



# CITY OF EAST PALO ALTO

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## Notice of Exemption California Environmental Quality Act

**TO:****COUNTY CLERK**

County of San Mateo  
555 County Center Redwood  
City, California 94063-1665

**FROM:****CITY OF EAST PALO ALTO**

Planning Division  
1960 Tate Street  
East Palo Alto, California 94303

**PROJECT TITLE:** Noon Energy / 350 Demeter Street

**PROJECT LOCATION SPECIFIC:**

Approximately 2-acre parcel at 350 Demeter Street (APN 063-121-320)

**PROJECT LOCATION, CITY, COUNTY:**

East Palo Alto, San Mateo County

**PROJECT DESCRIPTION:**

The proposed research and development project aims to demonstrate, validate, and accelerate the commercialization of Noon Energy's long duration energy storage system. The system, developed by Noon Energy, would provide 50 kW / 0.5 MWh (10 hours) of energy storage capacity. The project would be temporarily placed on the existing outdoor paved courtyard at 350 Demeter between Building A and Building B. The testing would consist of repeating charging (converting water into hydrogen) and discharging (use hydrogen to generate electricity) mode. The total footprint of the project site is approximately 125feet by 45feet. The installation would include two 20-ft shipping containers, storage tanks, and ancillary equipment that would house the proposed 50 kW / 0.5 MWh system. System equipment will include compressors and pumps with estimated decibel levels at the project site boundaries as estimated below:

- Hydrogen Processing Unit - 55dB
- rSOC Container Unit- 55dB
- HPU Dry Cooler - 60dB
- Power Unit Dry Cooler - 60dB
- N2 Generator - 55dB
- Pumps - 55dB
- Portable Diesel Generator – 60dB, rated at 513 base horsepower (bhp)

Equipment size and function is tabled below:

<u>Equipment</u>	<u>Description</u>	<u>Height</u>	<u>Footprint</u>
<u>Power Unit</u>	<u>Electricity charging and discharging unit</u>	<u>10ft</u>	<u>20ft X 8ft</u>
<u>Hydrogen Process Unit</u>	<u>Processing hydrogen</u>	<u>10ft</u>	<u>20ft X 8ft</u>

<u>N2 Generator</u>	<u>Generate Nitrogen gas</u>	<u>10ft</u>	<u>8ft X 10ft</u>
<u>HPU Dry Cooler</u>	<u>Cooling unit for Hydrogen Process Unit</u>	<u>4ft</u>	<u>2ft X 10ft</u>
<u>Power Unit Dry Cooler</u>	<u>Cooling unit for Power Unit</u>	<u>6ft</u>	<u>7ft X 6ft</u>
<u>Water Tank and Pump</u>	<u>Store and discharge water</u>	<u>5ft</u>	<u>7ft X 5ft</u>
<u>Diesel Generator</u>	<u>Portable diesel generator certified by CARB</u>	<u>9ft</u>	<u>20ft X 10ft</u>
<u>Forming Gas Cylinder</u>	<u>Nitrogen 95% / Hydrogen 5% gas cylinder</u>	<u>6ft</u>	<u>3ft X 3ft</u>
<u>Hydrogen Gas Cylinder</u>	<u>100% hydrogen gas cylinder</u>	<u>6ft</u>	<u>2.5ft X 1.75ft</u>

During charging operation, the system would use electrolysis to convert water into hydrogen (gas) which contains energy. Hydrogen would then be retained in cylinder storage assembly tanks (13,200 SCF capacity), while a small amount of oxygen would be vented to the atmosphere. During discharging operation, the process would be reversed, converting hydrogen into water by reacting oxygen from the atmosphere through the battery system, which would be stored in the water tank. The system would be test-operated for a period of approximately 12 months to prove its effectiveness and validate operation and cost parameters and would then be removed from the site.

The site is paved and secured by a concrete wall to the north and a concrete wall with a fencing gate to the south. The paved surface is sufficient to support the containers, or equivalent. For the initial power supply (i.e. the initial 2-3 months), the battery system will be connected to an existing electrical panel. Additional power may be needed which initially will be supplied by a portable CARB certified/complainant diesel generator. Further testing after the initial period will be undertaken where the power supply is planned to be a solar array. This solar array will be placed on the adjacent site, 230 Demeter, pursuant to separate future permit applications and approvals.

The 350 Demeter Street site is zoned for the Waterfront Office. Permitted land uses pursuant to the Updated Ravenswood / 4 Corners Specific Plan include research and development. The General Plan Designation is General Industrial.

