



Notice of Preparation of a Draft Environmental Impact Report For the Darden Clean Energy Project (23-OPT-02)

In accordance with California Code of Regulations, title 14, section 15082, California Energy Commission (CEC) staff has prepared this Notice of Preparation (NOP) to inform the Office of Planning and Research (OPR) and each responsible and trustee agency that an Environmental Impact Report (EIR) will be prepared for the Darden Clean Energy Project (project) (23-OPT-02) proposed by IP Darden I, LLC and Affiliates (applicant) in unincorporated Fresno County. The project is being considered under CEC's opt-in authority established by Assembly Bill 205 (2022). The CEC is the lead agency under the California Environmental Quality Act (CEQA) for this project.

Project Location and Description

The project consists of a 1,150-megawatt (MW) solar photovoltaic (PV) facility, an up to 4,600 megawatt-hour (MWh) battery energy storage system (BESS), an up to 800 MW green hydrogen facility, a 34.5-500 kilovolt (kV) grid step-up substation, a 10- to 15-mile 500 kV generation intertie (gen-tie) line, and a 500 kV utility switching station. The project would interconnect to the existing Pacific Gas and Electric Company (PG&E) Los Banos-Midway #2 500 kV transmission line. The project would be located south of the community of Cantua Creek. The solar facility, BESS, substation, and hydrogen facility would be located between South Sonoma Avenue to the west and South Butte Avenue to the east. The project's gen-tie would span west from the intersection of South Sonoma Avenue and West Harlan Avenue to immediately west of Interstate 5. The switching station would be located southwest of West Harlan Avenue and Interstate 5.

The solar PV facility would be made up of approximately 3,100,000 solar panels, inverter-transformer stations, and an electrical collection system, and would be located on approximately 9,100 acres of lands currently owned by Westlands Water District that would be purchased by IP Darden. The BESS would be capable of storing up to 1,150 MW of electricity for four hours (up-to 4,600 MWh). The green hydrogen facility would be located on up to 225 acres and would consist of an electrolyzer, water treatment plant, and ancillary equipment. The electrolyzer would be powered by up to 800 MW of behind-the-meter renewable power generated by the solar facility and would be capable of producing up to 140 metric tons per day of pure, gaseous hydrogen (TN 255082). The 500 kV gen-tie line would be sited within an approximate 200-foot-wide easement on private lands. Following construction of the utility switching

station by IP Darden, ownership and operations would transfer to PG&E. Refer to the Project Description at the following website link for more project details: <https://efiling.energy.ca.gov/GetDocument.aspx?tn=252985&DocumentContentId=88135>.

Additional project description information is provided in the Data Request Responses, Set 2, 5, and 6 (TN 255082, TN 258490, TN 258571).

The CEC maintains a website for this project at: <https://www.energy.ca.gov/powerplant/solar-photovoltaic-pv/darden-clean-energy-project>.

The application and related project documents are viewable by clicking the "Docket Log (23-OPT-02)" link located near the upper right corner of the project webpage. The direct link to the project docket log is: <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=23-OPT-02>

Probable Environmental Effects of the Project

The EIR will analyze the reasonably foreseeable direct, indirect, and cumulative effects of the proposed project in the topic areas specified in Appendix G of the CEQA Guidelines, and environmental justice (EJ). If the project's impacts are determined to be significant, mitigation will be identified to reduce impacts, as feasible. Preliminary review of the application and other filed information indicates the following probable environmental effects:

Air Quality

Staff anticipates that project construction and operation could have a potentially significant impact on air quality. The project would be located in the San Joaquin Valley Air Basin (SJVAB) which is currently designated as a non-attainment area with respect to California air quality standards for ozone, particulate matter (PM) 2.5, and PM10 (Cal. Code Regs., tit. 17, §§ 60200-60210).

Project construction emissions, during both the 18-month and 36-month construction period options, would exceed the nitrogen oxides (NOx) and carbon monoxide (CO) emission thresholds set by the San Joaquin Valley Air Pollution Control District. High NOx emissions together with volatile organic compounds (VOCs) can lead to elevated levels of ground-level ozone in the presence of sunlight, exacerbating air quality problems and making it more difficult for non-attainment areas to achieve compliance with air quality standards.

