

NOTICE OF PREPARATION H6 MICROGRID PROJECT (SPR 18-06)

DATE:

JUNE 26, 2019

TO:

STATE CLEARINGHOUSE AND INTERESTED PARTIES

FROM:

CITY OF LANCASTER DEVELOPMENT SERVICES DEPARTMENT,

COMMUNITY DEVELOPMENT DIVISION

SUBJECT:

NOTICE OF PREPARATON (NOP) OF A DRAFT ENVIRONMENTAL IMPACT

REPORT (EIR) FOR THE H6 MICROGRID PROJECT

The City of Lancaster is the Lead Agency in charge of environmental review for the H6 Microgrid Project as proposed by the applicant in their submittal for Site Plan Review No. 18-06. The City has determined that a project level, Focused Environmental Impact Report (EIR) will be prepared. The City is soliciting comments from reviewing agencies and the public regarding the scope and content of the environmental document. For reviewing agencies, the City requests comments with respect to your agency's statutory responsibility as related to the proposed project in accordance with California Code of Regulations, Title 14, Section 15082(b). Your agency may need to use the EIR when considering relevant permits or other approvals for the project. The City is also seeking the views of residents, property owners, and concerned citizens regarding issues that should be addressed in the EIR.

Comment Period: Comments may be sent anytime during the 30-day NOP comment period. The NOP review and comment period begins on July 1, 2019 and ends on July 31, 2019. All comments must be received during the comment period and no later than 6 p.m. on July 31, 2019. Please include the name of a contact period for your agency, if applicable. All comments should be directed to:

City of Lancaster Attn: Jocelyn Swain, Principal Planner 44933 Fern Avenue Lancaster, CA 93534

Comments may also be emailed to jswain@cityoflancasterca.org or faxed to (661) 723-6182.

Scoping Meeting: Oral comments may be provided at the Scoping Meeting to be held on Thursday, July 11, 2019 from 5 p.m. to 6 p.m. in the large Parks Conference room located at Lancaster City Hall. Lancaster City Hall is located at 44933 Fern Avenue, Lancaster, CA 93534.

Project Location

The proposed project is located in the north-central portion of the City of Lancaster in the northwestern portion of Los Angeles County. The project site consists of approximately 12.38 acres and is located on the south side of Avenue H-6 between Trevor Avenue and Division Street. The energy generation facilities and office/maintenance building would be located on Assessor's Parcel Number (APN) 3137-012-044 (approximately 1 acre) and the energy distribution equipment (e.g., transformers, inverters, etc.) would be located on APNs 3137-012-065; 3137-009-050, -051; and 3137-012-034, -035, -036, -041, -042, -043, -045, and -046.

Project Description

The proposed project consists of the construction and operation of a standalone electrical power generation source with the ability to interconnect with Southern California Edison in the future. The proposed project will supply utility-grade energy services, including solar and high efficiency natural gas electrical cogeneration; energy storage, excess thermal heat recovery and CO₂ recovery. The proposed system is rated up to 16.0 megawatts (MW) of electric power supplemented by 780 kilowatts (kW) of solar generation and a 2.0 MW/4.0 megawatt-hour (MWh) battery storage system. The total system capacity would be 16.8 MW and would have the ability to deliver a minimum of 69,223 MWh per year. This system would be designed to serve as a proactively managed microgrid system that would supply power to the adjacent Onion Plant Industrial Park.

Phase I of the proposed project consists of the installation of a 6.330 MW microgrid system that includes generation, distribution, and control assets to initially provide power to buildings within the adjacent Onion Plant Industrial Park and the construction a 4,000 square foot office and maintenance building. Power generation would be provided by four 1.5 MW natural gas engines and 330 kW of solar generation. The solar generation would be rooftop mounted. Phase 1 would utilize cogeneration equipment designed to efficiently use natural gas. Excess thermal heat produced by the engines would be recovered and used to provide chilled water. In addition, CO₂ would be recovered, cooled, and distributed to end users. Both the chilled water and CO₂ would be provided to users within the Onion Plant Industrial Park.

Distribution system components would include transformers, switchgear, cabling, and other distribution equipment throughout the Onion Plant Industrial Park. The proposed project would also include cooling tower(s) and engine stacks up to 25 feet high and sound attenuation enclosures for the engines to limit noise.

Anhydrous ammonia would be utilized as part of the operation of the microgrid system. It is estimated that a maximum of 9,900 pounds of ammonia would be stored on site at any given time in a 2,400-gallon tank. During Phase I, delivery of the ammonia would occur approximately every three months and would increase to every 40 days during Phase II.

