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# **Community and Tribal Workshop Package**

## **Blue Ribbon Commission on Lithium Extraction in California Community and Tribal Workshops on Draft Report**

October 2022

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**Blue Ribbon Commission on Lithium Extraction in California  
Community and Tribal Workshops on Draft Report**

**Group Discussion Workbook**

**Partial Listing of Potential Issues of Interest found in the  
Recommendations**

*This table was prepared only for use in the Lithium Valley Community and Tribal Workshops to facilitate the discussion on the recommendations in the Draft Report.*

**Table 1: Partial Listing of Potential Issues of Interest found in the  
Recommendations**

<b>Potential Issue of Interest</b>	<b>Proposed Recommendation Topic from the Draft Report (Appendix)</b>	<b>Number</b>
Circular economy/ End of life / recycling	B. Market opportunities	4, 6
Circular economy/ End of life / recycling	F. Economic benefits and environmental impacts (Environmental Impacts)	4
Community benefits agreements	F. Economic and environmental impacts (Economic Impacts)	5
Definition of Lithium Valley	Community Perspectives	4
Economic Impacts (local business opportunities)	B. Market opportunities	2, 3, and 5
Economic Impacts (local business opportunities)	D. Technical and economic challenges	3
Economic Impacts (local business opportunities)	G. Local, state, and federal incentive and investment opportunities	1
Economic Impacts (local business opportunities)	H. Legislative and regulatory changes	1
Education (STEM)	F. Economic and environmental impacts (Workforce Development)	3
Electricity rate reduction	F. Economic benefits and environmental impacts (Economic Impacts)	1
Environmental impacts	E. Safety and environmental protection	4
Environmental impacts (metrics)	E. Safety and environmental protection	2

High-road job and career approaches	F. Economic environmental impacts (Workforce Development)	1
Infrastructure	D. Technical and economic challenges	1, 4
Infrastructure	F. Economic environmental impacts (Economic Impacts)	2, 4
Infrastructure	G. Local, state, and federal incentive and investment opportunities	2, 4
Jobs (Workforce Development)	H. Legislative and regulatory changes	1
Language accessibility	Community Perspectives	2
Language accessibility	E. Safety and environmental protection	2, 4
Lithium Valley	F. Economic benefits and environmental impacts (Economic Impacts)	3
Local engagement	Community Perspectives	1, 3, 5b
Local engagement	E. Safety and environmental protection	1a
Local engagement	F. Economic and environmental impacts (Economic Impacts)	2
Local engagement	F. Economic and environmental impacts (Environmental Impacts)	1, 3
Local engagement (participatory budgeting)	F. Economic and environmental impacts (Economic Impacts)	4
Local engagement (project status, reporting)	H. Legislative and regulatory changes	1
Project labor agreements	F. Economic benefits and environmental impacts (Workforce Development)	2
Public health (health impact assessments)	Community Perspectives	5a
Public health (health impact assessments)	E. Safety and environmental protection	1b
Public health (health impact assessments)	F. Economic benefits and environmental impacts (Environmental Impacts)	2, 3
Safety	E. Safety and environmental protection	3
Salton Sea restoration	Tribal Perspectives	5
Technical assistance	B. Market opportunities	1
Technical assistance	D. Technical and economic challenges	2

Technical assistance	G. Local, state, and federal incentive and investment opportunities	3
Transmission	A. Geothermal energy development for lithium recovery	2
Transmission	C. Electricity grid benefits	1
Tribal consultation	Tribal Perspectives	1, 2, 3
Tribal consultation	F. Economic and environmental impacts (Economic Impacts)	2
Tribal cultural resources	Tribal Perspectives	4
Water	A. Geothermal energy development for lithium recovery	1

**Blue Ribbon Commission on Lithium Extraction in California  
Community and Tribal Workshops on Draft Report  
Excerpt of Draft Report Recommendations by Topic**

*This document was prepared for use in the Lithium Valley Community and Tribal Workshops. It contains all 44 of the recommendations listed in Appendix A of the Draft Report of the Blue Ribbon Commission on Lithium Extraction in California. Bolding has been added to highlight recommendation topics and key issues.*

**Note: Bolded text is emphasis added by CEC staff to facilitate workshop participants review of the proposed recommendations and highlight potential issues of interest.**

