

# Frequently Asked Questions

## What is the Seahawk Energy Project?

The Seahawk Energy Project is a battery energy storage project proposed to be located in the College Lake area of the Pajaro Valley that will store and provide clean energy to California's electricity grid, while strengthening local grid reliability and resilience. The project will contribute a critical piece of infrastructure that will help California's ongoing evolution to clean, renewable energy that will replace carbon-based energy sources. The project will store clean energy for use during peak demand periods, reducing the chance of rolling blackouts and "public safety power shutoffs," as well as reducing the need for fossil fuel "peaker" power plants that contribute to global warming and produce harmful air pollution in communities.

## Where is the project located?

The proposed site is at 90 Minto Road, Watsonville.

## Why was Minto Road selected as the proposed location?

The Green Valley substation is the only viable site for grid-scale battery storage in Santa Cruz County. Other sites that are adjacent to a PG&E substation lack available land, requiring lengthy, overhead transmission lines with associated community and environmental impacts. There are also a limited number of substations on the California Independent System Operator's electricity grid that can interconnect with a battery storage system as proposed with the Seahawk project. The Green Valley substation on Minto Rd. is one such substation and it was recently upgraded by PG&E, saving costs for California ratepayers to implement the project.

## Are there two other proposed battery storage sites in Santa Cruz County, as has been reported?

No. There are no other projects proposed in Santa Cruz County – by New Leaf Energy or any other developer. The Green Valley substation is the only

viable site for grid-scale battery storage in Santa Cruz County. The other two sites in Santa Cruz County that are adjacent to a PG&E substation lack available land and would require lengthy, overhead transmission lines with associated community and environmental impacts.

## Why do we need a battery storage facility?

California is an energy-progressive state with specific goals to create long-term, sustainable energy solutions for residents and businesses.

There is a statewide effort to expand energy storage projects to store renewable energy, such as wind and solar. This enables everyone – municipalities, energy companies, residents and businesses – to be more resilient during periods when energy is in high demand and prevents rolling blackouts. During periods of high demand, battery systems, such as the proposed Seahawk Energy Project, can be available to provide much-needed energy resilience to the grid.

## Does the local community have a say in this project?

Absolutely. The project is being proposed through the County of Santa Cruz. Public input is vital to the process. In addition to a meeting held in December 2024 for neighbors, New Leaf Energy made a presentation to the Watsonville City Council in October 2025. Following adoption of a BESS ordinance by the Santa Cruz County Board of Supervisors, there will be other opportunities for community input through community meetings as the project moves through the approval process. Ultimate authority in this process rests with the Board of Supervisors.

## How will the proposed system be safe and how will it differ from the Vistra battery storage facility at Moss Landing?

The Seahawk Energy Storage project features safety measures that follow the very latest California guidelines and legislation, in contrast with older systems that have experienced significant safety issues (such as the Jan. 17,

2025, fire at Moss Landing). The project differs dramatically from the Vistra battery storage facility at Moss Landing in three key ways:

1. Battery chemistry — The Seahawk project will utilize lithium iron phosphate (LFP) batteries with significantly higher thermal stability and reduced risk of fire, compared to the more reactive lithium nickel manganese cobalt (NMC) chemistry of the batteries used by Vistra at Moss Landing.
2. Facility format and safety plans – The Seahawk project will feature batteries housed in a purpose-built, sealed, steel container - each one 8ft wide x 8ft high x 20ft long. Each container will be equipped with its own on-board voltage/temperature/gas monitoring, active coolant system, climate controls and fire suppression systems. These systems will enable remote and automatic shut-off of batteries, as well as notification of emergency services and deployment of the latest aerosol fire suppression technologies if needed. The Seahawk project also will follow the current federal battery fire safety standards (NFPA 855) and adhere to California Senate Bill 38 (Laird), which mandates detailed emergency action plans for battery storage facilities. The Vistra facility at Moss Landing included none of the above. The Vistra facility operated with batteries located in open-air and without separation, inside a converted power plant building that featured an overhead water-based fire suppression system. Further, the Moss Landing facility was built prior to the existence of SB 38 and the current federal fire standards for battery storage systems.
3. Scale – The scale of a potential worst-case scenario fire at the Seahawk project is vastly smaller than what took place at Moss Landing because the number of co-located batteries at Seahawk will be far less than the volume co-located at Moss Landing. The Seahawk project will utilize a safety-focused containerization model, with only 40 batteries housed in each container. Containers are separated from each other by several feet, which –combined with on-board monitoring and fire suppression systems– restricts

thermal runaway to a single container and prevents propagation of fire from container to container. Seahawk's 40-battery quantity is a very small fraction of the approximately 100,000 batteries housed at Vistra's facility.

### **What is New Leaf's approach to battery fire safety?**

The Seahawk project will feature batteries housed in a purpose-built, sealed, steel container - each one 8ft wide x 8ft high x 20ft long - with each container holding 40 batteries. Within each container, the batteries will be separated within the container by airtight metal casings. Each container will be equipped with its own on-board voltage/temperature/gas monitoring, climate controls and fire suppression systems. The monitoring system will continuously evaluate the voltage and temperature of each battery. The HVAC system will ensure a safe operating temperature is maintained. In the event a battery overheats or enters "thermal runaway," the active coolant system will super-cool the individual battery modules to reduce heat. The monitoring system also maintains the ability to instantly shut off any batteries that exceed voltage or heat thresholds. In such an instance, emergency services will be automatically notified. Once deployed, an aerosol (non-aqueous) fire suppression system will rapidly reduce the temperature of the container, remove any available oxygen, and release a clean agent to prevent ignition. The project will follow the fire safety guidelines established by the current national standard for battery storage systems (NFPA 855). Each battery container will be located on a concrete pad and separated by several feet, with a gravel medium between each container.

