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Notice of Preparation of a Draft Environmental Impact Report for the Vernon Backup Generating Facility (25-SPPE-01)

Date: August 5, 2026

To: Reviewing Agencies and other Interested Parties

From: California Energy Commission (CEC)

Project Title: Vernon Backup Generating Facility (VBGF)

Project Applicant: GIC Vernon LLC

Docket Log: 25-SPPE-01

NOP Review Period: August 5, 2026, to September 4, 2026

In accordance with Title 14, California Code of Regulations, section 15082, the California Energy Commission (CEC) staff has prepared a Notice of Preparation (NOP) to inform the Governor's Office of Land use and Climate Innovation (LCI) and each responsible and trustee agency that an Environmental Impact Report (EIR) will be prepared for the Vernon Backup Generating Facility (VBGF) proposed by GIC Vernon LLC (applicant) in the city of Vernon, California.

The VBGF is planned as part of the Goodman Energy Park Data Center (GEP) and together constitute the "project" under the California Environmental Quality Act (CEQA). The project would consist of a total of forty (40) diesel-fired generators that would be used exclusively to provide up to 99 megawatts (MW) of backup emergency generation to support the GEP when electricity from Vernon Public Utility (VPU) is unavailable to the GEP. The project also includes a switching station and an onsite substation.

Small Power Plant Exemption Process

The CEC has exclusive authority to certify all thermal power plants 50 megawatts (MW) and greater including related facilities proposed for construction in California. The Small Power Plant Exemption (SPPE) process allows applicants that are proposing to construct thermal power plants between 50 MW and 100 MW to obtain an exemption from the CEC's jurisdiction and proceed with local permitting rather than CEC certification. Per Public Resources Code, section 25541, the CEC can grant an exemption to a thermal power plant not exceeding 100 MW if it finds that the proposed facility would not create a substantial adverse impact on the environment or energy resources. Public Resources

Code Section 25541(c) designates the CEC as the CEQA lead agency for all facilities seeking an exemption through the SPPE process. The CEC will not approve the construction of the project, only determining whether the project can be exempted from the CEC's jurisdiction.

The CEC staff has begun its review of the application and will prepare an EIR for public review. At the conclusion of the evaluation and the opportunity for public review and comment regarding the project, a decision will be made by the CEC at a noticed public business meeting on whether the application meets the requirements of Public Resources Code, section 25541. Should the exemption be granted, the applicant would still need to secure the appropriate entitlements and permits from the relevant local, regional, state, and federal agencies to construct and operate the proposed project. The CEC's regulations setting forth the SPPE process are primarily located in Title 20, California Code of Regulations, sections 1936 and 1940-1942.

Response to the Notice of Preparation

Pursuant to the CEQA Guidelines (Cal. Code Regs., tit. 14, § 15082(b)), each responsible and trustee agency and LCI shall provide detail about the scope and content of the environmental information related to the responsible and trustee agency's area of statutory responsibility that must be included in the draft EIR. At a minimum, the response shall identify:

- The significant environmental issues and reasonable alternatives and mitigation measures that the responsible or trustee agency, or LCI will need to have explored in all draft EIR; and,
- Whether the agency will be a responsible agency or trustee agency for the project.

Due to the time limits mandated by State law, responses must be sent as soon as possible but not later than 30 days after receipt of this notice. CEC staff requests your comments by **Friday, September 4, 2026**. Based on comments received by public agencies on the scope and content of the EIR, CEC staff may request additional information from the applicant to address such comments. If a responsible or trustee agency or LCI does not respond by the end of the 30-day period to provide the CEC with either a response to the NOP or a well-justified request for additional time, CEC staff will presume that none of those entities have a response to make.