**Appendix A: List of Recommendations by Topic**

This appendix lists all recommendations in the report by the following topics:

- Topics specified in AB 1657
  - A. Actions that will support the further development of geothermal power that could provide the cobenefit of lithium recovery from existing and new geothermal facilities
  - B. Market opportunities for lithium
  - C. The potential benefits of, and added value to, existing and new geothermal facilities in areas that contain mineral-rich brines for the state, the western energy grid, and the United States, including grid stability, reliability, and resiliency
  - D. Methods of overcoming technical and economic challenges limiting lithium extraction, processing, and production from geothermal brines
  - E. Safe environmental methods and standards for lithium extraction from geothermal brines and how this compares to other methods for deriving lithium
  - F. Potential economic and environmental impacts to the state resulting from extraction, processing, and production of lithium and lithium-dependent products from geothermal brines
  - G. The importance of, and opportunities for, the application of local, state, and federal incentives and investments to promote lithium extraction from geothermal brines
  - H. Recommendations for legislative or regulatory changes that may be needed to encourage lithium extraction from geothermal brines, including whether the development of a centralized tracking system for lithium project permitting by state and local regulatory agencies would assist with developing the lithium industry.

- Community Recommendations
- Tribal Recommendations

## **A. Actions that Will Support the Further Development of Geothermal Power that have the Potential to Provide the Cobenefit of Lithium Recovery from Existing and New Geothermal Facilities**

### Recommendations

1. Require the IID to identify the specific **water** needs for anticipated project comprehensively, not in isolation, but considering all the known developers' plans to bring new geothermal power plants on-line by 2024 with facilities using DLE technology to recover lithium from geothermal brine.
2. State **transmission** planning entities and local utilities should pursue making investments for **transmission** upgrades to address **transmission** needs for geothermal energy delivery from the Imperial Valley area over the next 10 years. Planning should consider developers' plans to begin bringing new geothermal power plants on-line in 2024 with collocated DLE from geothermal brine. These efforts will support the expansion of geothermal energy to provide electricity and ancillary services to the electricity grid from a firm, renewable energy resource and additionally support the state's interest in developing lithium recovery.

## **B. Market Opportunities for Lithium**

### Recommendations

1. Leverage existing programs such as those implemented by the Governor's Office of Business and Economic Development and the California Infrastructure and Economic Development Bank (IBank) to **provide state funding, tax inducements, and technical assistance that will support the start-up and expansion of manufacturing businesses** that rely on lithium and contribute to other state priorities including clean energy and greenhouse gas emissions reduction programs. A focus should be placed on battery and battery component manufacturing, especially cathode production using lithium produced through environmentally preferable methods.
2. Continue to **provide research and development funding to advance lithium** recovery technologies and develop next-generation improvements to existing technologies, with a focus on ensuring the long-term success of the planned facilities.



3. Provide funding or support the use of federal funding for an appropriate state agency to lead development of new, environmentally preferable product criteria for lithium-based products, along with labeling requirements to support procurement based on the selected criteria.
4. Support development of a **circular lithium economy** based in California, with environmentally responsible sourcing of raw materials, requirements for product design that supports **recovery, reuse and recycling** of materials, and development of an effective recovery **infrastructure**, built with the assistance of public-private coalitions and effective community engagement.
5. Implement procurement policies for state agencies to require that products containing significant proportions of lithium use environmentally preferable sources for that component, when available.
6. Consistent with the report from the Lithium-Ion Battery **Recycling** Advisory Group, the Legislature should consider requiring a digital identifier on all lithium-ion batteries sold in California, including chemistry and supply chain information. The information should be publicly available through an online centralized tracking system maintained by a state agency. California's digital identifier for lithium-ion batteries should be informed by other digital identifiers, such as the digital identifier developed by the Global Battery Alliance and the battery passport system developed in Europe.