Project operation of the 12 emergency backup diesel generators would generate emissions of CO and diesel particulate matter (DPM) and form ground-level ozone (NO_x and VOCs emitted from diesel generators).

The applicant has proposed various mitigation measures to reduce the severity of any such impacts, including an emission reduction agreement and fugitive dust control plan. Staff will evaluate the adequacy and effectiveness of the applicant's proposed mitigation.

Biological Resources

Staff anticipates that project construction and operation could have a potentially significant impact on biological resources. Specifically, impacts could affect various special-status wildlife species, including state and federally listed species.

The applicant has proposed various mitigation measures to reduce the severity of any such impacts, including implementation of pre-construction surveys, a worker environmental awareness training and education program, avoidance and passive relocation measures for burrowing owl (*Athene cunicularia*) and American badger (*Taxidea taxus*), and measures to avoid impacts to San Joaquin kit fox (*Vulpes macrotis mutica*). In addition, the applicant has proposed implementation of a Swainson's hawk (*Buteo regalis*) conservation strategy to avoid and minimize impacts to the species. Staff will evaluate the adequacy and effectiveness of the applicant's proposed mitigation. CEC staff anticipates additional measures may be necessary based upon independent research and consultation with the California Department of Fish and Wildlife (CDFW) and the United States Fish and Wildlife Service (USFWS). Incidental Take Authorization under California Fish and Game Code section 2081(b) may be required for state listed species that may be impacted by the project. CEC staff will work with CDFW to incorporate all necessary Incidental Take Authorization requirements into the proposed conditions of certification for the project. Staff will coordinate with USFWS on federally-listed species.

Cultural and Tribal Cultural Resources

Based on preliminary information, staff anticipates that project construction could have a potentially significant impact on cultural resources. The cultural resources inventory prepared by the applicant identified four resources as meeting the California Register of Historical Resources criteria and thus, they are historical resources subject to the requirements of CEQA. The inventory also determined there is a moderate to high potential to encounter buried

archaeological deposits and that there is a potential for encountering unknown human remains in the project site.¹

Ground disturbance proposed as part of the project could encounter and damage buried resources that meet CEQA's criteria for historical resources, likely resulting in a significant impact under CEQA. The applicant has proposed various mitigation measures to reduce the severity of any such impacts, including archaeological monitoring, worker awareness training, and implementing a discovery protocol. Staff will evaluate the adequacy of the applicant's proposed mitigation.

For tribal cultural resources, CEQA requires the lead agency to consult with tribes to identify such resources and assess any potential impacts. On April 26, 2024, the CEC sent invitation letters offering to consult with all tribes traditionally and culturally affiliated with the project area. Impacts on tribal cultural resources have not been determined at this time.

The applicant has proposed various mitigation measures to reduce the severity of any impacts, including employment of a cultural resources specialist, collection of Darden-ISO-CJ-68 under direction of the cultural resource specialist including contacting a Native American representative. Also proposed are implementation of an archaeological monitoring and discovery plan, a worker environmental awareness program, and provisions for the unanticipated discovery of cultural resources and human remains. Staff will evaluate the adequacy and effectiveness of the applicant's proposed mitigation.

Geology, Paleontology and Minerals

Staff anticipates project construction could have potentially significant impacts on paleontological resources. The project is located on soils that have the potential to have high paleontological sensitivity below five feet in depth; therefore, paleontological resources could be encountered and possibly damaged during construction activities where native soil would be disturbed, such as grading, trenching for utilities, excavation for foundations, and installation of support structures.

