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*Comment Received From: Michael McGrady  
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**Urgent Concern Regarding Non-Compliance with Community Benefits Agreement**

*Additional submitted attachment is included below.*

June 4, 2025

The Honorable David Hochschild, Chair  
and the Commissioners of the California Energy Commission  
715 P Street  
Sacramento, CA 95814

Subject: Urgent Concern Regarding Non-Compliance with Community Benefits Agreement  
Requirement for College District

Dear Chair Hochschild and Esteemed Commissioners:

This letter expresses our profound concern and calls for immediate clarification regarding the California Energy Commission's (CEC) apparent disregard for the legally mandated Community Benefits Agreement (CBA) requirement for the proposed Compass Energy project, for which ENGIE North America is the applicant. This matter is of critical importance, as it directly impacts the integrity of the CEC's certification process and the legislative intent behind landmark energy policy in California.

As you are undoubtedly aware, for projects seeking certification through the "opt-in" process established by Assembly Bill 205 (AB 205), specifically Public Resources Code Section 25545.10(a), the CEC is explicitly required to make a finding that the applicant has entered into "one or more legally binding and enforceable agreements with, or that benefit, a coalition of one or more community-based organizations." This provision was enacted to ensure that large energy projects provide tangible, contractually secured benefits to host communities, fostering local support and mitigating potential impacts.

In the context of the Compass Energy project, it has come to our attention that ENGIE North America has offered a provisional grant to the South Orange County Community College District (SOCCCD). While a grant may seem beneficial, it is imperative to distinguish such an offer from a legally binding Community Benefits Agreement. Critically, the SOCCCD has publicly and unequivocally stated its refusal to agree to a Community Benefits Agreement with ENGIE North America. Furthermore, the SOCCCD has clearly communicated that this is solely a provisional grant and has actively repudiated any representation of it as fulfilling the requirements of a CBA.

The distinction is not merely semantic; it is fundamental to the legal obligations set forth in AB 205. A provisional grant, unilaterally offered and explicitly *not* recognized as a CBA by the recipient entity, fundamentally fails to meet the statutory requirement for a "legally binding and enforceable agreement" designed to benefit the community in the manner envisioned by the law.

To proceed with the certification of the Compass Energy project without a properly executed and recognized Community Benefits Agreement would set a deeply troubling precedent. It would effectively render Public Resources Code Section 25545.10(a) moot, undermining the very purpose of AB 205 and eroding public trust in the CEC's commitment to uphold legislative mandates. Such an action would suggest an unacceptable disregard for explicit legal requirements and the welfare of affected communities.

We respectfully but firmly urge the California Energy Commission to:

1. Acknowledge and uphold the clear statutory requirement for a legally binding and enforceable Community Benefits Agreement as a prerequisite for the certification of this project under AB 205.
2. Clarify how the CEC intends to reconcile the lack of a contractual CBA with the explicit findings required by Public Resources Code Section 25545.10(a), especially given SOCCCD's outright refusal to enter into such an agreement.
3. Ensure that no certification is granted until a bona fide, legally binding, and mutually agreed-upon Community Benefits Agreement is secured, fully compliant with the spirit and letter of California law.

The CEC holds a vital responsibility to ensure that California's energy future is built not only on technological advancement but also on a foundation of legal compliance, community benefit, and public trust. Allowing this project to bypass a fundamental legal requirement would be a severe misstep with lasting negative implications.

My neighbors adjacent to the Compass site, along with me, my friends, and my family, await your prompt and definitive response to these serious concerns and trust that the Commission will take immediate action to ensure full compliance with California law.

Sincerely,



Michael McGrady