Project Webpage and Document Availability

The CEC maintains a website for this project <https://www.energy.ca.gov/powerplant/backup-generating-system/vernon-backup-generating-facility-vbqf>. The SPPE application and related project documents are viewable by clicking on the 'Docket Log (25-SPPE-01)' found on top right yellow box of

the project webpage

<https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=25-SPPE-01>

To submit comments electronically, use the CEC's electronic commenting feature on the VBGF webpage (linked above), click on the 'Submit eComment' link found in yellow box on right-side, and follow the instructions in the online form. In your comments, be sure to include the project name. Once filed, a comments receipt email with a link to the comments will be sent and your comments will be part of the proceeding's public record.

Interested agencies or members of the public may also subscribe via the project webpage to receive electronic notices of all the project-related activities and documents related to the CEC's exemption evaluation, click on the 'Subscribe Vernon Backup Generating Facility' found in the lower right yellow box of the project webpage (linked above) <https://www.energy.ca.gov/powerplant/backup-generating-system/vernon-backup-generating-facility-vbgf>.

If you have any questions or need additional information on how to participate in CEC's review of the proposed project, please contact Elizabeth Huber, project manager, by email to Elizabeth.Huber@energy.ca.gov.

Project Location and Description

The applicant, GIC Vernon LLC, is seeking a Small Power Plant Exemption (SPPE) for the Vernon Backup Generating Facility (VBGF), a 99-MW emergency backup generating facility designed to support the Goodman Energy Park (GEP) data center. The VBGF would be constructed on an 11.55-acre site and would be electrically isolated from the grid, meaning there is no allowance in the design for generated electricity to be delivered off site.

The proposed VBGF would include 40 diesel generators with 38 3-MW units for data center critical loads, and two 1-MW "house" generators for office, building, and life-safety loads during outages. The backup emergency system is designed to operate only when electricity from Vernon Public Utilities (VPU) is unavailable. The project also includes the new Soto switching station (VPU) and an onsite project substation.

The generators are arranged in two separate generation yards, each directly tied to its respective data center building with a modular system design that allows the facility to continue operating even if some power units fail. The GEP would consist of two data center buildings designated Building 1 and Building 2 and would be located north and east of the intersection of Vernon Avenue and Soto Street.

- The address for Building 1 will be 3163 East Vernon Avenue. Building 1's main entrance will be at the southeast corner of the site, with a secondary entrance along the southern boundary, both connecting to Vernon Avenue.
- The address for Building 2 will be 3049 East Vernon Avenue. Building 2's main entrance will be in the northwest corner, connecting to Soto Street, with a secondary entrance on the south side linking to Vernon Avenue.

In addition to the data center buildings, components of the GEP, including elements of the VBGF, would include the following:

- The VBGF (40 diesel-fired generators)
- Project substation
- VPU switching station (Soto) and transmission lines
- Site access and surface parking
- Landscaping
- Stormwater controls and features
- Water and sewer pipeline interconnections
- Improvements to the right-of-way at the project frontage

The GEP site would be consolidated into a single parcel through a Lot Line Adjustment, processed by the city of Vernon. The property is currently zoned General Industrial with additional "Slaughtering" and "Commercial 1" overlays—zoning that allows data center uses. The site was formerly part of Smithfield Packaged Meats operations, but all buildings have been demolished, leaving the land vacant.

The site is irregularly shaped and surrounded by existing industrial development. It is bordered by the former Smithfield property to the north, Soto Street to the west, industrial uses to the east, and Vernon Avenue to the south. The nearest residential area is approximately one mile southeast of the project boundary.

Probable Environmental Effects

The CEC's EIR will analyze the reasonably foreseeable direct, indirect, and cumulative effects of the proposed project in the topic areas specified in Appendix G of the CEQA Guidelines.

Based on a preliminary review of the application and other filed information, CEC staff anticipates that the following topic areas will be analyzed further in the EIR:

Aesthetics

The proposed project would be constructed on approximately 11.55 acres of flat land along the south side of the Los Angeles River, within a densely developed industrial area in the city of Vernon, California. The project site was previously occupied by the Smithfield meat processing plant, which operated for more than 90 years before closing in early 2023. Demolition of the plant occurred from 2024 through early 2025.

