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RESPONSE TO CEC STAFF DATA REQUEST SET 4

NorthTown Backup Generating Facility (25-SPPE-02)

SUBMITTED TO: CALIFORNIA ENERGY COMMISSION
SUBMITTED BY: GIC San Jose LLC

October 2026

DAYZEN LLC

INTRODUCTION

Attached are GIC San Jose LLC (GIC San Jose) responses to California Energy Commission (CEC) Staff Data Request Set No. 4 for the NorthTown Backup Generating Facility (NTGBF) Application for Small Power Plant Exemption (SPPE) (25-SPPE-02), docketed on October 6, 2026.

The Data Responses are grouped by individual discipline or topic area. Within each discipline area, the responses are presented in the same order as Staff presented them and are keyed to the Data Request Numbers. For context, the text of the Background and Data Request precede each Data Response.

ALTERNATIVES

BACKGROUND: Alternative Site Locations and Reduced Capacity Alternative

Per California Code of Regulations (CCR), Title 20, Division 2, Chapter 5, Appendix B (f) (1), an application must include "…[a] discussion of the range of reasonable alternatives to the project, or to the location of the project, including the no project alternative, which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project…"

Further CCR Title 20, Appendix B (f) (1) requires that in accordance with Public Resources Code Section 25540.6(b), the application shall include a discussion of the applicant's site selection criteria, any alternative sites considered for the project, and the reasons why the applicant chose the proposed site.

In the SPPE Application (TN 264500) Section 8.1, the applicant provides project objectives for the entire NTDC as well as for the NTBGF specifically. Objectives for the NTBGF focus on reliability, commercial availability and feasibility, and technical feasibility. In application Section 8.1, the applicant states that as part of the preliminary planning and design of the project, alternatives to the proposed backup generators and a reduced alternative using a smaller capacity system were considered. Application Sections 8.2 and 8.3 discuss the reduced alternative and technology alternatives, respectively. However, the applicant does not provide any details of the reduced project's smaller capacity system, including information such as the number of generators or capacity, or consideration of a smaller NTDC as a whole. Further, the application does not discuss alternative project locations, including potential alternative locations for the whole NTDC.

During the scoping period, the City of San José requested that project description and impact analysis include the whole of the action, including but not limited to…Data center buildings and ultimate buildout…" (TN 272243). Staff also assumes that as part of the site selection process for the proposed data center itself, the applicant may have considered alternative locations to the proposed project site prior to site selection. CEC staff acknowledges that the backup generators need to be collocated with the NTDC. In addition, staff is requesting information on the alternatives being considered for the entire proposed NTDC, which would be analyzed for purposes of the City's CEQA clearance for the CUP application, including a potentially reduced project alternative (which includes the NTDC and the NTBGF). To help staff evaluate a reasonable range of alternatives, staff requests further information on alternative sites and a reduced project alternative.

DATA REQUESTS

DR ALT-1 Please provide a discussion of any alternative sites considered for the NTDC and NTBGF and the reasons for dismissal.

RESPONSE TO DATA REQUEST DR ALT-1

The original SPPE Application was submitted to the Commission by LBA RVI-Company I, LP (LBA). As described in the Revised Project Description and Responses to Data Request Set 1, GIC San Jose LLC acquired the project site from LBA. Therefore, in order to provide a description of the any alternative sites considered responsive to this data request, we have separated the discussion relative to the site criteria and consideration of LBA and of GIC San Jose LLC.

LBA

LBA owned the site and the building and infrastructure existing in the middle of the property. Prior to filing the SPPE Application, the property proposed for DC North was cleared and graded in preparation for an advanced manufacturing project. Shortly thereafter, LBA considered using the available undeveloped site for the two proposed data centers because of the increased demand for data centers. LBA discontinued pursuit of the advanced manufacturing building and applied for interconnection with PG&E to determine whether PG&E could serve up to 100 megawatts (MW) of electricity to the site. PG&E reviewed the application for interconnection and confirmed that it could deliver 97 MW to the project site. LBA simultaneously conducted preliminary design and determined that the site could accommodate the construction and operation of a data center up to 100 MW. LBA confirmed that its site selection criteria for the NTDC/NTBGF included the following:

- The site must be owned by LBA;
- The site must be large enough to serve the market demand for large data centers up to 100 MW;
- The site must be able to be served up to 100 MW of electricity from PG&E
- The site must be zoned to allow data center uses.