### **If a battery fire occurs, will water be used to put out the fire?**

No. In the unlikely event of a battery fire, the fire would be limited to a single container (8ft wide x 8ft tall x 20 ft long). Each container includes an on-board fire suppression system that utilizes advanced aerosol-based fire suppression systems, not water. Water may be used to spray adjacent, unaffected battery containers to ensure they stay cool.

**How will the local watershed be protected from runoff that could be contaminated after a fire?**

No run-off is anticipated from an emergency response at the Seahawk project because the entire site will be lined with an impermeable barrier and any water used by first responders on the project site will be collected in a retention basin, tested, and only released from the property if deemed safe.

**Is a fire like what happened at Moss Landing possible?**

No, for three primary reasons: 1) the Seahawk project will feature a small fraction of the number batteries housed together as compared to Moss Landing, 2) Seahawk will use advanced fire suppression systems that don't use water, and 3) Seahawk will use new-generation chemistry that is more stable and less prone to fire.

The fire at Moss Landing was a tragic disaster that never should have happened. The Vistra facility that burned could not be approved/ permitted today. The Moss Landing fire involved approximately 100,000 batteries warehoused in a single, indoor space, approximately 80% of which burned. For the Seahawk project, only 40 batteries will be housed together, thanks to sealed, steel outdoor containers that are separated from each other by several feet.

**How often will each battery cell be inspected for safety and longevity?**

Batteries are inspected and tested according to vendor specifications. Typically, regular testing and inspection is conducted at least twice per month.

**Will an Emergency Response Plan be developed for the project?**

Yes. A robust Emergency Response Plan will be developed as part of the project submittal process, and in coordination with local agencies. It is anticipated the plan will meet or exceed all relevant safety regulations. In addition to emergency response, the plan is also anticipated to address public notification, battery recycling/ disposal and inspections.

**Is the project being planned with input from local fire agencies?**

Yes. The project is being planned in collaboration with the Pajaro Valley Fire Protection District, Watsonville Fire Department and CALFIRE, with input from other nearby fire protection agencies, to ensure it meets or exceeds all relevant fire regulations.

**Will the project follow the provisions of SB 38 (Laird)?**

Yes. Senate Bill 38, authored by Senator John Laird, established protocols to protect the health and well-being of workers and surrounding communities. Specifically, SB 38 requires the development of an emergency response plan, to be created in close coordination with local emergency response agencies and submitted to local government, as well as a notification and communication procedure.

**How much energy can the batteries store and deliver to the local grid?**

The Seahawk Energy Project will provide 200 megawatts of energy.

**How will the batteries be charged?**

The batteries will be charged by the existing electricity grid during peak solar hours.

**Could the Seahawk project utilize sodium-ion batteries, instead of lithium-ion batteries?**

Sodium-ion represents a promising future approach to battery storage systems. However, there are no sodium-ion battery options that are currently viable for battery energy storage projects that are "grid scale," meaning the ability to support the electricity grid that supplies power to customers. Sodium-ion batteries are not expected to be commercially available for grid scale use for approximately 10 years. New battery startup businesses generally secure seed funding, spend years developing their technology and conduct small-scale demonstrations. If successful, investors may then fund large-scale production facilities to meet the quality and reliability standards required for a project like Seahawk.

### **Will any agricultural use remain at the 37-acre Seahawk site after the battery storage unit is constructed?**

Yes. The Seahawk project will occupy approximately 14 acres of the 37-acre site. The remaining acreage, including farm buildings, will be placed into a long-term conservation easement to preserve it as agricultural land, with the intent that it will continue to support the existing apple orchard.

### **Will the local community receive an economic benefit from the project?**

Yes. The estimated net revenue generated by the proposed battery storage facility is forecasted to be \$49,439,301 over a 20-year period, including:

- \$2,070,947 annually in property tax revenue
- \$17,780,970 in sales tax generated from the construction of the facility, of which the County of Santa Cruz's net share is estimated to be \$6,550,884
- \$3,964,350 in sales tax generated from the purchase of additional batteries and supplies, of which the County of Santa Cruz's net share is estimated to be \$1,460,550
- \$50,000 in impact fees paid from the development as well as \$11,000 from a land sale transfer tax, to be received by the County of Santa Cruz
- 50 jobs during construction, as well as 5 permanent jobs

### **How long will construction take?**

Construction typically takes about 12 months. Hours of construction will occur during normal business hours, or whatever is mandated by the County. Most of the construction does not involve heavy machinery.

### **How will the batteries be secured from vandalism?**

New Leaf Energy will actively protect its battery from outside damage. The system will be surrounded by a sound wall, the energy storage cabinets and site access will be locked at all

times, and there will be 24/7 security monitoring. Only necessary operations and emergency personnel will have access.

### **Who is New Leaf Energy?**

New Leaf Energy is a national renewable energy development company that develops valuable battery energy storage, solar and wind projects. The company is leading the industry to a decarbonized future.

### **Do any earthquake faults run beneath the property where the project is proposed?**

The property was extensively studied in 2025 for earthquake faults, including digging five separate trenches, totaling 1,300 linear feet. The trenching revealed no indication of tectonic faulting of any kind. All excavation work was observed by the Santa Cruz County Geologist, who confirmed the absence of fault lines.