



---

*675 Wildwood Avenue  
Rio Dell, CA 95562  
(707) 764-3532*

**TO:** Mayor and Members of the City Council

**THROUGH:** Kyle Knopp, City Manager

**FROM:** Karen Dunham, City Clerk

**DATE** July 6, 2023

**SUBJECT:** Letter of Support - US Department of Energy Grant  
Application for Solar/Battery Project

#### **RECOMMENDATION**

Discuss and consider authorizing Mayor to sign letter of support for a solar/battery project under the Department of Energy, Energy Improvement in Rural or Remote Areas Fixed Grant Program (DE-FOA-0003045)

#### **BACKGROUND AND DISCUSSION**

The Department of Energy is providing up to \$5 million per project in funding under the Energy Improvement in Rural or Remote Areas Fixed Award Grant Program.

Robert Wiener, H2 Humboldt provided a presentation to the City Council at the June 20, 2023 meeting on a solar/battery project they are proposing to do at the Humboldt/Rio Dell Business Park.

Consensus of the Council was to bring the item back at this meeting with the applicants providing additional information and a draft letter of support for Council consideration.

#### **ATTACHMENTS:**

Outline of potential benefits to City of Rio Dell  
Draft Letter of Support

To:  
City Of Rio Dell/City Council  
675 Wildwood Ave,  
Rio Dell, Ca 95562

To City Council Members:

At our first presentation, the majority of the Council members asked the question of how the POSH Electric project is of community benefit?

**Background:**

Although POSH Electric will be engaging in PG&E's EGI Wholesale Distribution & Rule 21 Export applications, POSH also hopes to engage RCEA and/or Schatz Energy.

After watching the RCEA board meeting on June 22, 2023, it is obvious that RECA's and participating communities Climate Action Plan/ CAP although well intended, implementation is bogged down in bureaucratic deliberations, long term planning, and funding.

POSH Electric went to RCEA's office a month ago and spoke with Mike Avcollie and he said that he would forward our information to Richard Engel. To this date no one from RCEA has reached out to POSH Electric.

RCEA states that they have Goals, Strategies, Objectives, but leave the Implementation Measures to each jurisdiction. \*\*\*See Below

In a letter to Keven Caldwell and Kyle Knopp on Tuesday 6/27/23 it was asked "if Rio Dell had any City owned properties for lease that would be suitable for our proposed project?"

The answer was, "None that I know of."

Excerpts from the CAP....

<https://humboldt.gov/DocumentCenter/View/106404/Humboldt-Regional-CAP----Public-Review-Draft-4-7-22-PDF>

Quote; "Even in an unlikely hypothetical scenario where solar is installed on every roof in Humboldt County, rooftop solar could provide less than a third of Humboldt's electricity needs. **However, distributed generation across the grid is a key aspect of energy resilience.** RCEA also plans to develop a network of community microgrids and renewable energy back-up power systems to be installed at all critical facilities across the county by 2030. These distributed energy systems will help reduce GHG emissions, provide energy resiliency, and emergency energy supply."

#### EXECUTIVE SUMMARY:

"This Public Review Draft Humboldt Regional Climate Action Plan (CAP) is a collaborative effort between the County of Humboldt, City of Arcata, City of Blue Lake, City of Eureka, City of Ferndale, City of Fortuna, City of Rio Dell, and City of Trinidad to craft a regional approach for addressing the challenges of climate change. A regional approach leverages staff time and resources, making the overall effort less of a burden compared to each jurisdiction drafting a CAP from scratch. It also enables improved coordination which will maximize the effectiveness of GHG reduction measures and may prove useful in **securing grant funding.**"

"While the measures included in the CAP are geared towards reducing GHG emissions, many will also result in environmental or economic "**co-benefits,**" including improvements to public health."

\*\*\*"Local actions to reduce GHG emissions and adapt to climate change **require active and ongoing partnerships** between residents, businesses, the cities and County, and many other agencies and organizations in the region. Refinement and adoption of the CAP is an important step in a long series of local actions that have and will be taken toward reducing the effects of climate change."