Since LBA was interested only in developing property it already owned, it did not conduct an alternative site evaluation for the NTDC/NTBGF.

GIC San Jose LLC

GIC San Jose LLC is owned by Goodman Company (Goodman), a real estate developer, who acquired the property by responding to requests for proposals to sell the project site by LBA real estate brokers. GIC San Jose LLC's site selection criteria included:

- The site must be a new site within Silicon Valley;

- The site must be large enough to serve the market demand for large data centers up to 100 MW;
- The site must be able to be served up to 100 MW of electricity from PG&E in a reasonable timeframe and at commercially feasible cost; and
- The site must be zoned to allow data center uses.

Goodman's portfolio is varied and is not limited to only data center uses.

Goodman owns property in the City and County of San Francisco. After Goodman pursued a request for interconnection to the utility for the property, the utility determined that large transmission upgrades would be necessary to serve the project. The costs of such upgrades rendered the development of the San Francisco properties commercially infeasible for a data center.

Goodman also owns a property in Milpitas that was rejected for development as a data center because when Goodman purchased the site it was under contract with another developer who was processing plans for development of an advanced manufacturing buildings and the Seller was not interested in an alternative use.

While the NTDC/NTBGF Site was approved for advanced manufacturing, it had several advantages over the Milpitas Site making a data center the highest and best use of the property. These advantages are:

- Its close proximity to transmission (crosses the NorthTown Property) making transmission line costs low,
- Advanced planning and engineering design had progressed significantly for PG&E to construct a new switching station (now on the NTDC/NTBGF Site),
- No upstream transmission upgrades were necessary to deliver electricity to the NTDC further making the transmission costs commercially feasible, and
- At the time of the purchase LBA had already designed the data centers as well as had already filed an SPPE Application and City permit applications for the NTDC/NTBGF.

Furthermore, as described in the SPPE Application, no significant and unavoidable impacts were identified for the Project. Some impacts were identified that required implementation of Project Design Measures or other standard conditions to reduce the impacts to a less than significant level, including air quality (fugitive dust), biological resources (nesting birds, burrowing owls, bird collision, habitat plan compliance, and tree removal), cultural resources (construction ground disturbing activities), geology and soils (seismic impacts and paleontological resources), greenhouse gas emissions (carbon-free energy), hazards and hazardous materials (soil contamination), hydrology (stormwater),

noise (construction noise), and transportation (vehicle miles traveled). Since these impacts are primarily related to typical construction activities planned on-site and typical data center operational impacts, it is reasonable to assume that similar impacts could result at an alternative project location, and similar Project Design Measures or other standard conditions would be required. A possible exception would be impacts related to burrowing owls since not all potential alternative locations would be located on or near burrowing owl habitat. However, as described in the SPPE Application, the Project is not expected to result in direct impacts to burrowing owls, burrowing owl habitat mitigation has already occurred at the site, and impacts to potential burrowing owl habitat would be reduced to a less than significant level.

There is not another site that is owned or controlled by GIC San Jose LLC that is feasible for a data center and, in general, an alternative site would not necessarily avoid or substantially lessen the Project's impacts, nor would it preclude the need for the Project Design Measures identified in the SPPE Application since most development projects have construction impacts and most land in the Santa Clara Valley is archeologically sensitive and often has residual agricultural contaminants in shallow soil. Moreover, the City's current Standard Permit Conditions[1] for all development projects in San José require reduction measures for air quality, biological resources, cultural resources, geology and soils, hazards and hazardous materials, hydrology, noise, and transportation impacts. Nearby jurisdictions (e.g. Milpitas) have similar requirements, either as permit conditions, conditions of approval, or General Plan policies. Thus, similar reduction measures would have been required as Project Design Measures or with standard conditions even if an alternative site, such as the Milpitas property, were to be selected.

As demonstrated in the SPPE Application, as revised, the NTDC/NTBGF Site does not result in significant and unavoidable impacts. Development on a different parcel would therefore not result in a reduction or avoidance of any significant impact.

