



**SAN BENITO COUNTY
AGENDA ITEM
TRANSMITTAL FORM**

Betsy Dirks
District No. 1

Kollin Kosmicki
District No. 2
Vice Chair

Peter Hernandez
District No. 3
Chair

Bob Tiffany
District No. 4

Bea Gonzales
District No. 5

Item Number: 1.3

MEETING DATE: 09/27/2022

DEPARTMENT: COUNTY ADMINISTRATION OFFICE

AGENDA ITEM PREPARER: Dulce Alonso

DEPT HEAD/DIRECTOR: Ray Espinosa

SUBJECT:

COUNTY ADMINISTRATION OFFICE – R. ESPINOSA

Accept presentation and Delegate authority for CAO to negotiate and approve a one-year Lease with Central Coast Community Energy (CCCE) at 710 Flynn Rd, Hollister, CA 95023 for the feasibility of potential renewable energy storage project and, delegate authority to authority for CAO to make minor changes with County Counsel approval.

SBC FILE NUMBER: 119

AGENDA SECTION:

REGULAR AGENDA

BACKGROUND/SUMMARY:

Background

Local communities established Central Coast Community Energy (CCCE) to source clean and renewable electricity at competitive prices for customers throughout Monterey, San Benito, Santa Cruz, San Luis Obispo, and Santa Barbara counties. CCCE is locally controlled and governed by board members representing each community the agency serves. With no investors or shareholders, revenue generated by CCCE stays local. It helps keep electricity rates affordable and fair for all customers while funding innovative energy programs to lower greenhouse gas emissions and stimulate community reinvestment.

Overarching goal-target of the project

This project would be part of phase 1 of 3CE's 100 MW front-of-the-meter energy storage (FMES) effort. This effort aims to add storage capacity to the distribution grid within its service area. This storage will enable several benefits, including improved grid safety and reliability and reduced reliance on emitting combustion generation. This effort is also a necessary step along 3CE's path to 100% clean and renewable energy generation by 2030.

The proposed project includes siting a 3.9 MW Li-Ion battery system at the southeast corner of the parcel identified as 710 Flynn Road, Hollister, California. The site will cover approximately 9,000 square feet and includes a perimeter fence. The timeline for the overall project construction contains three main phases. The first phase is a request for interconnection with PG&E. Before granting the request, PG&E will conduct a System Impact Study (SIS) which will take approximately three months. Following completion of the SIS, 3CE will ask San Benito County to fully commit to the project, which will operate for over 20 years. With County approval, 3CE will order all major equipment for the project, which will take 10-12 months to arrive. Once on site, construction will take approximately three months. The expected completion of the project would be the first quarter of 2024.

Facts about the potential impacts: FMES assets do not emit localized pollution harmful to human health. FMES assets can be fire or chemical hazards, but 3CE and its developer will mitigate these hazards with temperature sensors and voltage regulators to identify and prevent potential problems before they happen. Systems will also contain auto-deployed fire suppression measures to mitigate a hazard until qualified first responders arrive on the scene. The systems will primarily have a modern look but will include the electronics required to interconnect with PG&E's distribution grid. Thus, some system elements have a look reminiscent of a small electrical substation. The asset will be visible to those at the jail and juvenile hall and residents in nearby buildings, though no non-county building is within 1,000' feet of the proposed site.

Fiscal impact Cost

3CE will pay for all costs associated with the development and operation of the asset.

Recommendation:

San Benito County Board to approve a one-year lease agreement granting 3CE a 1-year an exclusive development agreement for the specific portion of 710 Flynn Road parcel that is required for the FMES system. Giving 3CE the ability to make an interconnection request with PG&E, precipitating an SIS but not moving forward with construction.

RESOLUTION OR ORDINANCE NEEDED FOR THIS ITEM:

No

CONTRACT NEEDED FOR THIS ITEM:

Yes

CONTRACT AND RFP HISTORY:

This would be a new one-year lease agreement with 3CE

LAST CONTRACT AMOUNT OR N/A:

N/A

STATE IF THIS IS A NEW CONTRACT/ HOW MANY PAST AMENDED CONTRACTS/ OR N/A:

N/A

STRATEGIC PLAN GOALS: 1. Operational Development & Excellence

No

STRATEGIC PLAN GOALS: 2. Planning And Sustainable Growth

Yes

STRATEGIC PLAN GOALS: 3. Technology

No

STRATEGIC PLAN GOALS: 4. Community Engagement

No

STRATEGIC PLAN GOALS: 5. Health & Safe Community

No

BUDGETED:

No

BUDGET ADJUSTMENT NEEDED:

No

SOURCE OF FUNDING:

N/A

UNFUNDED MANDATE:

No

SBC BUDGET LINE ITEM NUMBER:

N/A

CURRENT FY COST:

N/A

STAFF RECOMMENDATION:

1. Accept presentation;
2. Delegate authority for CAO to negotiate and approve a one-year Lease with Central Coast Community Energy (CCCE) at 710 Flynn Rd, Hollister, CA 95023 for the feasibility of potential renewable energy storage project and,
3. Delegate authority to authority for CAO to make minor changes with County Counsel approval.

BOARD ACTION RESULTS:

Accepted presentation and approved a on-year lease per staff recommendation. (4/0 vote, Hernandez - Absent)

ATTACHMENTS:

[Potential Siting rough](#)

[CCCE 100MW FMES Flyer](#)

[3CE SBC FMES](#)

[Lease Agreement Publication 09-17-2022](#)

[Site Control Agreement SBC ONE YEAR](#)