The surrounding area consists of a variety of industrial uses, including distribution centers, general warehousing, refrigerated storage facilities, and manufacturing plants. Other nearby businesses include gasoline dispensing facilities, heavy truck transport services, automotive parts suppliers, lithographic and screen-printing shops, petroleum product manufacturers, and equipment repair facilities.

The EIR will evaluate whether the project would have a significant impact on a scenic vista or damage scenic resources. The EIR will also evaluate whether the project would substantially degrade the existing visual character or quality of public views of the site and its surroundings. The analysis will consider the project's components—including shapes, sizes, exterior surfaces (e.g., colors, textures, finishes), and massing—within the context of the existing physical environment. Project-related night lighting, glare, and reflectance could significantly affect daytime and nighttime views within the existing physical environment.

If significant visual impacts are identified, CEC staff will recommend all feasible mitigation measures to reduce those impacts.

Air Quality

The proposed project would be in the South Coast Air Basin (SCAB) under the jurisdiction of the South Coast Air Quality Management District (SCAQMD). The SCAB is designated as a non-attainment area for ozone and particulate matter (PM). The diesel-powered backup generators proposed for the project could result in potentially significant impacts due to emissions of ozone precursors (oxides of nitrogen [NO_x] and reactive organic gases) and diesel particulate matter (DPM), a toxic air contaminant. The emissions of criteria air pollutants and toxic air contaminants from the backup generators may result in significant air quality impacts under SCAQMD's CEQA significance thresholds and require mitigation; however, CEC staff has not completed its analysis of the significance of the project's potential impacts and is yet to reach a definitive conclusion. The EIR will discuss whether the project would result in potential cumulatively considerable net increase of a criteria pollutant(s) for which the project region is non-attainment under an applicable federal or state ambient air quality standard. The EIR will also discuss whether the project would: conflict with or obstruct implementation of the applicable air quality plan; expose sensitive receptors to

substantial pollutant concentrations, including impacts from criteria pollutants and toxic air contaminants; or result in other emissions (such as those leading to odors) adversely affecting a substantial number of people. If project impacts related to air quality and public health are determined to be significant, mitigation will be identified to reduce impacts to a less than significant level, as feasible.

Biological Resources

The proposed project would be built in a highly developed area with limited potential for the project to impact biological resources; however, the Los Angeles River is approximately 200 feet northeast of the project site and may provide foraging habitat for waterbirds, roosting substrate for bats in the form of bridges, and may provide limited connectivity benefit for wildlife. Based on information provided by the applicant, no wetlands would be directly impacted; however, there is potential for indirect impacts to the Los Angeles River through soil erosion and conveyance of contaminants or silt to downstream habitats. At this time, it does not appear the project would result in significant impacts to biological resources, and any potential impacts could be mitigated to a less-than-significant level. However, biological resources will be analyzed further.

Cultural and Tribal Cultural Resources

Based on information provided by the applicant, Native American outreach, as well as research and resources documented within the vicinity, the proposed project could impact cultural resources. The proximity of the project to a known Gabrielino village and the Los Angeles River indicate that the project area of analysis (PAA) has a moderate sensitivity for buried archaeological or ethnographic resources. The research shows native people tended to reside near water sources such as the Los Angeles River and the Tongva village site of Apachia is within proximity to the project location. Additionally, the city of Vernon was founded in 1905 and was settled long before that, leaving the possibility of encountering buried historic-era features. The Vernon Historic District and its contributing elements are within the PAA. Potential impacts from the proposed project to the Vernon Historic District appear to be less than significant because the main project site is not near the Vernon Historic District; only the transmission lines would be within the district.

Ground disturbance proposed as part of the project could encounter and damage as-yet unknown buried resources that meet CEQA's criteria for historical, unique archaeological, or tribal cultural resources. The resulting impacts would likely be significant under CEQA. The applicant has proposed various mitigation measures to reduce the severity of any such impacts. At this time, it does not appear the project would result in significant impacts to cultural or tribal cultural resources, and any potential impacts could be mitigated to a less-than-significant level. However, cultural and tribal cultural resources will be analyzed further.

