

DOCKETED	
Docket Number:	24-OPT-04
Project Title:	Potentia-Viridi Battery Energy Storage System
TN #:	264996
Document Title:	Email Request for Information Regarding Net Economic Benefits
Description:	N/A
Filer:	Marichka Haws
Organization:	California Energy Commission
Submitter Role:	Commission Staff
Submission Date:	7/24/2025 4:26:51 PM
Docketed Date:	7/24/2025

From: [Veerkamp, Eric@Energy](mailto:Veerkamp.Eric@Energy)
To: kstrain@capstoneinfra.com; [Ronelle Candia](#); [Rocio Perez Chang, Kaycee@Energy](#); [Negar Vahidi](#); [Irene Kaufman](#)
Bcc: [Giorgi, Erika@Energy](#); [Ponce, Mariah@Energy](#)
Subject: PoVI, Request for Information, follow up to Data Requests, Net Economic Benefits (Mandatory Opt-In Requirements)
Date: Wednesday, July 23, 2025 2:46:00 PM
Attachments: [image001.png](#)

Hi Kelene and Ronelle,

For Potentia-Viridi 24-OPT-04, the CEC is requesting clarifying information related to Net Economic Benefits to communities. Staff has noted these items are for additional clarification; therefore, the CEC is sending this email (rather than another round of data requests), which will be filed to the docket, as will responses.

Please refer to the Data Responses submitted to the CEC on January 29, 2025 (TN 261398), in response to CEC Data Requests (TN 259038) . For all items below, please refer back to the previous DRs and Responses or previously submitted tracking numbers (TN's).

Mandatory Opt-in Requirements

California Code of Regulations (CCR), title 20, section 1877(f) requires Opt-In Applications to identify preliminary information demonstrating overall net positive economic benefit to the local government that would have had permitting authority over the site and related facility, consistent with Public Resources Code section 25545.9. California Code of Regulations, title 20, section 1879 (a) (7) further states that the net positive benefits identified in an Opt-In Application may include, but are not limited to the following: (a) employment growth, (b) housing development, (c) infrastructure and environmental improvements, (d) assistance to public schools and education, (e) assistance to public safety agencies and departments, and (f) property taxes and sales and use tax revenues.

As part of Data Request Response No. 2 (TN 261398) and Revised Section 3.10 Socioeconomics (TN 261399), the Applicant provided information on project net benefits. In the Revised Socioeconomics Section 3.10, the Applicant states, "...[t]he construction phase would have positive fiscal impacts in the study area on Alameda County, including higher levels of property tax and sales tax accruing to the Alameda County General Fund and Special Funds. The Revised Socioeconomics Section 3.10 further states,

"...[t]he proposed Project would replace current grazing activities on 70 acres of the total of 235.97 acres for parcel APN 99B-7890-002-04. This parcel is currently under the California Land Conservancy Act (CLCA) (the Williamson Act) and therefore receives a lower level of property tax assessment from the Alameda County Assessor. Based on the assessor records, the parcel in 2024-25 was assessed an annual property tax of about \$991 for the total 235.97 acres. Therefore, the BESS portion of the Project would contribute to a prorated property tax amount of about \$294 annually."

In Table 3-8 of the confidential Socioeconomics report, the Applicant provides annual

expenditure in property taxes. For the purposes of net benefits from property taxes, this number is compared to the current \$294 annual property tax amount for the 70-acre portion of the project.

In the Land Use section of the application and in Data Response No. 2, the Applicant states "...[t]he subject parcel is currently classified as a Williamson Act property; therefore, the post-development property valuation and ad-valorem tax is not determined here, at this time," and that the Williamson Act contract would not need to be cancelled.

Refer to DRR-MAND-2 (TN 261398) Per California Code of Regulations, title 20, section 1877(f) requirement, staff have the following additional data requests:

- a. Based on the information provided by the applicant regarding current property tax values of the project parcel, if the parcel remains under a Williamson Act contract, would the proposed project site valuation remain at the current lower property tax assessment of \$294 for the 70 acres (or \$991 for the full parcel) annually for the duration of the Williamson Act contract, versus the project-generated property tax value reported in Table 3-8 of the confidential Revised Socioeconomics report?
- b. If the value in Table 3-8 of the confidential Revised Socioeconomics report is the correct property tax rate given the site's Williamson Act contract, would the property tax be generated for just the 70-acre portion of the project parcel, or does this number reflect taxes generated for the entire 235-acre parcel? Please provide the average annual property tax generated over the 35-year life of the project, rather than the year 5 rate.
- c. Would the remaining 165 acres of the parcel that is not part of the project continue to be used for agricultural purposes (i.e., grazing)?
- d. The values provided in Table 3-8 of the confidential Revised Socioeconomics report include BESS LTSA, BESS warranty, BESS capacity guarantee, augmentation, insurance, land lease, operations labor and trading, property tax, aux load, and other annual O&M costs all starting at year 5. Please revise O&M values to reflect annualized costs over the 35-year life of the project. The inclusion of these items and data from year 5 that do not occur annually throughout the life of the project (e.g., augmentation) may create an overinflated O&M value.
- e. Table 3-8 of the confidential Revised Socioeconomics report provides both the cost of the annual project lease amount that would be paid by the applicant to the parcel owner, and the annual property taxes that would be generated by the project (and that would typically be paid by the parcel owner to Alameda County). Please provide an explanation of why both items are listed as project expenditures in the table. Also, provide information on how the parcel owner would pay the annual property tax listed in Table 3-8 to the County when the project lease payment is substantially less.

Please file your responses to the docket. We are open to further discussions if you choose to file responses under confidential cover; however, it would be an expedited process since it would be a repeated application. I plan to send a meeting request soon for a time early next

week to make staff available to discuss.

Eric W. Veerkamp

Project Manager

California Energy Commission

916-661-8458

STEPSiting@energy.ca.gov

www.energy.ca.gov

