

DOCKETED

Docket Number:	19-SPPE-02
Project Title:	Walsh Data Center
TN #:	232041
Document Title:	Notice of Joint Committee Conference
Description:	Notice of Committee Conference to be held jointly with the Sequoia SPPE Application in Santa Clara on February 26, 2020
Filer:	Susan Cochran
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**State of California
State Energy Resources Conservation and
Development Commission
1516 Ninth Street, Sacramento, CA 95814
1-800-822-6228 – www.energy.ca.gov**

**APPLICATION FOR SMALL POWER PLANT
EXEMPTION FOR THE:**

***WALSH BACKUP GENERATING
FACILITY***

Docket No. 19-SPPE-02

**APPLICATION FOR SMALL POWER PLANT
EXEMPTION FOR THE:**

***SEQUOIA BACKUP GENERATING
FACILITY***

Docket No. 19-SPPE-03

NOTICE OF JOINT COMMITTEE CONFERENCE

PLEASE TAKE NOTICE that the California Energy Commission (CEC) Committees designated to conduct proceedings on the respective applications for a small power plant exemption for the Walsh Backup Generating Facility (Walsh Application) and the Sequoia Backup Generating Facility (Sequoia Application)¹ hereby schedule a Joint Committee Conference on both applications as follows:

**WEDNESDAY, FEBRUARY 26, 2020
12:30 p.m.**

**Santa Clara Central Park Library
Margie Edinger Community Room
2635 Homestead Road
Santa Clara, California 95051
(Wheelchair accessible)**

REMOTE ACCESS AVAILABLE BY COMPUTER OR PHONE VIA WEBEX™
(For instructions, please see the **Remote Attendance** section below.)

¹ The Energy Commission appointed a Committee consisting of Karen Douglas, Commissioner and Presiding Member, and Patty Monahan, Commissioner and Associate Member, to preside over the Walsh Application on July 15, 2019 (TN 228984) and to preside over the Sequoia Application on September 11, 2019 (TN 229721).

PURPOSE OF THE JOINT COMMITTEE CONFERENCE

The purpose of this conference is to review the schedules and current status in the respective application proceedings and address any outstanding issues. In addition to the formal parties, the Committees invite the attendance of interested public agencies and the public. We direct the parties' attention to the "Order Regarding Status Reports and Presentations by Applicant, Staff, and the Public Advisor," below regarding their expected participation in and responsibilities for the conference.

BACKGROUND AND DESCRIPTION OF PROPOSED PROJECTS

Small Power Plant Exemptions

The CEC has the exclusive authority to consider, and ultimately approve or deny, applications for the construction and operation of thermal power plants that will generate 50 megawatts (MW) or more of electricity.² The CEC may grant an exemption to its certification jurisdiction, the small powerplant exemption (SPPE) for thermal powerplants generating between 50 and 100 MW.

To grant an SPPE, the CEC must make three distinct determinations:

- the proposed powerplant has a generating capacity up to 100 MW;
- no substantial adverse impact on the environment will result from the construction or operation of the powerplant; and
- no substantial adverse impact on energy resources will result from the construction or operation of the powerplant.³

The SPPE process provides a public forum allowing the applicant requesting the exemption, CEC staff (Staff), intervenors, governmental agencies, and members of the public to participate in the decision-making process.

In addition to the findings above, the CEC is the "lead agency"⁴ under the California Environmental Quality Act (CEQA).⁵

If an SPPE is granted, responsible local land use authorities and other agencies, most notably any local air management or air pollution control district, conduct further review of the project, including any necessary environmental review under CEQA.

² Pub. Resources Code §§ 25120, 25500. All further references are to the Public Resources Code unless otherwise specified.

³ §25541.

⁴ § 25519, subd (c).

⁵ The CEQA statutes, California Public Resources Code section 21000 *et seq.*, and CEQA Guidelines, California Code of Regulations, title 14, section 15000 *et seq.* (Guidelines), detail the protocol by which state and local agencies comply with CEQA requirements. We refer to the statute and the Guidelines collectively as "CEQA."

The Walsh Application⁶

On June 28, 2019, 651 Walsh Partners, LLC (Walsh Applicant) submitted the Walsh Application. The proposed project site is located at 651 Walsh Avenue in Santa Clara, California (Walsh Site). The Walsh Site is currently developed with a warehouse and associated paved parking and loading areas. The Walsh Applicant would demolish the existing improvements on the Walsh Site.

The Walsh Applicant proposes to construct and operate the Walsh Data Center, consisting of a four-story, 435,050 square foot data center building that will house computer servers in a secure and environmentally controlled structure and a three-story administrative building and office space. A single 2-MW power base building diesel-fired emergency generator will provide backup electricity to the administrative building.

To ensure an uninterruptible power source, the Walsh Applicant proposes to construct and operate the Walsh Backup Generating Facility, consisting of 32 Tier-2 diesel-fired, back-up generators, each with a maximum peak rating of 3 MW, located in a generator equipment yard. The generators would be distributed in two different redundant configurations⁷ to provide up to 80 MW, the maximum building load of the Walsh Data Center.