The applicant has proposed various mitigation measures to reduce the severity of any impacts, including employment of a paleontological resources specialist and

¹ Rincon 2023. Darden Clean Energy Project Cultural Resources Technical Report. Prepared for IP Darden I, LLC, and Affiliates, Beaverton, OR. Prepared by Rincon Consultants, Inc., Fresno, CA (TN 253557).

implementation of a paleontological worker environmental awareness program, paleontological monitoring, a resource salvage and curation plan, and mitigation report. Staff will evaluate the adequacy and effectiveness of the applicant's proposed mitigation.

Noise and Vibration

Staff anticipates project construction and operation could have a potentially significant impact related to noise. The applicant has proposed a mitigation measure to reduce the severity of any impacts to include a quantitative noise analysis for operation of the green hydrogen facility and design requirements such as setbacks, barriers, or other shielding techniques if the noise levels exceed Fresno County's exterior noise standards. Staff will evaluate the adequacy and effectiveness of the applicant's proposed mitigation. The EIR may include additional mitigation such as implementation of a construction noise plan.

Public Health

Staff anticipates project construction and operation could have a potentially significant impact on public health. The project would be in western Fresno County, which is the part of the San Joaquin Valley Air Basin under the jurisdiction of the San Joaquin Valley Air Pollution Control District.

For construction, there are options for 18-month and 36-month construction periods. Toxic air contaminants (TACs) from diesel equipment used during construction have the potential to result in significant impacts. CEC staff will evaluate the impacts of TACs by performing a health risk assessment (HRA). Construction workers and any nearby public could be exposed to coccidioidomycosis (Valley fever) during ground disturbing activities. The *Coccidioides* fungus is known to be present within soils and dust in southwestern United States, including the project area. When contaminated soil is disturbed by human activities, the fungal spores become airborne. Infection occurs when the spores are inhaled.

Similar to construction, TACs emitted from the stacks of the emergency backup diesel generators during readiness testing and maintenance purposes have the potential to result in significant impacts during project operation. The significance of the operational effects of this project will be determined based on the conclusions of a HRA for the 12 emergency generators.

The applicant has proposed a mitigation measure to reduce the severity of any impacts to include procedures to minimize personnel and public exposure to

Valley fever. Staff will evaluate the adequacy and effectiveness of the applicant's proposed mitigation.

Socioeconomics

Staff anticipates construction and operation of the project could result in a potentially significant impact to socioeconomic resources. Potentially significant impacts could result due to an increased demand on law enforcement, fire protection, and emergency medical services. The project site is in a relatively remote part of western Fresno County, where capacity from emergency responders is already challenged. The applicant has proposed a mitigation measure to reduce the severity of any such impacts, including an emergency services agreement with adequate training and coordination with local fire and law enforcement responders and private security system. Staff will evaluate the adequacy and effectiveness of the applicant's proposed mitigation. The EIR may include additional mitigation such as implementation of detailed transportation planning to minimize traffic concerns arising from worker commutes and the development and implementation of emergency plans to address storm or flood conditions.

Transportation

Based on preliminary information, staff anticipates that the project could have a potentially significant impact during construction on transportation. Some construction truck trips may involve high vehicle miles traveled (VMT) to get to the project site. There are no VMT thresholds for temporary construction trips. However, to align with the State's goals of reducing greenhouse gas emissions and ensure VMT is reduced to the extent feasible during construction, mitigation may be necessary. The applicant has proposed a mitigation measure to reduce the severity of any such impacts, to include implementation of a Construction Traffic Carpool and Trip Reduction Plan. Implementation of the plan could include providing ridesharing opportunities for construction workers to reduce VMT. Staff will evaluate the adequacy and effectiveness of the applicant's proposed mitigation.

Visual Resources

Staff anticipates operation of the solar PV facility, step-up substation, gen-tie, BESS, green hydrogen facility, and utility switching station could have potentially significant impacts on visual resources. The aesthetic effects of the project would be assessed from six key observation points (KOPs) evaluating the project from a variety of locations and viewing distances to provide a representative cross-

section of affected landscapes. The locations were selected based on the project's viewshed, visual exposure, and viewer group. The applicant has proposed various mitigation measures to reduce the severity of any such impacts, including implementation of a surface treatment plan to reduce color contrast and glare. Staff will evaluate the adequacy and effectiveness of the applicant's proposed mitigation. The EIR may include additional mitigation for off-site lighting to include lighting restrictions to areas required for safety, security, and operation and the use of motion sensor technology for the BESS, green hydrogen facility, and utility switching station.

