



County of Monterey Planning Commission

Item No.2

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Agenda Item No.2

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PLN210174 - MYHRE ARVID J TR ET AL (AERA ENERGY LLC)

Public hearing to consider construction of an approximately 35.5-acre 11 megawatt alternating current solar photovoltaic facility and associated site improvements including development on slopes exceeding 25 percent.

Project Location: 66880 Sargents Road, San Ardo.

Proposed CEQA Action: Consider and adopt a Mitigated Negative Declaration pursuant to CEQA Guidelines section 15074.

RECOMMENDATION

It is recommended that the Planning Commission:

1. Adopt a Mitigated Negative Declaration pursuant to CEQA Guidelines section 15074;
2. Approve a General Development Plan and Combined Development Permit consisting of:
 - a. Use Permit to allow construction of an approximately 35.5 acre 11-megawatt alternating current solar photovoltaic facility and associated site improvements; and
 - b. a Use Permit to allow development on slopes exceeding 25 percent; and
3. Adopt a Mitigation Monitoring and Reporting Plan.

A draft resolution, including findings and evidence, is attached for consideration (**Exhibit B**). Staff recommends approval subject to 18 conditions.

PROJECT INFORMATION

Property Owner: Myhre Arvid J. TR Et. Al. (DG West 1 LLC)

Agent: Ruben Magan, Total Energies Renewables USA; and Rachel Clausnitzer, Aera Energy LLC.

Architect: Wallace Group

APN: 423-081-019-000

Zoning: Heavy Industrial [HI]

Parcel Size: 159.75 acres

Flagged and Staked: Yes

SUMMARY

The project site is located 5.4 miles south of the unincorporated community of San Ardo, approximately 450 feet west of Sargent Creek and 4,500 feet east of the Salinas River. The project site is confined within a single parcel of land within the portion of the San Ardo Oil Fields known as Ferrini Flats and is operated by Aera Energy LLC. The project involves construction of an 11-megawatt alternating current solar photovoltaic (PV) facility that will cover approximately 35.5 acres of land. Associated site improvements include PV solar module blocks, as well as related and supporting facilities, including electrical collection lines, on-site

service roads, two gates, and approximately 5,555 linear feet of security fencing, and temporary construction staging areas. The proposed solar array is expected to be operational in 2025 and to remain operational through 2045-2060.

A draft General Development Plan has been prepared pursuant to Title 21 section 21.28.030 and details the project's major components: PV facility, Construction, Applicant Proposed Environmental Measures and Design Features, Operation and Maintenance, and Decommissioning. These components are briefly discussed below and may be reviewed in detailed in **Exhibit A**.

The purpose of the Proposed Project is to support renewable energy initiatives established by the State of California; specifically, to reduce the need for imported power. The 23,348 solar PV panels would convert solar energy into direct current electricity. The generated power would be routed from the proposed PV facility to an existing point of interconnection (power line) using an underground medium voltage collection system. The point of interconnection would consist of a series of poles with pole-mounted metering and safety devices before connecting to the existing Aera Energy overhead power line, located just east of the Project site. The existing Aera Energy power line connects to the existing Aera Energy-owned and operated substation. Further, the energy generated from the Project's solar panels would be routed to three central inverters to be converted from DC to AC power. Three medium voltage transformers would increase the AC voltage from 600 volts to 12.47 kilovolts. The generated solar power would be used solely at the Aera Energy oil field, and would partially offset Aera Energy's energy demand, which is currently supplied by the Pacific Gas and Electric Company (PG&E). All energy generated from the project would be consumed on-site. The Proposed Project does not include battery storage as no excess energy would be generated.

