

**DOCKETED**

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*Comment Received From: Frank Gallagher Cal Grow LLC  
Submitted On: 10/6/2020  
Docket Number: 19-BSTD-03*

**Title 24 Variance Request**

*Additional submitted attachment is included below.*

California Energy Commission,

Please note, I'm one of the few (a conservative estimate is that less than 5% of all licensed stakeholders in the California cannabis industry have current permanent nursery, cultivation, processing, manufacturing, distribution & non-store front retail delivery licenses in hand) that are CEQA compliant.

The California Environmental Quality Control Act ("CEQA") is a mandatory requirement for all cannabis operators in California. As one of the few operators in the State to have gone through this process, I bring to your attention how difficult, time consuming and expensive it was to become compliant. I did this in an effort to be a good steward of the environment, an operator within the legal cannabis industry held to the highest standards of environmental compliance and an enterprise putting all the pieces of the puzzle together proving that it can be done.

As a point of reference, the attached CEQA Process Flow Chart shows the steps involved to become compliant. It's a 3-5 year process with numerous public hearings at a cost of between \$300,000 - \$500,000 before you hear the word "Yes" or "No" as to the outcome, and I'll also add, this process is not for the faint of heart by a long shot.

One of the continuous obligations of CEQA compliance is to maintain the obligation to stay compliant by adhering to the highest environmental standards as required by CEQA. As such, the CHP plant we designed and installed requires the microturbines to run at their highest efficiencies because that's how you generate the least amount of NOX & VOX emissions. I have received my permit from the Monterey County Air Resource Board for these microturbines to be put into service at my project based upon this engineering design.

Here's the downfall for me to interchange HPS lights with LED lights as required by the proposed Title 24 Regulations. When the power demand is less upon the CHP plant, the microturbines would need to be "throttled-down" to run at levels that then produce significant NOV & VOX emissions. Basically, you emit black smoke out the exhaust manifold because the microturbines were never designed to run at lower efficiencies. I would lose my Air Board permit to operate because of the significant pollution released into the atmosphere and then become non-compliant with CEQA as well.

I understand the intent of the proposed regulations, but I'm not connected to the power grid for all my production power in the first place. My operation is a 4 MW CHP (Combined Heat & Power) system that uses a renewable energy source (natural gas) to generate all electricity, cooling & dehumidification on site without any electricity from the grid. This is a HUGE offset vs buying the equivalent amount of power from my utility provider, PGE.

I would welcome you and your engineers to visit my project if that would be of interest so you could see firsthand what has been put in place to be a good steward of the environment. The implementation of all these systems including CEQA compliance which was at a significant cost with a high degree of risk, would be devastating if I was required to replace HPS lights with LED lights. There's just no way around that outcome- the engineering and the designs already put in place are unique to the industry and I've taken a huge amount of financial and personal risk to "Do the right thing" every step of the way.

Please consider my situation when moving forward on the Title 24 revisions to the current regulations.

I am requesting a variance for my operation to be excluded from the proposed Title 24 regulations located at 100 Don Bates Way, King City, CA. 93930.

I'm available to discuss these matters at your convenience.

Thank you for your consideration.



Frank Gallagher

Managing Member

Cal Grow LLC

The Vertis Group

King City, CA.

(858) 922-1404