Geology and Soils

CEC staff will evaluate potential impacts related to geology and soils, including paleontological resources. CEC staff is evaluating the project application, a 2023 geotechnical investigation for a prior project at the proposed site, and a 2024 preliminary site-specific geotechnical investigation that was conducted on behalf of the applicant for the proposed project. CEC staff is evaluating regional geologic mapping and evaluations of geologic hazards, including hazard mapping, performed by the California Geological Survey and United States Geological Survey, as well as online paleontological databases.

Based on the information reviewed thus far, CEC staff anticipates potential impacts related to surface fault rupture, strong seismic ground shaking, seismic-induced ground failure, landslides, soil erosion, unstable geologic units or soils, and paleontological resources that would require mitigation. The applicant proposed project design measures to mitigate these potential impacts to less than significant. At this time, CEC staff anticipates that mitigation would reduce potential impacts related to geology and soils to less than significant. Potential impacts related to geology and soils will be analyzed further in the EIR.

Greenhouse Gas Emissions

The project would emit greenhouse gas (GHG) emissions from three categories of activities: direct emissions from construction, direct emissions from the testing and maintenance of the diesel backup generators, and emissions from the data center's miscellaneous operations, both direct and indirect. During operation, the project applicant would obtain electricity from the VPU, which supplies electricity subject to California's Renewables Portfolio Standard. The applicant proposes to use renewable diesel as the primary fuel for the backup generators when feasible and ultra-low sulfur diesel as fuel when renewable diesel is not readily available. CEC staff will evaluate the direct emissions from construction and from the backup generators and cooling systems. The evaluation will also include indirect emissions from the project's data center's electricity use and assess whether mitigation is necessary and what options are available.

Hazards and Hazardous Materials

The project site is in an area with properties of varying commercial and industrial land uses, and of former commercial, manufacturing, and industrial uses. The site is generally bounded on the north by restaurants and a trucking school, on the east by food processing and warehouse facilities, on the south by freight, industrial, and commercial operation, and on the west by restaurants, retail stores, a warehouse, and a gas station. The project site is not within two miles of an airport or school. The closes

airport is approximately 8.2 miles southwest of the project site; the closest school is approximately 2.6 miles northeast of the project site.

Based on the Phase I and II Environmental Site Assessment (ESA) prepared for the project site in February 2025 (included in Appendix F of the project application), the project site has a history of commercial, manufacturing, and industrial use from its first development in 1894 to present day. The Phase II ESA was performed to investigate and evaluate the recognized environmental conditions identified in the Phase I ESA. The Phase I ESA noted that based on the history and use of the project site that current and historical uses of the site did not represent an environmental concern to the property; the project did not observe the following at the project site: use of hazardous substances and petroleum products, above ground storage tanks, or hazardous and non-hazardous waste.

The project would use hazardous materials during project construction and operation. Spills or leaks of hazardous materials that would be used and stored at the project site during project construction, such as fuels for construction equipment and vehicles, and small amounts of lubricants and solvents could occur due to project construction activities. During operation, a large quantity of diesel fuel, totaling approximately 228,000 gallons for all the generators, would be stored in integrated diesel fuel storage tanks within each generator enclosure pair. Diesel exhaust fluid (DEF), used as part of the diesel engine combustion process and totaling approximately 19,100 gallons, would be stored in integrated diesel exhaust fluid storage tanks within each generator enclosure. Spills or leaks of diesel fuel or DEF could occur during refueling or due to damage to the tanks.

The project construction or operation could result in potentially significant environmental impacts due to potentially contaminated soil or groundwater, or spills from diesel fuel or DEF during operation. CEC staff will review the applicant proposed project design measure (PDM HAZ-1) to determine whether it is sufficient to reduce potentially significant impacts to less than significant and propose additional mitigation measures, as necessary.