The proposed solar panels would be manufactured with anti-reflective glass that minimizes the potential for glare. The solar panels would be mounted together in arrays on a fixed-tilt racking system such that the angle of the panels is held constant throughout the day. Solar panels would be mounted on a metal frame supported by a combination of driven pile foundations and ballasted foundations (concrete foundations set on grade). The maximum height of the panels will be approximately 8 feet. Ground disturbance associated with installation of the solar panels would occur to a maximum depth of approximately 3 feet below ground level. Portion of the project site contain slopes in excess of 25%. Approximately 5,000 square feet of proposed development would occur on these steeper slopes and therefore, the Applicant is requesting the approval of a Use Permit. The Proposed Project would include 4.5 acres of grading, all of which was previously disturbed, and approximately 1,872 cubic yards of cut and 2,103 cubic yards of fill. During construction, approximately 150,000 to 250,000 gallons of non-potable water (approximately 0.8 acre-feet) is anticipated to be required for dust suppression and other purposes. Water use during operation would be less than 1.0 acre-foot per year for panel washing and general maintenance. At the end of its operational life, the project would be dismantled, and the project site would be de-energized and restored to pre-construction conditions.

Staff reviewed the application and found the project, as proposed, consistent with the 2010 County of Monterey General Plan (General Plan) and South County Area Plan (SCAP). County staff also prepared a draft Initial Study (IS) for this project and concluded that any potential

adverse impacts would be less than significant with implementation of mitigation measures and conditions of approval.

DISCUSSION

The project site is located within the Heavy Industrial (HI) Zoning District and has a land use designation of Mineral Extraction. The project site is surrounded by land uses within HI Zoning District (designated Mineral Extraction) and Heavy Commercial (HC) Zoning District. The site is adjoined by San Ardo Oil Field facilities, including oil-gas production wells and pipelines and a switch yard and transmission lines to the east. Aera Energy LLC has been producing crude oil on approximately 50 acres at the San Ardo oil fields since 1952. An Exxon-Mobil bulk oil storage facility exists to the northwest of the site, at substantially lower elevations than the site.

The proposed project would introduce a photovoltaic facility. The project is consistent with General Plan Policy OS-9.1, which encourages the use of solar renewable resources for industrial building applications, and SCAP Policy SC-3.1, which allows co-generation facilities in conjunction with other industrial uses and oil and gas removal, as a means of energy conservation, on lands designated for industrial use. Furthering the intent of Policy SC-3.1, the electricity generated from the proposed solar PV facility will partially offset Aera Energy's electricity demand, which is currently supplied by PG&E.

Exhibit A, Discussion, details the background of the project site, draft General Development Plan, potential resource impacts, and CEQA public comment.

Development Standards

Development standards for the HI zoning district are identified in Title 21 section 21.28.070. Project's requiring a General Development Plan (GDP) in the HI zoning district shall establish minimum setback standards. As specified in the draft GDP and associated plan set (**Exhibit B**), the establish minimum setbacks are 30 feet (front), 10 percent of the lot width (side) and 20 feet (rear). The maximum allowed height for main structures in the HI zoning district is 35 feet above average natural grade. The proposed solar arrays and security fencing will have a height of 8 feet.

The site coverage maximum in the HI zoning district is 50 percent. The property is 159.75 acres which would allow site coverage of approximately 79.9 acres. The project's resulting lot coverage is 13.95 acres, or less than 10 percent. As proposed, the development would conform to the required and applicable site development standards.

Slopes Exceeding 25 Percent

In order to grant a Use Permit to allow development on slopes in excess of 25 percent, General Plan Policy OS-3.5 requires specific findings to be made: no alternative would allow development to occur on less steep slopes and/or the development on slopes better achieve the resource protection goals, policies, and text of the General Plan.

The original project design included approximately 32,000 solar panels and approximately 10,000 square feet of development on slopes in excess of 25%. The project has since been reduced to approximately 23,438 solar panels and 5,000 square feet of development on steeper slopes. The selected project location contains the largest amount of relatively flat and vacant

land on the subject parcel as the remaining areas of the parcel are hilly, contains slopes exceeding 25 percent, and developed with oil wells and supporting facilities. Additionally, the selected site is directly adjacent to the existing substation, where the generated power will connect to. Relocating the 35.5-acre solar facility to another portion of the subject property would result in a greater amount of development on slopes than exceeding 25 percent than proposed, would threaten additional active or idle oil wells, and would require additional ground disturbance to connect to the substation. The designed location of the proposed development better achieves the goals and objectives of the General Plan and SCAP by generating renewable electricity to help offset an oil operation's PG&E demand and minimizing natural landform alteration by utilizing the flattest, previously disturbed portion of the site. Additionally, the project site minimizes potential public health concerns by siting development on over abandoned oil wells, rather than active ones. Condition No. 4 requires the applicant to obtain a Stormwater Pollution Prevention Plan, which would reduce erosion and topsoil loss from stormwater runoff during construction.