The Walsh Applicant also intends to construct an on-site, 90-megavolt amps (MVA) electrical substation and electrical switchgear and distribution lines between the substation and buildings as well as from the backup generator yards and each respective building. The substation will allow delivery of power from Silicon Valley Power (SVP) but will not allow any electricity generated from the Walsh Backup Generating Facility to be distributed off the Walsh Site.⁸

Even though the Walsh Application describes the Walsh Data Center as separate from the Walsh Backup Generating Facility, CEQA requires the CEC to consider the “whole of an action.”⁹ Therefore, the CEC will include the entire Walsh Project in its environmental analysis.

⁶ The information in this section is taken from section 2 of the Walsh Application (TN 228877-2). All of the documents related to the Walsh Application can be found at: <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?doctetnumber=19-SPPE-02>

⁷ The Walsh Backup Generating Facility would have four systems where five units would be available, but only four would actually run and two systems where six units would be available, but only five would actually run.

⁸ We refer to the Walsh Data Center, the Walsh Backup Generating Facility, and the substation as the “Walsh Project.”

⁹ Cal. Code Regs., tit. 14, § 15378, subd. (a) (under CEQA “project” means the whole of the action).

The Sequoia Application¹⁰

On August 14, 2019, C1-Santa Clara, LLC (Sequoia Applicant) submitted the Sequoia Application. The proposed project site is located at 2600 De La Cruz Boulevard, Santa Clara, California (Sequoia Site). The Sequoia Site is currently vacant and unpaved, but was previously developed with a one-story recycled paperboard mill and warehouse that utilized a combined-cycle cogeneration plant with a natural-gas turbine. At the time of filing the Sequoia Application, demolition activities had been completed for every project feature except for piping and miscellaneous infrastructure associated with the former cogeneration facility. The Sequoia Applicant would demolish the remaining piping and infrastructure on the Sequoia Site.

The Sequoia Applicant proposes to construct and operate the Sequoia Data Center, a four-story, 702,114-square foot data center building that will house computer servers in a secure and environmentally controlled structure, with approximately 70,000 square feet dedicated to administrative and office uses.

To ensure an uninterruptible power supply, the Sequoia Applicant proposes to construct and operate the Sequoia Backup Generating Facility, consisting of 54 Tier-2 standby diesel-fired generators, each with a maximum peak rating of 2.25 MW, located in a generator equipment yard. The generators would be configured in a distributive redundant configuration¹¹ to provide up to 96.5 MW, the maximum building load of the Sequoia Data Center.

Finally, the Sequoia Applicant intends to construct an on-site, 100 MVA electrical substation and electrical switchgear and distribution lines between the substation and buildings as well as from the backup generator yards and each respective building. The substation will allow delivery of power from SVP but will not allow any electricity generated from the backup generators to be distributed off the Sequoia Site.¹²

Even though the Sequoia Application describes the Sequoia Data Center as separate from the Sequoia Backup Generating Facility, CEQA requires the CEC to consider the “whole of an action.”¹³ Therefore, the CEC will include the entire Sequoia Project in its environmental analysis.

¹⁰ The information in this section is taken from section 2 of the Sequoia Application. (TN 229419-1). All of the documents related to the Sequoia Application can be found at <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?doctetnumber=19-SPPE-03>

¹¹ The Sequoia Backup Generating Facility will have nine 6-to-make-5 systems where six units would be available, but only five would actually run.

¹² We refer to the Sequoia Data Center, the Sequoia Backup Generating Facility, and the substation as the “Sequoia Project.”

¹³ Cal. Code Regs., tit. 14, § 15378. (a) (under CEQA “project” means the whole of the action).

ORDER REGARDING STATUS REPORTS AND PRESENTATIONS BY APPLICANTS, STAFF, AND THE PUBLIC ADVISOR

For the Walsh Project and the Sequoia Project respectively, the Committee **ORDERS** the Walsh Applicant, the Sequoia Applicant, and Staff to serve and file a status report by **February 21, 2020**, describing the status of the project and bringing any matters relevant to the completion of the project to the Committee's attention. All other parties may, but are not required to, serve and file status reports by **February 21, 2020**.

Applicant and the Public Advisor will provide brief presentations as specified in the agenda attached hereto.

NOTICE OF CLOSED SESSION DELIBERATIONS

At any time during the Committee Conference, the Committee for the Walsh Application or the Sequoia Application, or both, may adjourn to a closed session in accordance with California Government Code section 11126, subdivision (c)(3), which allows a state body, including a delegated committee, to hold a closed session to deliberate on a decision to be reached in a proceeding the state body was required by law to conduct.

PUBLIC ADVISOR AND OTHER CEC CONTACTS

The CEC's Public Advisor's Office provides the public assistance in participating in CEC proceedings. For information on how to participate in this forum, or to request language services or other reasonable accommodations, please contact the Public Advisor, Noemí O. Gallardo, at publicadvisor@energy.ca.gov, or by phone at (916) 654-4489, or toll free at (800) 822-6228. Requests for language services and reasonable accommodations should be made at least five days in advance. The CEC will work diligently to accommodate late requests.