"The State's Renewable Portfolio Standard (RPS) was established in 2006. **The RPS program requires sellers of electricity to provide renewable energy.** The initial goal of RPS was 20% renewable energy production by 2010. In 2018, the State adopted RPS goals of 60% renewable electricity by 2030 and 100% carbon-free electricity by 2045."

"The State's Renewable Portfolio Standard (RPS) puts California on a path toward 100% zero carbon electricity by 2045."



If this proposed property is leased for cannabis, it would become another "point source" for GHG pollution, instead of a "point source" for renewable energy.

If leased for cannabis, and the property is still considered a Brownfield, possible remediation might be necessary and it will also need copious amounts of fill. In all probability these issues would create a negative factor in leasing it.

The environmental benefits for Rio Dell are achieved by installing the solar PV array and battery storage on a previously designated Brownfield.

Something that should also be considered by the City Council when making this decision...

So here is my, Robert Wiener's, take on  
**Rio Dell's Benefits.**

1. Rio Dell will not receive any direct monetary benefit from this project other than receiving property taxes from proposed project land use. This would be the same for any other commercial or home property tax.
2. POSH will be utilizing land where a Brownfield was designated and is still being monitored. Possible additional remediation or capping of property along with copious amounts of fill make this property one of the more difficult properties to develop for cannabis.
3. Adoption of this project will offset electrical usage of over 200 + homes and/or some of the planned electrical usage in the Business Park.
4. Quote from the CAP: "These distributed energy systems will help **reduce GHG emissions, provide energy resiliency, and emergency energy supply.**"
5. This project will help Rio Dell with CAP & Re-Power goals of procuring only local renewable sources towards reducing GHG emissions putting Rio Dell ahead of the CAP goals. **Something Rio Dell can be proud of.**
6. Improvements to Public Health by the offset and reduction of GHG.
7. Economic benefits are in the fact that our project will use local professionals and trades contractors for buildout unless not available locally. Currently we have had many discussions with **GHD** and will be contracting with them for local representation and engineering needs.
8. POSH could possibly contract with the City of Rio Dell for maintenance of project upon completion of install, providing an additional income source for Rio Dell employee recruitment and retention....TBD

9. Will work with College of the Redwoods and Cal Poly Humboldt apprenticeship programs providing education for long term jobs for future generations.
10. Due to the recent commitments of **PG&E** to upgrade its transmission capacity to the Rio Dell Business Park, **now** is the time to submit the requests for necessary infrastructure needs to PG&E for the transmission of the power produced by our project.
11. This grant **requires no matching funds** from Rio Dell as most grants demand. POSH & GHD will be responsible for all permitting, supervision of construction, maintenance, and administration.

**Conclusion:**

**This is not the only project that we have in mind for the Rio Dell Business Park. It is only a start.**

As funding becomes available, in coordination with PG&E & Rio Dell, we intend to also deploy battery backup strategically placed in Rio Dell for grid resiliency.

On approval from the Council, POSH also hopes to utilize other properties in the Business Park to build a Hydrogen Producing facility that will be targeting long haul Commercial Transportation for FCEV trucking servicing Humboldt County from the south, local FCEV/ EV needs and early adoption of Rio Dell and Humboldt County FCEV and or EV vehicles. IE: Hydrogen and EV combination Fueling Station.

**Note:** The State of California is mandating the conversion of commercial fleets to EV or FCEV.

**Note:** Caltrans Traffic Survey states that in 2020 there were approximately 900 trucks coming north on 101 past the Humboldt County Line and truck traffic will in all likelihood increase when the Offshore Wind Farm and Nordic Fish farm projects get started.

Other project ideas being considered are closed loop Biomass to Hydrogen, Syngas, and Biochar production utilizing the local Dairy Farm manure thereby reducing the methane gas produced by the local dairy industry. Additional wood waste and food waste could also be considered as the technology that POSH intends to use will be a closed loop system keeping the emissions minimal to none...