Hydrology and Water Quality

Impacts to water quality and water supply will be analyzed for the project. As the site has been previously used as an industrial development prior to the proposed project, there is some evidence of existing contamination in the underlying soils that need to be addressed. There would be no change to the groundwater recharge regime of the site. Water would be supplied by a municipal source that would have sufficient capacity to meet the project needs. The flood regime of the site would remain similar to previous developments conditions.

Stormwater impacts would be mitigated by compliance with the following:

- National Pollutants Discharge Elimination System permit requirements for construction, which is a federal program created in 1972 by the Clean Water Act to address water pollution by regulating point sources that discharge pollutants into waters within the United States.
- Los Angeles Municipal Separate Storm Sewer System (known as a Regional MS4) Permit, which is regulated by the Los Angeles Regional Water Quality Control Board.

Land Use and Planning

Analysis will discuss whether the project would divide an established community, or whether the project would cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect. Specifically, analysis of the project will focus on the project's consistency with the local General Plan and Zoning Code. There are no airports nearby that would be affected by the project. At this time, no potential significant land use impacts have been identified.

Noise

The noise levels associated with temporary project construction activities could result in potentially significant impacts. Potential impacts could include elevated noise levels at nearby industrial and commercial properties. The nearest school and residential area are located more than 4,000 feet from the project site and are not expected to be substantially affected by construction activities. No significant noise and vibration impacts associated with project operation are anticipated. CEC staff will evaluate potential noise and vibration impacts and, if necessary, recommend mitigation measures to ensure significant noise and vibration impacts are reduced to less than significant or eliminated.

Transportation

The transportation issues to be addressed in the EIR will follow the relevant portions of Appendix G of the CEQA checklist, and they will consider both the operational and construction phases. These considerations include the following:

- a. Would the project conflict with a program, plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities? The analysis will include consideration of the Level of Service (congestion) policy for the area.
- b. Would the project conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b), which identifies the need to evaluate vehicle-miles-travelled as a surrogate measure for greenhouse gas emissions.

- c. Would the project substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?
- d. Would the project result in inadequate emergency access?

The applicant proposes to develop and implement a Construction Traffic Management Plan (PDM TRANS-1) to minimize impacts to the transportation system. CEC staff will review the applicant proposed project design measure to determine whether it is sufficient to reduce potentially significant impacts to less than significant and propose additional mitigation measures, as necessary.

Wildfire

The project site is within the city of Vernon in Los Angeles County in an urban environment, not in the vicinity of wildlands. Vernon is not in or near a State Responsibility Area but is within an un-zoned Local Responsibility Area as designated by the California Department of Forestry and Fire Protection. The project is not near a moderate, high, or very high Fire Hazard Severity Zone, or land classified as having a fire threat by the California Public Utilities Commission.

CEC staff will assess the potential impacts related to wildfire risk and, if necessary, propose mitigation measures to reduce the risk, such as engineering and administrative controls, enhanced emergency response, and vegetation management. Based on its analysis to date, staff identified that the project would likely have no impact related to wildfire.

Alternatives

The EIR will consider a reasonable range of potentially feasible alternatives to the project. In addition to a no project alternative, the EIR will likely consider fuel cell technology, battery storage, and natural gas internal combustion engines.

Environmental Justice

CEC staff will identify Environmental Justice populations based on low-income and ethnicity. The resource-specific analyses will consider whether the project activities could result in disproportionately high and adverse effects on minority and low-income individuals residing within a 2-mile radius.

Responsible Agencies

CEC staff has identified the South Coast Air Quality Management District and the City of Vernon as responsible agencies for this project. The project will require the following approvals and permits if exempted:

- South Coast Air Quality Management District – authority to construct and permit to operate.
- City of Vernon – Project Clearance Committee review and approval, and Master Plan approval.

Trustee Agencies

CEC staff has identified the California Department of Fish and Wildlife as a trustee agency for this project.

Attachments (from SPPE application):

The following figures show the proposed project site within the regional surroundings, the location of the project area, and the proposed alignment of the transmission lines within the city limits.