### **C. The Potential Benefits of, and Added Value to, Existing and New Geothermal Facilities in Areas that Contain Mineral-Rich Brines for the State, the Western Energy Grid, and the United States, Including, but not Limited to, Grid Stability, Reliability, and Resiliency**

#### Recommendations

1. State **transmission** planning entities and local utilities should pursue making investments for **transmission** upgrades to address **transmission** needs for geothermal energy delivery from the Imperial Valley area over the next 10 years. Planning should consider developers' plans to begin bringing new geothermal power plants on-line in 2024 with collocated DLE from geothermal brine. These efforts will support the expansion of geothermal energy to provide electricity and ancillary services to the electricity grid from a firm, renewable energy resource and additionally support the state's interest in developing lithium recovery.

## **D. Methods of Overcoming Technical and Economic Challenges Limiting Lithium Extraction, Processing, and Production from Geothermal Brines**

### Recommendations

1. Conduct required planning and secure funding to support regional **infrastructure** improvements and engage a local coalition of public agencies and residents to identify priority projects needed to protect **public health** and **safety** as well as improvements needed develop to attract new, sustainable business development and economic activity.
2. Continue funding state research and development investments in renewable energy and technology development and **technical assistance** and collaboration needed to advance innovation in minerals recovery and lithium dependent product manufacturing.
3. **Foster collaboration** across the supply chain of lithium related technologies by creating networks, meetings, and other forums that **regularly bring business, research, Tribes, communities, and government agencies together to identify short- and long-term economic opportunities.**
4. The **state should leverage federal funding and programs to invest** in Lithium Valley, include opportunities in the Infrastructure Investment and Jobs Act (H.R. 3684) and the Inflation Reduction Act of 2022.

## **E. Safe Environmental Methods and Standards for Lithium Extraction from Geothermal Brines and How This Compares to Other Methods for Deriving Lithium**

### Recommendations

1. The CEQA process should be considered the floor and not the ceiling by lead agencies when it comes to ensuring the review of project impacts and providing a **transparent and inclusive process for community participation.**
  - a. Lead agencies should provide additional outreach, consultation, and analyses that recognizes the specific historical, **public health**, and ecological context of the Salton Sea region.
  - b. Consider amending CEQA or other laws to require **health impact assessments.** In addition, at a minimum, Imperial County should be required to perform **health impact assessments** for new geothermal power plants and DLE facilities.
2. Identify and authorize the most appropriate state agency(ies) to establish and oversee a program requiring that entities recovering and producing

lithium in California report the actual impacts of their facilities across a set of metrics, such as **water** use, emissions, waste produced and managed, and require that facilities report in a manner that will allow members of the public to understand the performance of facilities. All public information should be provided in **languages** commonly used in the Salton Sea region. The state should provide funding for translation of materials for ease of access by interested community members.

3. Ensure **safety** for all workers, community members, and first responders, by requiring that lithium recovery and processing facilities make information available and provide **education** to residents and affected businesses and service providers regarding the materials and processes used in their facilities, the final and intermediate products created, and any waste streams that must be managed.
4. Provide funding increases as needed to state and local regulatory oversight agencies to ensure ongoing monitoring of any environmental or health related impacts associated with lithium recovery and processing facilities. Require that these agencies provide public access to all facility monitoring information, in all **languages** commonly used in the area.

## **F. Potential Economic and Environmental Impacts to the State Resulting from Extraction, Processing, and Production of Lithium from Geothermal Brines and Lithium-Dependent Products**

### Recommendations

#### **Environmental Impacts**

1. Monitor progress and **identify opportunities to build on the investments provided to Imperial County** through the fiscal year 2022–2023 state budget for preparation of a Specific Plan and Programmatic EIR, community outreach activities and local grants supporting community engagement.
2. Mandate that Imperial County require developers of lithium recovery complete **health impact assessments** at the time they seek permits and conduct monitoring throughout project operations. When conducting **health impact assessments**, project developers should be required to coordinate with and support state agencies conducting **Salton Sea restoration**, air quality monitoring, and **public health** assessments.
3. Allocate funding to conduct initial and periodic regional **health impact assessments** as part of the planning, development, and ongoing monitoring of Lithium Valley development and Imperial County’s Programmatic EIR. Moreover, any legislation creating funding for **health**

**impact assessments** should mandate inclusion of local community groups. The State and Imperial County should consider the inclusion of the communities near the Salton Sea in Riverside County.

4. Encourage lithium recovery project developers to implement **circular processes** (beyond **recycling**), energy and **water** efficiency measures and other advanced environmental design approaches when designing facilities and operations.

