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STATE OF CALIFORNIA

Energy Resources
Conservation and Development Commission

In the Matter of:

Small Power Plant Exemption
**MCLAREN BACKUP GENERATING
FACILITY**

DOCKET NO. 17-SPPE-01

**VANTAGE DATA CENTER'S
OPPOSITION TO INTERVENOR
HELPING HAND TOOLS' MOTION TO
DISMISS VANTAGE DATA CENTER'S
SPPE APPLICATION FOR THE
MCLAREN BACKUP GENERATING
FACILITY**

On July 3, 2018, Intervenor Helping Hand Tools filed a Motion to Dismiss the Small Power Plant Exemption (SPPE) Application (Motion) filed by Vantage Data Centers (Vantage) for the McLaren Backup Generation Facility (MBGF). The sole argument raised in the Motion is Helping Hand Tools' inaccurate and misleading assertion that Staff did not calculate the generating capacity of the MBGF correctly. The Motion should be denied in its entirety.

Conveniently, Helping Hand Tools fails to acknowledge a fundamental fact that is clearly articulated in the SPPE Application and in Staff's Initial Study/Mitigated Negative Declaration (IS/MND). It is ***physically impossible for the MBGF to deliver electricity to the transmission grid.*** The sole purpose of the MBGF is to provide electricity to the McLaren Data Center (MDC) buildings in the unlikely, but possible, event that Silicon Valley Power (SVP) cannot deliver electricity to the substation that distributes power to the MDC buildings. The MDC is electrically interconnected to the SVP substation in order to receive electricity. As described in the SPPE Application, the MBGF consists of three independent generator yards, each of which is interconnected to its respective building, and ***not to the SVP substation.***

Since the MBGF serves only the MDC and cannot deliver electricity to the transmission grid, Staff has correctly calculated the maximum combined generating capacity of all three generator yards to be the maximum amount of electricity that can be consumed under full maximum load of the building¹.

¹ This includes the electrical demand of the tenants at full occupancy of all three buildings and the mechanical load of the buildings on the hottest day.

Helping Hand Tools cites to Title 20, Division 2, Section 2003 as support for how the Commission should calculate the generating capacity of the MBGF. Section 2003 specifically refers to “turbine” generators. The MBGF has no turbine generators. There simply is no guidance in the Commission regulations for how to calculate the generating capacity for a non-turbine generator that does not deliver electricity to the transmission grid.

Helping Hand Tools then cites to the IS/MND for the Santa Clara SPPE to support its argument. It should be noted that the Commission granted the SPPE for Santa Clara, but did not directly consider and include any detailed discussion of the maximum generating capacity methodology used to determine jurisdiction because the Santa Clara Project was well below the 100 MW SPPE threshold. In other words, there was no reason for the Commission to consider the limiting capacity of the Santa Clara building demand because it did not affect a jurisdictional determination.

Helping Hand Tools does not, however, cite to a recent August 25, 2017 Jurisdictional Determination letter issued by the Commission to Vantage that directly addresses the calculation methodology.² This recent Jurisdictional Determination letter addressed another of Vantage data center campuses where Staff clearly outlines and explains its method for calculating generating capacity for backup generation. Specifically, Staff explains its methodology at Page 2 of its Jurisdictional Determination letter.

Staff normally determines jurisdiction of a power generating facility based on its maximum generating capacity. However, in determining a facility’s maximum generating capacity, we consider both internal loads to deliver the electricity, and any restrictions on the amount of electricity the end user can actually receive. In the case of Vantage, the sole end user of electricity from the diesel generators dedicated to V4 and V5 are two computer buildings with a combined maximum building capacity of 31.5 MW. In other words, under actual operational modes, V4 and V5 together will not generate more than 31.5 MW due to the upper limiting computer building loads, which are well below 50 MW.

Staff correctly applied this same methodology for calculating generating capacity for MBGF by focusing on the upper limiting MDC building loads.

Additionally, although Helping Hand Tools acknowledges in Footnote 1 of its Motion that the MBGF facility has been designed with redundant generators, it does not acknowledge the redundancy in its calculations. As explained in the MBGF IS/MND, the generators are designed in a “4 to make 3” configuration. This configuration allows three of the generators to support its proportion of the building load at its continuous rating if one (the fourth) generator failed. So even if all four generators are operating, each will be run below the continuous rating to equal the demand load of the building. Therefore, it is inaccurate to simply multiply the peak capacity of each generator by the number of total generators.

² Letter from Robert Oglesby, Executive Director of the CEC to Matt Silvers, Vantage Data Centers, entitled “Jurisdictional Determination for Vantage Data Centers V4 and V5”, dated August 25, 2017.

Therefore, Staff's methodology for calculating the generating capacity for the MBGF is reasonable because it takes into account the indisputable fact that because the MBGF cannot deliver electricity to the transmission grid, it is limited by the building demand load and acknowledges that some of the generating capacity is redundant. The use of this methodology is consistent with the Staff's prior recent Jurisdictional Determination and does not violate any law or regulation to which the Commission is subject. Vantage requests the Committee deny Helping Hand Tools' motion in its entirety and further to instruct the parties that the subject of generating capacity and jurisdiction shall not be part of the upcoming evidentiary hearing.

Dated: August 5, 2018

Respectfully Submitted,



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