted at a 7-degree slope with 10-foot minimum clearance to the panels and a 14.5-foot maximum column height.

The 60 MWh LDES BESS will consist of 115 containerized VRFB units and 50 ZHC units located in two previously disturbed areas totaling a maximum of 3.5 acres adjacent to the facility's existing water treatment plant. The VRFB technology is field-proven and stores energy in an aqueous solution that never degrades, is non-flammable, and requires little maintenance and upkeep.

Each VRFB unit measures 12 feet long by 8 feet wide by 8 feet high. The ZHC technology stores energy in a nonflammable aqueous electrolyte solution. Each ZHC unit measures 20 feet long by 8 feet wide by 10 feet high. The VRFB units will be painted a non-reflective matte gray, and double-stacked to a height of 16 feet. The ZHC units will be painted like the VRFB units and will not be stacked. Both battery types will be co-located and mounted on a concrete pad. The 12 kV microgrid loop will connect the PV panels to the VRFB and ZHC LDES system. The disturbed area for trenching the 12 kV loop is 25,000 square feet. Installation of miscellaneous electrical equipment will involve 5,000 square feet.

Installation of the project will require a peak of 100 construction workers and will take approximately 18 months to complete. Operations will be ongoing thereafter in a mainly automated manner run by two workers. Construction parking and staging will be done on existing areas for parking and staging of equipment. Pads will be set on spread footings with minimal ground disturbance. Construction equipment such as excavators, skid steers, loaders and concrete trucks will be utilized for construction for minor earthwork and pouring concrete foundations. Haul routes will utilize exterior haul routes away from guests and any potential to impact the surrounding community. Willows Road will be the main haul route which is very close to freeway access for minimal side road disturbances. Spoils will be spread on site where applicable, relocated to the reservation 'borrow' site as needed, and the remainder hauled off for offsite disposal. Key construction activities include clear and grub, minor earthwork, trenching, drilling, steel installation, duct banks and underground electrical work, concrete work, fencing, batteries, and electrical equipment. The VRFB and ZHC units will be brought in via truck and placed via crane.

The project site will be accessed by Willows Road. Air emissions resulting from the construction of the project will be temporary and intermittent in nature. Storm water collected from surface runoff will be managed with the current storm water infrastructure in place and in accordance with current federal storm water management practices. Furthermore, best management practices (BMPs) (such as dust suppression and storm water pollution prevention plans) used during construction and operation of the Hotel (Phase 3) will also be used during the installation and operation of the microgrid system.

Willows Road runs east-west along the southern boundary of the facility. The speed limit along this road is 50 miles per hour. Motorists traveling along Willows Road have limited views of the project site due to topography and vegetation barriers. Due to the high travel speeds of motorists and geographic location, views of the microgrid system from passing cars would be brief and intermittent. Interstate 8 (I-8) is located a quarter of a mile south of the and is listed as an "eligible" scenic highway but has not been officially designated as such. The environmental document prepared for the Viejas Casino and Resort analyzed a five-story hotel. The microgrid and BESS would be much smaller and would not be seen traveling along I-8.

Name of Public Agency Approving Project:	California Energy Commission	
Name of Person or Agency Carrying Out Project: Exempt Status: (check one)	Indian Energy, LLC.	
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));		
X Categorical Exemption. State type and section number		
Cal. Code Regs., tit 14, § 15301		
X Statutory Exemptions. State code Cal. Code F	Regs., tit 14, § 21080.35	
Common Sense Exemption (Cal. Code Regs	tit 14. §15061(b)(3))	

Reasons why project is exempt:

This project will involve the installation of a solar PV carport system, within an existing parking lot. The PV system installation includes steel carport structures on new concrete pilings and electrical conduit to connect the system to the 12 kV microgrid loop. All solar PV panels will have an antiglare coating that maximizes light absorption and minimizes glare. Any potential glare from the operation of the solar PV system will be minimal. Equipment associated with each solar PV array will not occupy more than 500 square feet of ground surface and will be located on the same parcels as the solar panels (APNs 406-051-13-00 and 406-070-10-00). The project does not involve offsite federal Clean Water Act permit; waste discharge requirements pursuant to the Porter-Cologne Water Quality Control Act; incidental take permit for species protected under the federal Endangered Species Act or the California Endangered Species Act; streambed alteration permit pursuant to the California Fish and Game Code; or removal of protected or native plants and trees. For these reasons, the PV portion of the project is statutorily exempt from CEQA under Public Resources Code, section 21080.35, provided for installation of a solar energy system on the roof of an existing building or at an existing parking lot.

The project will install and operate a microgrid system combining a solar PV system and VRFB and ZHC LDES within previously disturbed areas at the Viejas Indian Reservation Business Enterprises facility. The microgrid system installation will be a minor alteration to an existing facility within the interior of the Viejas Indian Reservation with no expansion beyond the reservation operation. Vehicle trips associated with the construction of the project will be temporary and the operation of the microgrid system will result in a negligible number of regular operational trips for maintenance. BMPs will be used during installation and operation of the micro grid system. Therefore, no adverse effects to off-site air or water quality will occur as a result of the project. The installation and operation of the microgrid system would not substantially degrade the existing visual character or quality of off-reservation visual resources, as the system components are not visually obtrusive. The project will not have a significant adverse effect on the off-reservation environment due to unusual circumstances, result in a significant cumulative impact, damage resources within a designated state scenic highway, cause a substantial adverse change to the significance of a historical resource, or be located on a listed hazardous waste site. For these reasons, the project is categorically exempt from CEQA under California Code of Regulations, title 14, section 15301, as a minor alteration of existing facility, involving no expansion of the existing use.

Lead Agency Contact Person: Sean Anayah	Area code/Telephone/Ext	: (916) 931-5044
If filed by applicant: 1. Attach certified document of exemption f 2. Has a Notice of Exemption been filed by	•	☐ Yes ☐ No
Signature: Sean Anayah (Oct 14, 2022 08:03 PDT)	Oct 14, 2022 Title:	Energy Commission Specialist I
Signed by Responsible Agency		
X Signed by Lead Agency		
Signed by Applicant	Date received for filing at OP	R:

CEQA NOE LDS-22-001 Indian Energy LLC (signed).docx

Final Audit Report 2022-10-14

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By: Tiffany Solorio (tiffany.solorio@energy.ca.gov)

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