### **Economic Impacts**

1. Encourage IID to use royalties from geothermal resources, including recovery of minerals from geothermal brine, to reduce **electricity rates** for SB 535 **disadvantaged communities** in their service territory.<sup>218</sup>
2. Ensure substantial distribution of revenues from any new taxes or fees related to lithium recovery to local communities to assist with community engagement, **infrastructure** improvements, and other priorities identified by local communities and Tribes. The fiscal year 2022–2023 state budget established a new excise tax on lithium production and a structure to distribute funds that is consistent with this recommendation. The Legislature should consider requiring that a portion of funds administered by California Natural Resources Agency each year support community engagement.
3. Identify a planning area and investment zone that encompasses **Lithium Valley**, not limited by traditional city or county boundaries, but instead reflecting the region across counties that has a similar or integrated economic activity. Require that state programs recognize this region to support competitive participation in state and federal funding programs.
4. Support repairs, improvements, and investments in critical **infrastructure** and housing needed to support the success of lithium recovery, lithium processing, and lithium-dependent product manufacturing in the Salton Sea region. Issue orders or other directives to state agencies that prioritizes public investment in this region. Investment decisions should consider community priorities and include opportunities for **participatory budgeting** that includes public process and community involvement.
5. Mandate that lithium recovery project developers enter into legally binding **community benefits** agreements with the input of local agencies and businesses, as well as community representatives and residents. Require and fund the formation of a community advisory council to provide input and guidance on **community benefits** agreements and provide funding to support community capacity building.

## **Workforce Development**

1. Establish a requirement for receiving state support such that any project related to lithium recovery, production, or lithium-dependent product manufacturing must implement **High Road job and career approaches** to receive funding or other resource support from any state agency, including support for access to federal funding.<sup>219</sup>
2. Require that lithium recovery and production project developers enter into **project labor agreements** with unions and trades, as well as appropriate state or local agencies to support the development of educational pathways to develop a skilled and trained workforce, including internships, apprenticeships, certificate, and degree programs for local residents. **Project labor agreements** should include coordination with a community advisory council created to advise development of **community benefits** agreements.
3. Authorize additional state agency support for the creation of curriculum, courses, and certification programs in science, technology, engineering, and mathematics (**STEM**) at local schools and colleges to advance critical knowledge and skills across all grade levels.

## **G. The Importance of, and Opportunities for, the Application of Local, State, and Federal Incentives and Investments to Facilitate Lithium Extraction from Geothermal Brines**

### **Recommendations**

1. **Expand eligibility for state and federal tax credits**, such as the federal investment tax credit for renewable energy, to include low-impact methods for recovery and production of lithium and other minerals from geothermal brine.
2. Explore and establish the **infrastructure** and incentives necessary to develop a robust **circular economy** management approach for lithium-based products.
3. Establish and provide funding support for a business service center in Imperial County **to facilitate access to incentive programs available for disadvantaged communities, small businesses, and entrepreneurs.**
4. The local and state governments should leverage existing federal funding opportunities to invest in **infrastructure** in the Salton Sea region, including funding made available through the Infrastructure Investment and Jobs Act of 2021 (H.R. 3684) and the Inflation Reduction Act of 2022 (H.R. 5376).

## **H. Recommendations for Legislative or Regulatory Changes that may be Needed to Encourage Lithium Extraction from Geothermal Brines, Including Whether the Development of a Centralized Tracking System for Lithium Project Permitting by State and Local Regulatory Agencies Would Assist with Development of the Lithium Industry.**

### Recommendations

1. The California state Legislature should consider funding a state agency to establish a centralized permit and regulatory **reporting** tracking system for California projects to extract lithium from geothermal brine and lithium-related projects, such as lithium battery component manufacturing and recycling. The tracking system should include permitting by federal, state, and local regulatory agencies, including a list of required permits, the status of each permit application, and upcoming opportunities for public comment. The tracking system should also include the mitigation monitoring and **reporting** program for each project, as well as regulatory monitoring and compliance reports submitted by each project throughout construction, operation, and closure. The centralized location of information could also include educational fact sheets, **workforce opportunities** and related efforts to the development of Lithium Valley.