Phase 1 of the proposed project would require 34.7 acre-feet of water per year, to be supplied by Los Angeles County Waterworks, District 40, or if feasible, recycled water shall be procured from Los Angeles Sanitation District 14. With the possible exception of small amounts of

constituents associated with water treatment, water discharged from the proposed project would be similar in nature to the water as delivered, but with a higher concentration of total dissolved solids. Wastewater discharge is expected to be 8.7 acre-feet per year into the existing pipelines. An upgrade of the Southern California Gas Company's natural gas line to the facility may be required.

Phase 2 of the proposed project would include the installation of another cogeneration system with battery storage providing up to an additional 10 MW of power to users located within the Onion Plant Industrial Park. Power generation would be provided by up to four 2.5 MW natural gas engines, 450 kW of solar generation, and a 2.0 MW/4.0 MWh battery. Ancillary equipment similar to that described above for Phase 1, such as cooling tower(s), engine stacks, distribution system equipment, and emission control systems, would also be installed. An additional 61.6 acre-feet of water per year and the discharge of an additional 15.6 acre-feet per year of wastewater is anticipated with this phase.

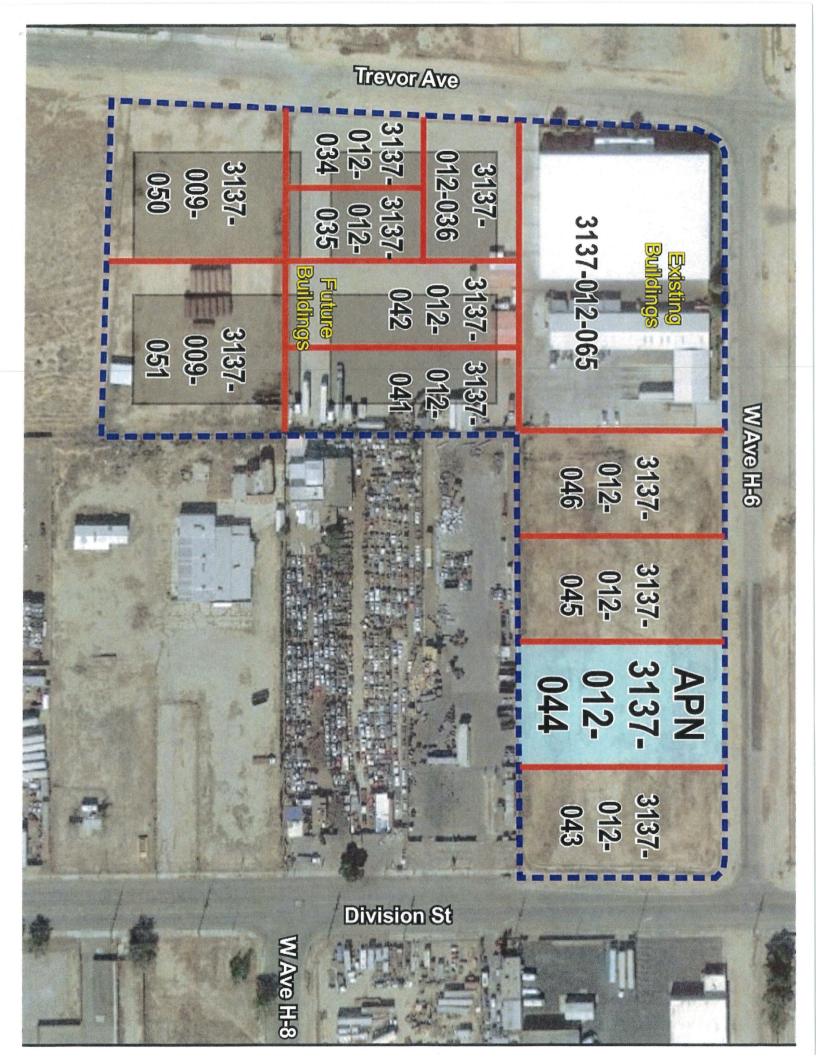
AREAS OF POTENTIAL IMPACT

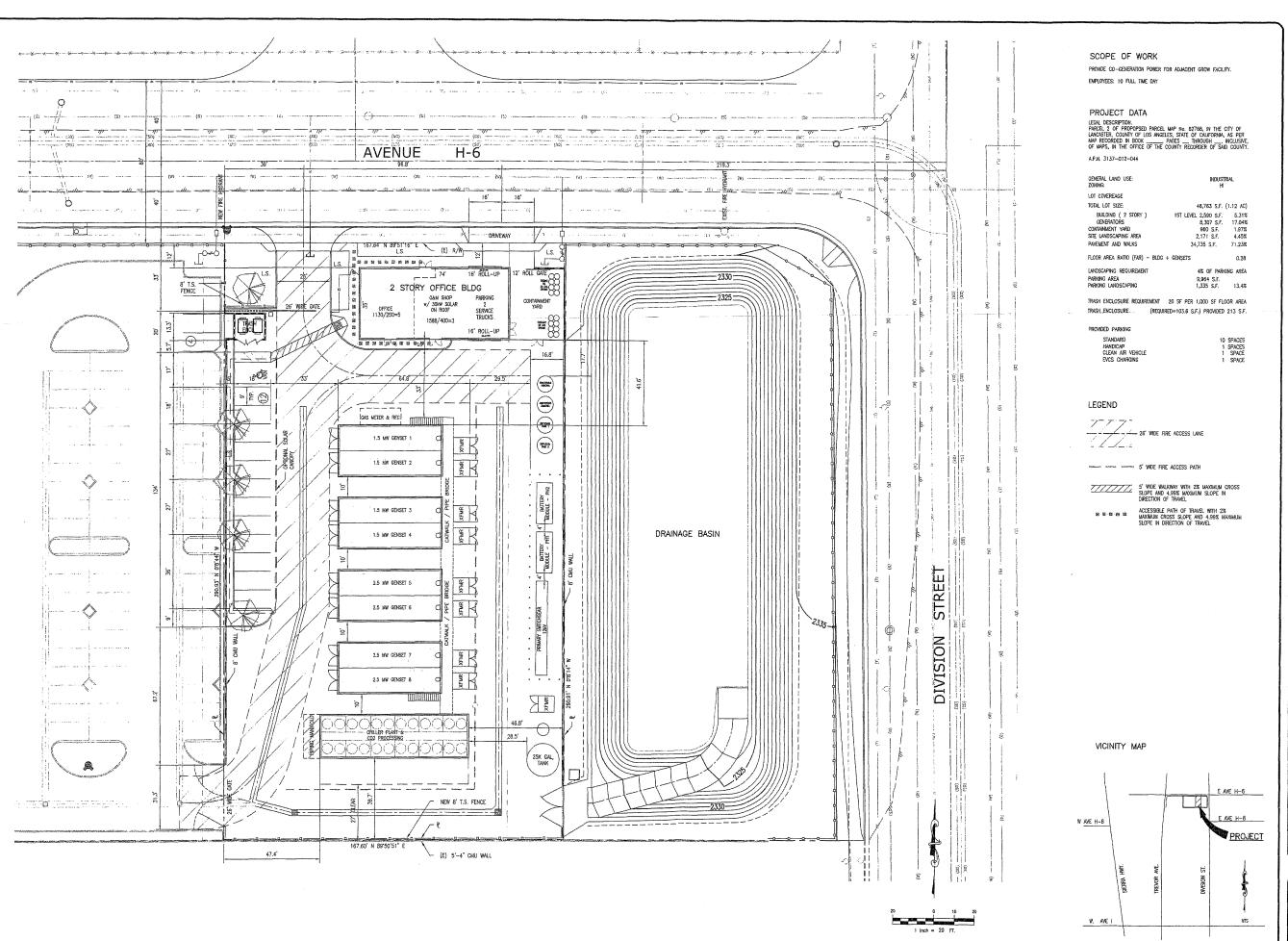
The City has determined that a Focused EIR is required for this project and anticipates that the EIR will address the following resource areas:

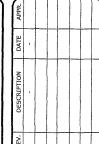
- Air Quality
- Energy Resources
- Greenhouse Gases
- Hazards and Hazardous Materials
- Noise
- Utilities
- Water Resources

The EIR will focus on the potentially significant effects of the project and will document the reasons for concluding that other effects will be less than significant.

Enclosures: Location Map Conceptual Site Plan







OWNER	ONION PLANT, LLC 23679 CALABASAS ROAD, #386 CALABASAS, CA 91302	
PROJECT	ONION II CO-GENERATION PLANT Z00,212,214, AND 222 W. AVENUE H-6 LANCASTER, CA 93534	
SHEET TITLE	PRELMINARY SITE PLAN	



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