Water Resources

Staff anticipates project construction and operation could have a potentially significant impact on water resources. Water supply for the project consists of groundwater from two sources, water procured from the purchase of land with groundwater rights and surplus water stored from Westlands Water District via groundwater banking. Groundwater is located within the Westside Subbasin and has been designated by California Department of Water Resources as "Critically Overdrafted."

Groundwater recharge rates or patterns could be altered by the project. Also, potential impedance of sustainable groundwater management may result if the project would cause or exacerbate existing overdraft conditions, or physically interfere with Project and Management Actions identified in the Westside Subbasin Groundwater Sustainability Plan to reverse existing overdraft and restore balanced conditions.

The applicant has proposed a mitigation measure to reduce the severity of any such impacts, to include implementation of a water contingency plan that would define how the project's year-round and long-term water demands will be consistently met, and to identify management and monitoring activities to support sustainable water supply development for the project. Staff will evaluate the adequacy and effectiveness of the applicant's proposed mitigation. The EIR may include additional mitigation for the reporting of changes to groundwater resources to the CEC and responsible groundwater resource agencies for remedial action.

Responsible and Trustee Agencies

Pursuant to the CEQA Guidelines (Cal. Code Regs., tit. 14, § 15082(b)), each responsible and trustee agency and the OPR shall provide the CEC with specific detail about the scope and content of the environmental information related to

the responsible or trustee agency's area of statutory responsibility that must be included in the draft EIR. At a minimum, the response shall identify:

- the significant environmental issues and reasonable alternatives and mitigation measures that the responsible or trustee agency, or the OPR will need to have explored in the draft EIR; and
- whether the agency will be a responsible agency or trustee agency for the project.

Responsible agencies for this project are State Water Resources Control Board and Regional Water Quality Control Board. The only trustee agency identified for this project is the California Department of Fish and Wildlife. **Responses to this NOP are due to the CEC within 30 days of receipt of the NOP.**² Based on comments received by public agencies on the scope and content of the EIR, CEC staff may request additional information from the applicant to address such comments.

Submitting Comments

Responding agencies may submit comments electronically. To use CEC's electronic commenting feature, go to CEC's webpage for this proceeding, cited above, click on the "Submit eComment" link, and follow the instructions in the online form. Be sure to include the project name in your comments. Once filed, you will receive an email with a link to them and the comments will be part of the proceeding's public record.

Interested parties may also subscribe via the project webpage (linked above) to receive electronic notices of all project-related activities and documents related to CEC's evaluation of the application—look for the box with the words "SUBSCRIBE DARDEN CLEAN ENERGY PROJECT" to add your subscription email. Alternatively, you can go to CEC's subscription page (<https://www.energy.ca.gov/subscriptions>) under "Power Plants Licensing and Projects" and check the "Darden Clean Energy Project" box under "Projects Under Review Topics."

Public Scoping Meeting

The next required event in the process will be a public informational/scoping meeting to be held as near to the project site as practicable, and within 30 days

² If a responsible or trustee agency, or the OPR fails by the end of the 30-day period to provide CEC with either a response to the notice or a well-justified request for additional time, CEC staff will presume that none of those entities have a response to make.

of CEC's determination of a complete application on September 19, 2024 (TN 259218). The CEC expects this event will occur during the third week of October, pending confirmation of a venue and the availability of key participants. The informational/scoping meeting will be noticed via the project docket (weblink provided above) at least 10 days prior to its occurrence and will contain information specific to the public meeting and how to participate.

If you have any questions or need additional information on how to participate in CEC's review of the proposed project, please contact Ann Crisp, Project Manager, by email to ann.crisp@energy.ca.gov.