**NAME OR PUBLIC AGENCY APPROVING PROJECT**  
City of East Palo Alto, a municipal corporation

**NAME OF PERSON OR AGENCY CARRYING OUT PROJECT:**  
Noon Energy Inc.

**EXEMPT STATUS (Check One)**

☐ Ministerial (Sec. 21080 (b) (1); 15268)

☐ Declared Emergency (Sec 21080 (b) (4); 15269 (a))

☐ Emergency Project (Sec 21080 (b) (4) 15269 (b) (c))

☐ Statutory Exemption – CODE NO: \_\_\_\_\_

☒ Categorical Exemption – **Class: 3** SECTION NO: **15303 – New Construction or Conversion of Small Structures**

## REASON WHY PROJECT IS EXEMPT

### Finding 1: The project consists of installation of small new equipment and facilities in small structures.

**Evidence:** The project would be located on an existing concrete pad between two existing single story industrial buildings. The project includes two 8-ft by 20-ft shipping containers, storage tanks, and additional equipment that would comprise the proposed BESS. The total area of the project site is approximately 5,625 square feet (125 ft by 45 ft) within the 2-acre parcel. The total footprint of the project equipment is no greater than 977 square feet. Maximum height of installed equipment is comprised of the two 10-ft high shipping containers. The 6" concrete walls surrounding the project area are 7.5 feet high and the adjacent industrial buildings are 18 feet high. The project is not visible from the street, or adjacent properties; unless the gate is open, is not visible from the parcel itself.

### Finding 2: The proposed project does not involve unusual circumstances, including future activities, resulting in or which might reasonably result in significant impacts which threaten the environment. The exceptions to the categorical exemptions pursuant to Section 15300.2 of the State CEQA Guidelines are:

- a) Location. Classes 3, 4, 5, 6, and 11 are qualified by consideration of where the project is to be located - a project that is ordinarily insignificant in its impact on the environment may in a particularly sensitive environment be significant. Therefore, these classes are considered to apply all instances, except where the project may impact on an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, state, or local agencies.

**Evidence:** This exception to the categorical exemption does not apply since the project would not be located in a designated sensitive environment area. The project would be installed on an existing concrete pad on a developed parcel zoned for Waterfront Office use. Only standard vegetation maintenance would occur on the project site. There are no known landslides, expansive soils, or other environmental resources of hazardous or critical concern designated or precisely mapped on the project site. The project is within the Area-Wide Risk Management Plan for Identified Properties Within the Ravenswood Industrial Area (RMP). The RMP establishes protocols to address residual soil and groundwater contamination and potential vapor intrusion risk. Compliance with the RMP, as monitored and enforced by the San Francisco Bay Regional Water Quality Control Board (RWQCB), would ensure that the project would not result in hazardous site conditions related to soil and groundwater contamination. The nearest mapped environmentally sensitive habitat area is a wetland area located approximately 500 to 800 feet east and north of the project site, respectively. The project site is separated from the wetland area by a concrete wall and a vacant parcel used for soil stockpiling. The project would not encroach into the wetland. Construction activities would occur for approximately 2-3 weeks and would not require ground disturbance. Due to the minor and temporary nature of construction, such activities would not adversely affect the nearby wetland habitat. During operation, two employees would visit the project site on a daily basis to conduct testing and monitoring. The project would not require special lighting. System equipment would be required to comply with the City's Noise Ordinance (East Palo Alto Municipal Code Chapter 8.52 – Noise Control). Due to the minimal activities associated with project operation, such activities would not adversely affect the nearby wetland habitat.

- b) Cumulative Impact. All exemptions for these classes are inapplicable when the cumulative impact of successive projects of the same type in the same place, over time is significant.

**Evidence:** This exception to the categorical exemption does not apply since the project would be located within an existing developed area where the installation of project equipment such as the project are both commonplace and allowable under existing zoning and the Ravenswood/4 Corners Specific Plan. Other similar projects to the testing of the Battery Energy Storage System (BESS), research and development activities, built in the same place, over time, and designed in accordance with applicable policies and regulations would not result in significant cumulative impacts.

- c) **Significant Effect.** A categorical exemption shall not be used for an activity where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances.

**Evidence:** This exception to the categorical exemption does not apply. There is no substantial evidence that the project involves unusual circumstances, including future activities, resulting in or which might reasonably result in significant impacts which threaten the environment. The installation of the proposed BESS facility is consistent with the existing industrial use of the project site. Installation of the proposed facility will be subject to City of East Palo Alto Building department review as well as Menlo Park Fire Protection District review and requirements. There are no unusual environmental circumstances associated with the site. All services are available and adequate. In addition, this is for a temporary use that will cease within one year.

- d) **Scenic Highways.** A categorical exemption shall not be used for a project which may result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway. This does not apply to improvements which are required as mitigation by an adopted negative declaration or certified EIR.

**Evidence:** This exception to the categorical exemption does not apply. The project site is located in a developed area and is not visible from any designated scenic highway. Therefore, the project would not result in damage to scenic resources within a highway officially designated as a state scenic highway.

- e) **Hazardous Waste Sites.** A categorical exemption shall not be used for a project located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code.

**Evidence:** This exception to the categorical exemption does not apply. According to the Department of Toxic Substances Control Envirostor website (<http://www.envirostor.dtsc.ca.gov/public/>) and the State Water Resources Control Board's (SWRCB) Geotracker website (<http://geotracker.waterboards.ca.gov/>), the project site is not included on any list compiled pursuant to Section 65962.5 of the Government Code.

- f) **Historical Resources.** A categorical exemption shall not be used for a project which may cause a substantial adverse change in the significance of a historical resource.

**Evidence:** This exception to the categorical exemption does not apply because no archaeological or other cultural sites are known to exist on the project site. The existing industrial buildings were constructed in 1981 and are not age-eligible to be historic resources. The project would be installed on an existing concrete pad and would not include ground disturbance. The project would therefore have no impact on any historical resource.