Questions of a procedural nature related to the Walsh Application should be directed to Susan Cochran, Hearing Officer, at susan.cochran@energy.ca.gov or (916) 654-3965.

Questions of a procedural nature related to the Sequoia Application should be directed to Galen Lemei, Hearing Officer, at galen.lemei@energy.ca.gov or (916) 654-4873.

Technical questions concerning the Walsh Application or the Sequoia Application should be addressed to Leonidas (Lon) Payne, Project Manager, at Leonidas.Payne@energy.ca.gov or at 916-651-0966.

Media inquiries should be sent to the Media and Public Communications Office at mediaoffice@energy.ca.gov or (916) 654-4989.

REMOTE ATTENDANCE

You may participate in this meeting through WebEx, the CEC's on-line meeting service. Any presentations will appear on your computer screen and you may listen to audio via your computer or telephone. Please be aware that the meeting may be recorded.

Via Computer: Go to <https://energy.webex.com> and enter the meeting number **928 361 126**. When prompted, enter your name and email address. No meeting password is needed.

The “Join Conference” menu will offer you a choice of audio connections:

1. To call into the meeting: Select "I will call in" and follow the on-screen directions.
2. To have WebEx call you: Enter your direct dial phone number (no extensions are permitted) and click "Call Me."
3. To listen over the computer: If you have a broadband connection, and a headset or a computer microphone and speakers, you may use VoIP (Internet audio) by going to the Audio menu, clicking on “Use Computer Headset,” then “Call Using Computer.”

Via Telephone Only (No Visual Presentation): Call (866) 469-3239 (toll-free in the U.S. and Canada). When prompted, enter the meeting number **928 361 126**.

Via Mobile Access: Access to WebEx meetings is now available from your mobile device. To download an app, go to:

www.webex.com/products/web-conferencing/mobile.html

Please be aware that WebEx audio and on-screen activity may be recorded. WebEx Technical Support is available at (866) 229-3239.

Muting

We greatly appreciate your cooperation in reducing noise on the audio connection by muting your line when you are not speaking. Mute your line rather than placing your phone on hold. Using WebEx, you may mute yourself by right clicking on your name in the panelists or attendees list and selecting “Mute.” If you are only using a telephone connection, press “*6” once to mute and again to unmute.

AVAILABILITY OF DOCUMENTS

Information regarding the status of the Walsh Application, as well as notices and other relevant documents are available on the CEC's web page at <https://ww2.energy.ca.gov/sitingcases/walsh/>.

Information regarding the status of the Sequoia Application, as well as notices and other relevant documents are available on the CEC's web page at <https://ww2.energy.ca.gov/sitingcases/sequoia/>.

IT IS SO ORDERED.

Dated: February 14, 2020

Dated: February 14, 2020

ORIGINAL SIGNED BY:

ORIGINAL SIGNED BY:

Karen Douglas
Commissioner and Presiding Member
Walsh Backup Generating Facility SPPE
Committee &
Sequoia Backup Generating Facility SPPE
Committee

Patty Monahan
Commissioner and Associate Member
Walsh Backup Generating Facility SPPE
Committee &
Sequoia Backup Generating Facility SPPE
Committee

Mailed to list number(s): 7530, 7531

AGENDA
Joint Committee Conference
February 26, 2020, at 12:30 p.m.

Walsh Backup Generating Facility Application (19-SPPE-02)
Sequoia Backup Generating Facility Application (19-SPPE-03)

Santa Clara Central Park Library
Margie Edinger Community Room
2635 Homestead Road
Santa Clara, California 95051

1. Call to order and introductions
2. Presentation on Small Power Plant Exemptions
 - a. Overview of the Small Power Plant Exemption process and procedure (Hearing Officer, 5 mins.)
 - b. Opportunities for public participation (CEC Public Advisor's Office, 5 mins.)
 - c. Public comment
3. 1:00 p.m. –Walsh Backup Generating Facility SPPE Application
 - a. Presentation on the Walsh Data Center Project (Applicant, 5 mins.)
 - b. Discussion of schedule, status, issues, and next steps (Committee and Parties)
 - c. Public comment
4. 2:00 p.m. –Sequoia Backup Generating Facility SPPE Application
 - a. Presentation on the Sequoia Data Center Project (Applicant, 5 mins.)
 - b. Discussion of schedule, status, issues, and next steps (Committee and Parties)
 - c. Public comment
5. Committee¹⁴ closed session consideration of the following items:

Deliberation on the Small Power Plant Exemption Applications for the Walsh and Sequoia Backup Generating Facilities
6. Adjourn

¹⁴ The Committee may adjourn to closed session in accordance with Government Code section 11126, subdivision (c)(3), which allows a state body, including a delegated committee, to hold a closed session to deliberate on a decision to be reached in a proceeding the state body was required by law to conduct.

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