## **Community Perspectives**

### Recommendations

1. Require and fund the CEC or another state agency to continue community coordination, education and engagement activities centered around lithium recovery at geothermal power plants and individual DLE projects in Imperial County.
2. Require state and local public agencies to provide communities with plain **language** summaries prepared in the primary **languages** of community residents of permits, California Environmental Quality Act (CEQA) documents, regulatory reports, monitoring reports and other information regarding **project status** and operations.
3. Provide financial and other capacity building resources to enable local community-based organizations and community residents to engage with developers and local and state government agencies, including the opportunity to engage in community-based **participatory budgeting** for future investments.

4. The state should formally establish or identify the specific region it considers to be the “**Lithium Valley**” and allow the identified region to participate in and compete for existing and new funding programs. For example, the Blue Ribbon Commission defined the Salton Sea region as “all of Imperial County and much of Riverside County, extending from the Palm Springs area to Coachella and unincorporated communities near the sea, and then farther east to the California-Arizona border. This large area is notably economically distinct with approximately 150,000 people living and working in its communities. Major employment sectors across the area include agriculture and tourism, making these communities more similar to each other than they are to the economies of the Inland Empire and San Diego.”<sup>1</sup>
5. Regarding the one-time \$5 million allocation to Imperial County in the fiscal year 2022–2023 state budget:
  - a. Encourage Imperial County to include eastern Riverside County in the mandated health impact assessment related to geothermal energy development and lithium recovery, processing, production, and related manufacturing activities.
  - b. Provide continuous funding, beyond that already authorized, to Imperial County for grants for engagement by community-based organizations in Imperial County on the programmatic EIR created by the county for lithium and geothermal energy development efforts in the county.

## **Tribal Perspectives**

### Recommendations

1. Provide adequate time and resources to ensure Tribes receive sufficient information on the proposed lithium production projects, including all potential impacts to **public health, water**, air, and land.
2. Ensure all legally required and additional **tribal consultation** is completed. Consider legally required consultation a floor, not a ceiling. Provide funding for additional oversight by the state and establish best practices and communication protocols in coordination with Tribes to ensure meaningful consultation with Tribes occurs and provide additional time for this consultation. Recognize the needs of Tribes to obtain information, analyze, and internally consult and provide input before decisions are made and the timelines these activities require. Meaningful

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<sup>1</sup> Blue Ribbon Commission. 2022. “Final Lithium Valley Commission letter to the Governor’s Office of Planning and Research (OPR), Employment Development Department (EDD), and Economic Development (GO-Biz).” <https://efiling.energy.ca.gov/GetDocument.aspx?tn=242292&DocumentContentId=75794>

consultation should include seeking counsel and direction, sitting across from one another, and negotiating to address concerns.

3. Require that all community engagement activities conducted using state funds or mandated through state programs **include activities needed to reach Tribes in appropriate and accessible ways.**
4. Provide for additional identification and protection of **tribal cultural resources** before lithium recovery projects begin construction and during operations. Examples include requiring well-qualified Native Americans accompany archeologists when conducting tribal cultural site surveys.
5. Require that lithium production projects integrate mitigation measures, beyond those required by CEQA, that address the importance of working to restore the balance of nature and preserving ecosystems and cultural landscapes. For example, if lithium recovery from geothermal brine moves forward, some of the funding resulting from the projects should be allocated to **restoration of the Salton Sea**. The fiscal year 2022–2023 state budget established a new excise tax on lithium production and a structure to distribute funds, a portion of which is administered by the California Natural Resources Agency to help support **restoration of the Salton Sea**.



# Comment Form | Please Submit to Facilitation Team

NAME (optional): \_\_\_\_\_ DATE: \_\_\_\_\_

**Please circle the topic(s) to which your comment applies:**

A. Geothermal energy development for lithium recovery	F. Economic and environmental impacts, including workforce development
B. Market opportunities for Lithium	G. Local, state, and federal incentive and investment opportunities
C. Electricity grid benefits	H. Legislative or regulatory changes
D. Technical and economic challenges	Community Recommendations
E. Safety and environmental protection	Tribal Recommendations

**Enter your comment(s) here and use the reverse side of this page if needed:**