Attachments:

1. Figure 2-1 Regional Location (from application TN 292985)
2. Figure 2-2 Project Site and Components (from application TN 292985)

Figure 2-1 Regional Location

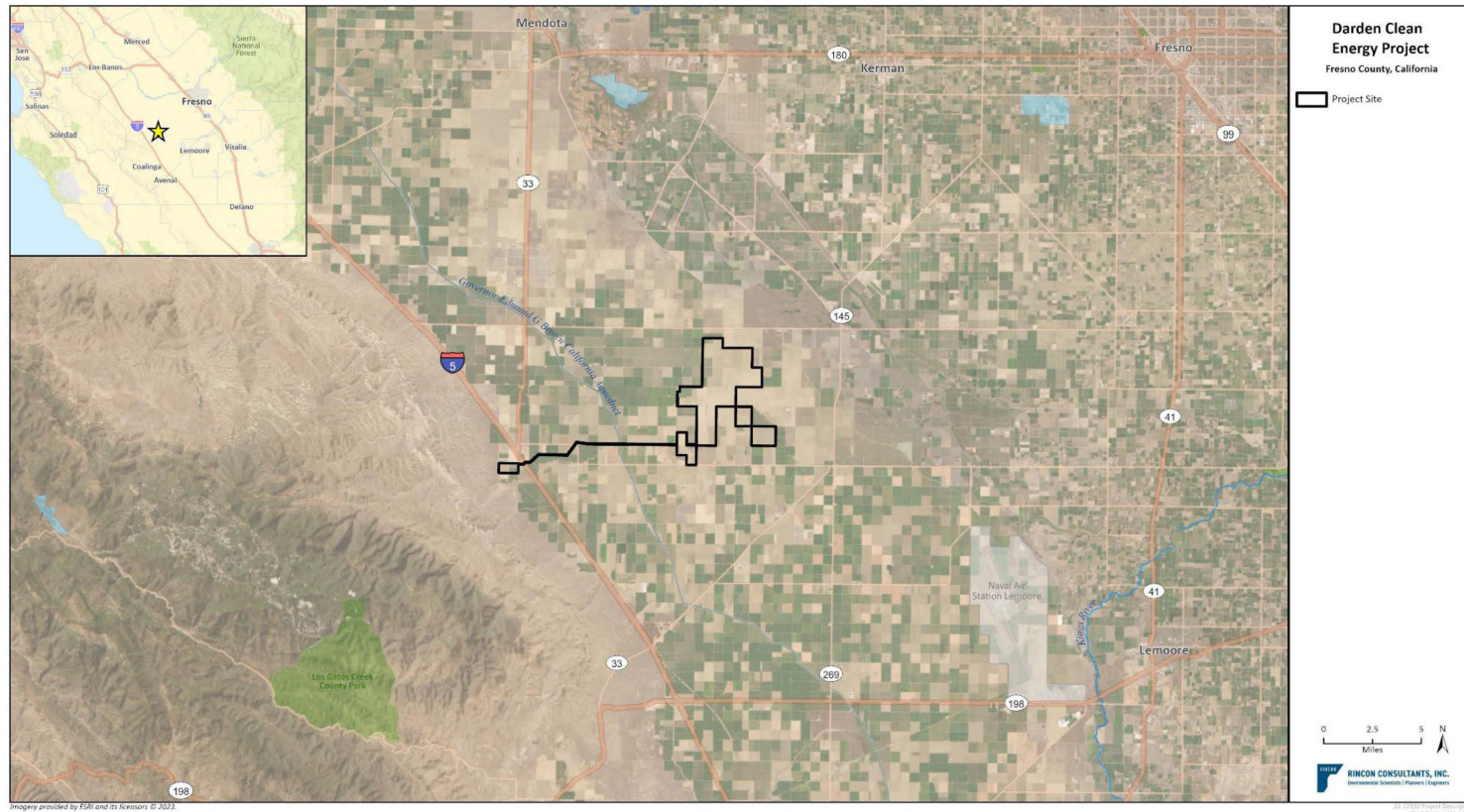


Figure 2-2 Project Site and Components