ENVIRONMENTAL REVIEW

Pursuant to Public Resources Code Section 21083 and California Environmental Quality Act (CEQA) Guidelines Sections 15063(a) and 15063(b)(2), County of Monterey as Lead Agency completed environmental review to determine if the project may have a significant effect on the environment. The County prepared a draft initial study and negative declaration (IS/ND) for this project and filed it with the County Clerk June 23, 2022. The draft IS/ND was circulated for public review from June 23, 2022, through July 25, 2022 (State Clearinghouse Number 2022060506). The County received comments on the draft IS/ND from the California Department of Fish and Wildlife, the Salinan Tribe, the California Department of Conservation (Geologic Energy Management Division; "CalGEM"), and Adams Broadwell Joseph & Cardozo. These comment letters are discussed in detail in **Exhibit A**. To address concerns raised in these public comment letters, staff revised the draft Initial Study and circulated a draft Mitigated Negative Declaration (MND) (**Exhibit D**). The draft IS/MND was filed with the County Clerk on September 25, 2024 and recirculated for public review from September 25, 2024 to October 25, 2024 (State Clearinghouse Number 2022060506). The draft IS/MND identified potentially significant impacts on air quality, biological resources, hazards and hazardous materials, and tribal cultural resources. The Applicant has agreed to implement six mitigation measures required to reduce these potentially significant impacts to a level less than significant. These mitigation measures are discussed in detail in **Exhibit A** and are incorporated as Condition Nos. 11 - 16. Comments received on the re-circulated draft IS/MND are attached as **Exhibit E** and are discussed in **Exhibit A**.

OTHER AGENCY INVOLVEMENT

The following agencies have reviewed the project, have comments, and/or have recommended conditions:

- Environmental Health Bureau
- HCD-Engineering Services
- HCD-Environmental Services
- South County Fire Protection District

LAND USE ADVISORY COMMITTEE

Staff referred the proposed project to the South County Land Use Advisory Committee (LUAC)

for review (**Exhibit F**). The LUAC reviewed the project on February 16, 2022, and voted 4 - 0 (4 ayes and 0 noes) to support the project as proposed. The LUAC members inquired about the potential visual impacts from Highway 101 and nearby neighbors. No members of the public attended this meeting. As detailed in Exhibit A, less than significant visual impacts would occur and private views are not regulated by Monterey County Code.

Prepared by: Fionna Jensen, Associate Planner

Reviewed by: Anna Ginette Quenga, AICP, Principal Planner

Approved by: Melanie Beretti, AICP, Chief of Planning

The following attachments are on file with the HCD:

Exhibit A - Discussion

Exhibit B - Draft Resolution, including:

- Conditions of Approval
- Project Plans
- General Development Plan

Exhibit C - Vicinity Map

Exhibit D - Final Initial Study/Negative Declaration

Exhibit E - Draft IS/MND Public Comment

Exhibit F - South County LUAC

cc:Front Counter Copy; Melanie Beretti, HCD Chief of Planning; Anna Quenga, AICP, Principal Planner; Fionna Jensen, Senior Planner; HCD-Engineering Services; Environmental Health Bureau; HCD-Environmental Services; South Fire Protection District; Ruben Magan, Total Energies Renewables USA, Agent; Rachel Clausnitzer, Aera Energy LLC, Agent; The Open Monterey Project (Molly Erickson); LandWatch; Lozeau Drury LLP; Christina McGinnis, Keep Big Sur Wild; Interested Parties; Project File PLN210174.