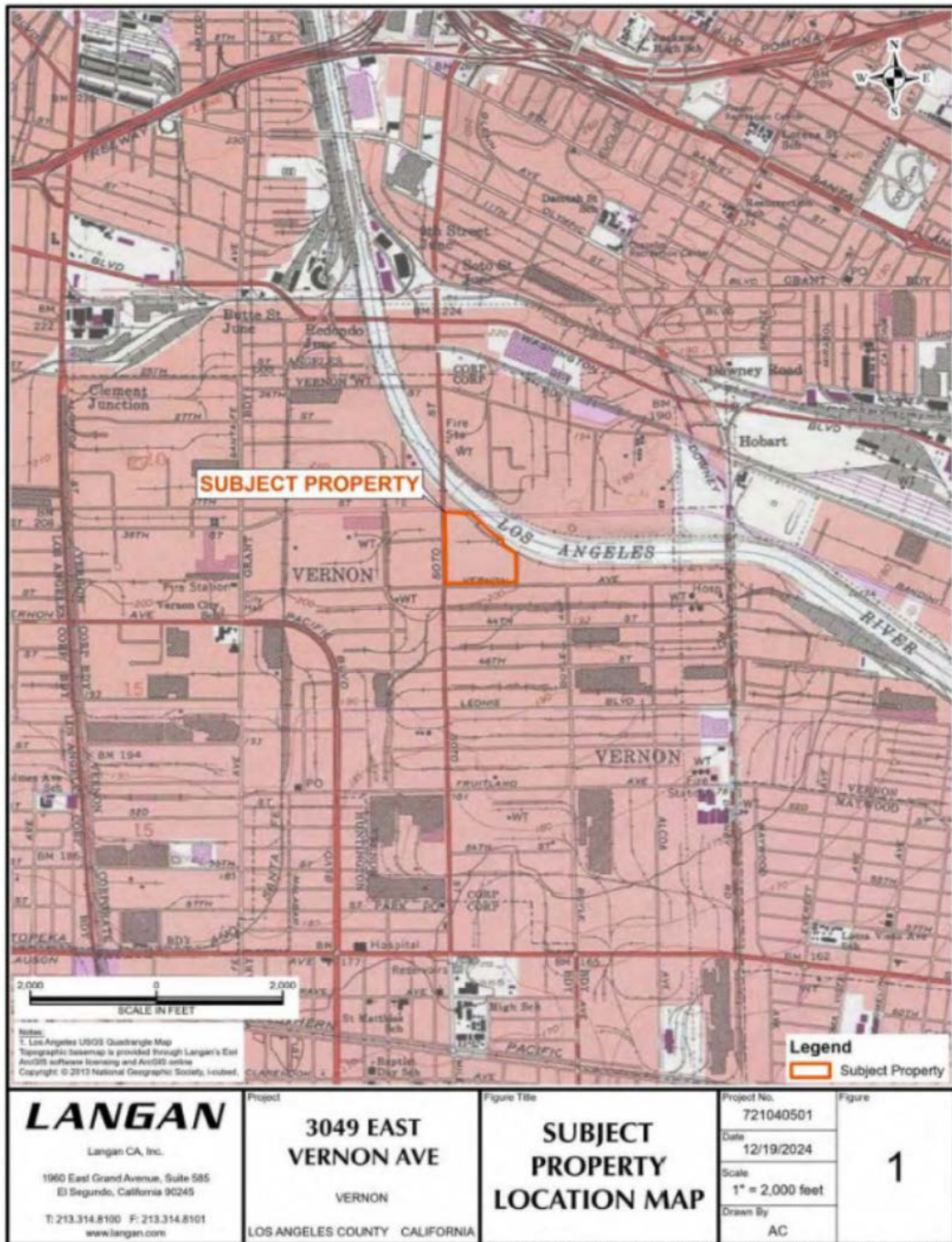
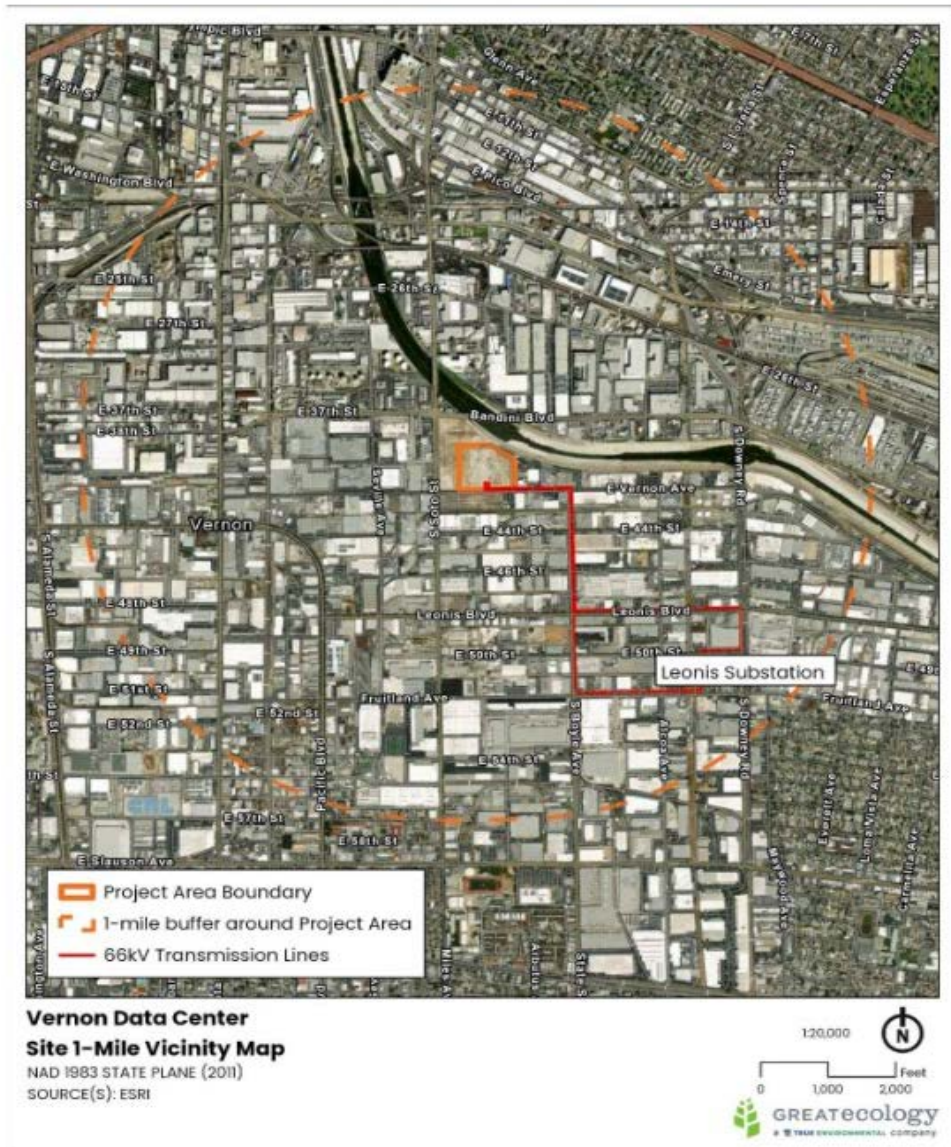


Figure 2. Site Vicinity





VPU 66 KV PRELIMINARY LAYOUT

General Notices		
No.	Revision/Issue	Date
Item Name and Address GOODMAN 3333 MICHELSON DR SUITE 1050 IRVINE, CA 92612		
Project Name and Address GEP VERNON CORNER OF SOTO AND VERNON VERNON, CA 90058		
Project	GEP VERNON	Sheet Figure 2
Date	01/07/2023	
Time	NONE	