

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: Renewell Energy Inc

Project Title: Rigs to Renewables: Demonstrated Application of Networked, Gravity-based Multi-Duration Energy Storage in Idle Oil and Gas Wells

Project Location – Specific: 30540 Imperial St

Project Location – City: Shafter 93263

Project Location – County: Kern

Description of Nature, Purpose and Beneficiaries of Project:

The purpose of this agreement is to fund the installation, grid service validation, lifetime testing, and UL certification of the a multi-well demonstration project of networked gravitational energy storage in five idle oil wells in Kern County. The purpose of the project is to demonstrate the feasibility of the use of otherwise curtailed renewable energy and accelerate the commercial adoption of Gravity Well (GrW) energy storage technology.

Name of Public Agency Approving Project: California Energy Commission

Name of Person or Agency Carrying Out Project: Renewell Energy 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, 15303, 15306, and 15311
- ☐ Statutory Exemptions. State code number.
- ☐ Common Sense Exemption. (Cal. Code Regs., tit. 14, §15061(b)(3))

Reasons why project is exempt:

Cal. Code Regs., tit. 14, §15301, provides that projects which consist of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public and private structures, facilities, mechanical equipment, or topographical features, and which involve negligible or no expansion of use beyond that at the time of the lead agency's determination, are categorically exempt from CEQA. The physical aspects of this work will involve reuse of existing oil wells and oil field sites that are already disturbed and do not constitute an alteration to, or significant change in use of, the immediate environment. For these reasons, the proposed work will not have any significant effect on the environment and is exempt from CEQA under Cal. Code Regs., tit. 14, §15301.

California Code of Regulations, tit. 14, §15303, provides that projects which consist of the construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are

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

Renewell Energy Inc.

made in the exterior of the structure are categorically exempt from CEQA. The project will extend the existing electric field and update electrical connections, without increasing the overall facility footprint. For this reason, the project will not have a significant effect on the environment and is categorically exempt from CEQA under California Code of Regulations, tit. 14, §15303.

Cal. Code Regs., tit. 14, §15306, provides that projects which consist of data collection, research, experimental management, and resource evaluation activities, and which do not result in a serious or major disturbance to an environmental resource are categorically exempt from CEQA. In this project, data and information will be collected on the performance of gravitational energy storage in idle oil wells. For this reason, the proposed work will not have any significant impact on the environment and is exempt from CEQA under Cal. Code Regs., tit. 14, §15306.

California Code of Regulations, title 14, §15311, Accessory Structures, provides that projects which consist of the construction, or placement of minor structures accessory to (appurtenant to) existing commercial, industrial, or institutional facilities are categorically exempt from CEQA. The project will install five Gravity Well energy storage systems to existing decommissioned oil wells. The systems will be integrated off-site, will utilize existing concrete pads to anchor when installed on-site, and are easily removeable. For this reason, the project will consist of a minor structure accessory to an existing industrial facility and is categorically exempt from CEQA through California Code of Regulations, tit. 14, §15311.

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 §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 §15300.2 apply to this project, and this project will not have a significant effect on the environment.

Lead Agency

Contact Person: Zoe Marshall **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: Zoe Marshall **Date:** _____ **Title:** Utilities Engineer

☒ **Signed by Public Agency**

☐ **Signed by Applicant**

Date received for filing at OPR: _____