These projected projects are going to require stable manpower for many years to come. Once deployed these projects are slated to stick around with 30-year extendable leases and will not depend upon the fluctuating cannabis market volatility.

In what was perceived as income producing surcharge tax on cannabis production, as the reality of the cannabis industry economics set in, the City of Rio Dell should be looking in ways to diversify the intended usage in the Rio Dell Business Park that will ultimately produce long term, stable, environmental, and economic diversity that will provide additional employment benefits to the Rio Dell Business Park and Community.

The POSH Electric project is in the pre-proposal stage; we are submitting a short pre-proposal before July 13,2023.

We at Posh Electric are by no means assured of this \$5,000,000.00 in grant funding but are already in open communication with the DOE Program and signed up with their 8 hours of consulting from National Renewable Energy Laboratory **NREL** regarding guidance on the application for this round of Grant Funding.

There are many other benchmarks that will need to be met and POSH Electric along with GHD hope to work closely with the City of Rio Dell, PG&E, and RCEA...

This request for the City of Rio Dell's City Council's **Letter of Support** is the only way that this application for the grant money can move forward.

POSH is also forwarding a pre-written **Letter of Support** for your review.

Thanking you for your considerations,  
Robert M Wiener  
Posh Electric & H2 Humboldt/Humboldt H2  
[robertw@h2humboldt.com](mailto:robertw@h2humboldt.com)  
707-601-7219

City Of Rio Dell/City Council  
675 Wildwood Ave,  
Rio Dell, Ca 95562

**Subject:** Letter of Support for the Proposed Rio Dell Solar Energy Generating Project

**To:** U.S. Department of Energy - Office of Clean Energy Demonstrations

As members of the Rio Dell City Council, we express our endorsement for the proposed Rio Dell Solar Energy Generating Project undertaken by Posh Electric. This project seeks to create a sustainable future for our community through the deployment of an under 1-megawatt solar photovoltaic energy facility and a 2-megawatt hour nameplate capacity lithium-ion (LFP) grid-scale battery storage plant.

The advantages to the City of Rio Dell and our constituents are manifold:

Reduction in Greenhouse Gas Emissions: This project will significantly contribute to the reduction of greenhouse gas emissions in line with our commitments under the Climate Action Plan (CAP) and will help us achieve our goals under the Re-Power Plan.

Local Energy Resilience and Emergency Supply: The project will add resilience to our local energy grid, providing a crucial supply of stored energy that can be tapped into during emergencies. It aligns well with the RCEA's intention to develop a network of community microgrids and renewable energy backup power systems to be installed at all critical facilities across Humboldt County by 2030.

Economic Co-Benefits: Local job creation during the construction phase and ongoing operations and maintenance will bring economic benefits to the community. Local professionals, trades contractors, and city maintenance staff will be hired for this project, thus contributing to local economic development.

Environmental Restoration: The location for this project is a designated Brownfield site, which will undergo further remediation and environmental restoration, enhancing the aesthetics and environmental value of the area.

Contribution to State and Regional Goals: The State's Renewable Portfolio Standard (RPS) aims for 60% renewable electricity by 2030 and 100% carbon-free electricity by 2045. Our project aligns with these targets and provides a model for other communities across the state.

Educational Opportunities: This project creates opportunities for partnerships with institutions like the College of the Redwoods and Cal Poly Humboldt, fostering an educational environment that equips future generations with skills in renewable energy technologies.



Our support for this project is based on its environmental and economic advantages and our shared vision for a sustainable and resilient community. Posh Electric has shown dedication and commitment towards this vision, making them a valued partner in this endeavor.

We believe in the viability and the long-term benefits of the Rio Dell Solar Energy Generating Project, and we support the application for grant funding through the Energy Improvement in Rural or Remote Areas Fixed Award Grant Program. It is our hope that this project will serve as a model for renewable energy production and storage, playing a significant role in our transition to a sustainable future.

We thank you for considering our endorsement in your evaluation of this project.

Best Regards,

[Name]

[Position]

Rio Dell City Council