



The Honorable Kathryn Barger
Supervisor, 5th District
The Los Angeles County Board of Supervisors
500 West Temple Street, Room 869
Los Angeles, CA 90012
Electronic transmission of four (4) pages to:
Kathryn@bos.lacounty.gov

June 28, 2023

Subject: Acton Town Council Request to Discuss Recent Activities Pertaining to Proposed Battery Storage Projects in Acton.

References: The “Angeleno” Battery Storage Project Proposed by Avantus.
The “Humidor”, “Flea Flicker”, and “Maathai” Battery Storage Projects Proposed by Hecate.

Dear Supervisor Barger;

At the Acton Town Council meeting convened June 26, 2023, there was extensive discussion regarding the proposed battery storage projects in Acton; in particular, the topics that were discussed included the disturbing activities that have been undertaken recently by the battery project developers to garner community support for their projects and the motion that you successfully introduced at the June 6 Board meeting. It is regarding these two issues that we seek the opportunity to engage with you or your staff at your earliest convenience; the following paragraphs provide more specific information pertaining to this request.

Recent Efforts by Battery Storage Developers to Garner Support for their Proposed Projects

The Acton Town Council is aware that both Hecate and Avantus contemplate the pursuit of “opting in” to the AB205 approval process for their proposed battery storage projects; this would allow them to go straight to the California Energy Commission (“CEC”) to expeditiously approve their battery projects and thereby sidestep the entire local review and approval process. A unique feature of the AB205 approval process is that it requires each project application to include evidence that the project will provide an overall net economic benefit directly to the local agency that would have jurisdiction over the project if the AB205 process were not pursued (Regulation §1879(a)(7)); it also requires evidence that the developer has entered into binding and enforceable agreements with,

or that benefit, one or more organizations which represent community interests where there is mutual benefit to the parties to the agreement (Regulation §1879(a)(8)). The Acton Town Council anticipates that the first requirement will be easily met: It is estimated that the Humidor project will bring as much as \$2 million in revenue to the County every year and the Angeleno project is likely to bring in \$6 million per year; all of that money will go directly into County coffers and thereby provide significant economic benefits to the County. A key purpose of this letter is to ask whether either Avantus or Hecate have asked the County to affirm that their proposed projects will provide an “overall net positive economic benefit” to the County as required by §1879(a)(7); if so, the Acton Town Council respectfully requests a copy of any response that the County provides to such a request. The second requirement set forth in §1879(a)(8) pertaining to project benefits accrued by local community interest organizations may be somewhat more challenging to meet; various aspects of this requirement were discussed in depth at the meeting on June 26. As an initial matter, we have summarized below our observations regarding the activities that Avantus and Hecate have initiated to garner local support for their projects.

- Avantus has hired a public relations (“PR”) firm known as “Elevate” to contact local organizations and offer them small donations. The PR representative says that he works “with a company that is looking for opportunities to support local community organizations as we start planning a project near Acton”; he does not clarify that he represents Avantus and he does not explain that the project is a mile-long battery storage facility in East Acton. He also disingenuously indicates that the project is only in the “planning” stage; nothing could be further from the truth. The Angeleno project is already entirely planned and scoped; the only thing it lacks is local agency/CEC approval. He also deceitfully indicates that the project is not even located in Acton because he states that it is “near” Acton; in fact, people in the organizations that he has approached have actually taken this to mean that the project he is advancing is the RTG development in Agua Dulce! Worst of all, he does not inform these organizations from the beginning that, by accepting and endorsing an Avantus donation check, they are explicitly benefitting from the Angeleno project and implicitly expressing support for the Angeleno project.
- The Acton Town Council is concerned that Avantus and Hecate will provide copies of donation checks that have been endorsed by local community organizations to the CEC as “proof” that local organizations benefit from their battery projects; it is possible that the cancelled checks will serve as “binding and enforceable agreements” with Avantus and Hecate which demonstrate that one or more local organizations are benefitted by their proposed battery projects. Local organizations are **not** being informed that the purpose of the donations is to secure certain permit approval

advantages for Avantus and they are not being informed of the substantial benefits that Avantus will reap if they accept the small donations that Avantus offers. Such sneaky and underhanded tactics are unconscionable; every organization that we have contacted and which Avantus has approached has expressed frustration at being “duped”.

- Both Avantus and Hecate have *actually sent checks* to at least one local organization and explained that they want to “partner” with the organization and donate to their efforts; the communications that were sent with the checks made no mention of the fact that the donations were being offered on behalf of large utility scale battery storage projects in the community.
- The bylaws of many community-based organizations prohibit the organizations from accepting donations from entities that receive an advantage in exchange for making the donation; in other words, they are prohibited from accepting donations that have “strings attached”. Given this, it is imperative for donors to always be honest and upfront about disclosing the “strings” that are attached to the donations they offer; such disclosures ensure that organizations do not violate their own bylaws by unwittingly accepting donations that are inappropriate because they advance the donor’s interests. Both Avantus and Hecate have ignored this imperative and have instead acted in the most deplorable and duplicitous manner by offering donations to local organizations without disclosing that acceptance of such donations will facilitate a “fast track” review and approval of their proposed battery storage projects by the CEC. These developers are acting in the most reprehensible manner by inducing local organizations to unknowingly violate their own bylaws by offering donations without disclosing the intent and purpose of such donations

It is clear from the facts presented above that neither Avantus nor Hecate are acting openly or honorably in their engagement with local organizations regarding their proposed battery projects; both companies have shown themselves to be underhanded, sneaky, and utterly disingenuous. Accordingly, and given the facts presented above, the Acton Town Council respectfully requests the opportunity to discuss with you the activities that Hecate and Avantus have undertaken as they pursue the AB205 path for “Opting In” to the CEC review and approval process for their battery storage projects. The Acton Town Council would also like to discuss whether the County has identified either County-wide initiatives or local programs in Acton that would benefit from donations made by Avantus or Hecate, and if so, what those initiatives and local programs are; we would also like to discuss whether the County has informed Avantus or Hecate regarding such donation opportunities and if so, what actions the County has initiated or plans to initiate to take advantage of such donation opportunities.

The Motion Adopted at the June 6 Board Meeting

The Acton Town Council greatly appreciates the motion that you successfully made on June 6 that directed staff to report back within 45 days regarding best practices on the permitting of large scale, utility scale battery storage projects in unincorporated areas of the County and in particular, we appreciate that the motion expressed concern with the potential “over-concentration” of battery storage facilities in a few communities like Acton. We also support the motion’s directive to extend participation in the effort to develop “best practices” to include non-County “energy partners”. Pursuant thereto, the Acton Town Council respectfully requests the opportunity to send our energy expert to participate in the “best practices” development effort; credentials can be provided upon request.

The Acton Town Council appreciates the time you have taken to consider the matters raised herein, and we look forward to engaging with either you or your staff to address them.

Sincerely;

Jeremiah Owen, President
The Acton Town Council

cc: Anish Saraiya, 5th District Planning and Public Works Deputy [ASaraiya@bos.lacounty.gov].
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