For the reasons articulated above, GIC San Jose LLC did not conduct further evaluation of any alternative sites to the NTDC/NTBGF Site.

DR ALT-2 Please provide a detailed description of the reduced capacity alternative (for the NTBGF) considered in the application, including number of generators, total generating capacity of the system in this alternative, and any other information regarding the alternative that could help inform staff's CEQA alternatives analysis.

Please provide additional details (to what is provided in the application) on the specific reasons for dismissal of the reduced capacity alternative.

[1] Source. City of San José. "San José Environmental Standard Permit Conditions." May 4, 2026. https://www.sanjoseca.gov/home/showpublisheddocument/132499/639166194376070000.

RESPONSE TO DATA REQUEST DR ALT-2

As described in Section 8.2 Reduced Capacity System of the SPPE Application, LBA considered a reduced capacity system for the backup generating system with fewer emergency generators. This alternative was rejected because it would not fulfill the Project Objective of providing the most reliable and flexible form of backup electric generating technology. In order for LBA to provide the reliability required by its clients, it was necessary to provide a backup generating system that could meet the maximum load of the Project during full occupancy and include redundancy as described in Section 3.2.3 Generating Capacity. Designing the Project with less emergency generators would not meet this objective.

Although not included in the SPPE Application, another potential reduced capacity alternative would be to develop only one of the two proposed data center buildings. However, as discussed in the response to DR ALT-1, no significant and unavoidable impacts were identified for the Project. As a result, developing only one data center building would not avoid or substantially lessen the Project's significant impacts, nor would it preclude the need for the Project Design Measures identified in the SPPE Application. For example, construction air quality emissions and noise impacts would be somewhat reduced since only one data center building would be constructed. However, as described in Section 4.3 Air Quality and Section 4.13 Noise of the SPPE Application, the Project would not result in significant construction air quality emissions (criteria air pollutant emissions or health risks) nor construction or vibration impacts that would require Project Design Measures. While PDM AIR-1 (Fugitive Dust Best Management Practices) and PDM NOI-1 (Construction Noise Best Management Practices) are identified, both measures are general best management practices, not project-specific construction reduction measures related to the construction of two data center buildings, i.e. they would remain applicable if only one data center building were constructed. Most of the land cover impacts (e.g., biological resources, cultural resource, geology and soils, hazards and hazardous materials, and hydrology) would stay the same regardless of whether one or two data center buildings were constructed, as the amount of site disturbance would be the same. Furthermore, the singular data center building under this alternative would still need to comply with the PDMs related to GHG and transportation to incorporate carbon-free electricity into the Project and reduce project-generated trips.

One exception to the discussion above would be in the area of biological resources. While the Project Site is located within a developed industrial campus, the area where DC North would be located was cleared and graded in 2022 in preparation for a previous advanced manufacturing project that did not move forward. This area has remained vacant and undeveloped, and vegetation has grown to the point where it is now considered California annual grassland for the purposes of determining its biological land cover. As a result, developing only DC West instead of DC North would avoid the Project's impacts to

California annual grassland habitat, as well as related impacts to potential burrowing owl habitat. However, as described in the response to DR ALT-1 above, the Project is not expected to result in direct impacts to burrowing owls, and impacts to potential burrowing owl habitat would be reduced to a less than significant level.

For Staff's analysis, the SPPE Application describes two buildings at two different locations within the NTDC/NTBGF site. For the reduced acreage alternative, Staff can use the information provided for one of the buildings, which has been provided in detail sufficient to support Staff's alternative analysis.

An alternative where only one data center building is developed was rejected by GIC San Jose, LLC because the market demand for large data centers in Silicon Valley was steadily increasing while the market for data centers less than 50 MW was diminishing rapidly. Evidence of this can be seen in the increase in SPPE filings at the Commission since 2018 (17 new applications) with very few applications in Silicon Valley for data centers below 50 MW. The reduced acreage alternative was determined to be infeasible due to the lack of customer demand for a smaller data center. Therefore, this alternative would not meet the project objectives, nor would it avoid or substantially lessen any identified environmental impacts. As such, this alternative was not considered further.