

DOCKETED	
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TO: AGENCY DISTRIBUTION LIST

REQUEST FOR AGENCY PARTICIPATION IN THE REVIEW OF THE GILROY BACKUP GENERATING FACILITY

On December 17, 2020, Amazon Data Services (ADS or applicant) filed an application with the California Energy Commission (CEC) seeking an exemption from the CEC's jurisdiction (Small Power Plant Exemption, or SPPE) for the Gilroy Backup Generating Facility (GBGF) (20-SPPE-03). The GBGF would be part of the Gilroy Data Center (GDC) to be located in the City of Gilroy. Both the GDC and GBGF components are collectively referred to as the project.

Shortly after the application was filed, on December 21, 2020, the Bay Area Air Quality Management District (BAAQMD) issued a letter stating that it had established a best available control technology (BACT) for large (greater or equal to 1,000 brake horsepower) diesel engines used for emergency standby power that requires them to meet the U.S. EPA's Tier 4 emissions standards. In response to BAAQMD's letter, the applicant has modified the project to use Tier 4 compliant generators. The applicant filed revised air quality and noise materials on March 30, 2021, updated air quality appendices on April 12, 2021, and a revised project description on April 20, 2021, reflecting the project change.

Project Description

The project site is an undeveloped parcel approximately 56 acres in size located east of Arroyo Circle and between the two segments of Camino Arroyo within the City of Gilroy (APN 841-69-039). The site is near the Highway 101 corridor and immediately adjacent to industrial and commercial development. The site was used for agricultural purposes from 1939 to present. The project site is currently tilled agricultural land but is now proposed for industrial development, consistent with the General Industrial zoning and General Plan designations on the site. The project is located within the City of Gilroy's Equity and Engagement District.

The applicant proposes to construct two data storage center buildings and an on-campus security building totaling approximately 438,500 square feet. The project would also include an onsite switchyard and a new utility substation to accommodate electricity to be delivered to the site by Pacific Gas and Electric Company (PG&E). Interconnection of the new substation to the distribution grid

would require PG&E to install approximately 3 new electric transmission poles and approximately 1,000 linear feet of new overhead 115 kilovolt transmission line.

The GBGF would be a backup generating facility with a generation capacity of up to 96 megawatts (MW) to support the need for the GDC to provide uninterruptible power supply for its servers. The GBGF would consist of 50, 2.5 MW diesel-fired emergency backup generators, arranged in two generation yards, each designed to serve one of the two data center buildings that make up the GDC. Project elements would also include switchgear and distribution cabling to interconnect the two generation yards to their respective buildings. In addition, the GBGF would include three smaller emergency generators; two house power diesel fired generators, each capable of generating 600 kilowatts (kW) to support its respective building phase in an emergency; and a 175 kW diesel fired emergency generator to support a security building.

Small Power Plant Exemption Process

CEC has the exclusive authority to certify all thermal power plants (50 MW and greater) and related facilities proposed for construction in California. The SPPE process allows applicants with facilities between 50 and 100 MW to obtain an exemption from CEC's jurisdiction and proceed with local permitting rather than requiring CEC certification. CEC can grant an exemption if it finds that the proposed facility would not create a substantial adverse impact on the environment or energy resources. In this case, the GBGF is subject to CEC's licensing authority unless the exemption is granted. Should the exemption be granted, the applicant would still need to secure the appropriate licenses and permits for the project from relevant local, state, and federal agencies.

Staff Evaluation of the SPPE Application and Further Steps

Public Resources Code section 25519(c) designates CEC as the lead agency, in accordance with the California Environmental Quality Act (CEQA), for all facilities seeking an SPPE. CEQA requires the lead agency to consider the whole of the action; therefore, CEC will include the entire project in its analysis, which includes the construction and operation of the data center buildings, backup generating facility, the on-site substation, and electric distribution feeders to the project site. As lead agency, CEC is required by Public Resources Code section 21080.3 and CEQA Guidelines section 15063(g) to consult with responsible and trustee agencies to ascertain whether a negative declaration or environmental impact report is required. CEC staff has begun its review of the application and a Committee of two Commissioners was appointed at the CEC's April 14, 2021 Business Meeting to oversee the SPPE proceeding.

Over the coming months, staff will evaluate the project and prepare the appropriate environmental analysis document and make it available for public comment. The assigned Committee will then conduct a hearing to determine whether to propose that the full Commission adopt (or certify) the CEQA document and to determine whether to recommend to the full Commission that the facility should be exempt from CEC's power plant certification process. This hearing will provide the public as well as local, state and federal agencies and California Native American tribes the opportunity to provide input on the exemption request. Subsequent steps include issuance of a proposed decision by the Committee, and possible adoption of that decision by CEC at a business meeting or hearing. CEC's regulations setting forth the SPPE process are primarily located in Title 20, California Code of Regulations, sections 1934-1947.

Project Webpage and Listserve

CEC maintains a website for this project at:

<https://ww2.energy.ca.gov/sitingcases/gilroybackupgen/>. The SPPE application and related project documents are viewable by clicking the "Documents for this Proceeding (Docket Log)" link located near the upper right corner of the project webpage. The direct link to the project docket log is:

<https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=20-SPPE-03>.

To receive electronic notices of all project-related activities and documents related to the exemption evaluation, go to CEC's listserv web page (<https://ww2.energy.ca.gov/listservers/index cms.html>), and check the "gilroybackupgen (Gilroy Backup Generating Facility)" box under "PROJECTS UNDER REVIEW."

Agency Participation

Your agency's participation is encouraged and would consist of identifying and working to resolve issues of concern to your agency in connection with the SPPE proceeding. Pursuant to Title 20, California Code of Regulations, section 1936(d), we request any "analyses, comments, and recommendations" on the exemption application which you wish to provide. Again, please note that should the exemption be granted, the applicant would then be responsible for obtaining all necessary local, state, and federal permits required to construct and operate the project, which may entail additional analysis by relevant permitting authorities.

You may provide comments at any time, however, pursuant to Title 20, California Code of Regulations, section 1936(d), any written comments your agency may have must be filed with CEC prior to the conclusion of the hearing, unless otherwise specified by law or by order of the presiding committee

member. The date of this hearing is not yet known, as the Committee assigned to oversee the SPPE proceeding has not yet issued a schedule for the major milestones in the proceeding, including publication of staff's CEQA document. In addition, the CEC will provide separate, advance notice of the hearing via the listserv once it has been scheduled.

You may submit comments electronically. To use CEC's electronic commenting feature, go to CEC's webpage for this proceeding, cited above, click on the "Comment on this Proceeding" link, and follow the instructions in the online form. Be sure to include the project name in your comments. Once filed, you will receive an email with a link to them and the comments will be part of the proceeding's public record.

If you have any questions or need additional information on how to participate in CEC's review of the proposed project, please contact Leonidas Payne, Project Manager, by email to leonidas.payne@energy.ca.gov.

Attachments (from the SPPE application):

Regional Map (Figure 3.2-1)

Aerial Photograph and Surrounding Land Uses (Figure 3.2-3)

Site Plan (Figure 3.2-4)



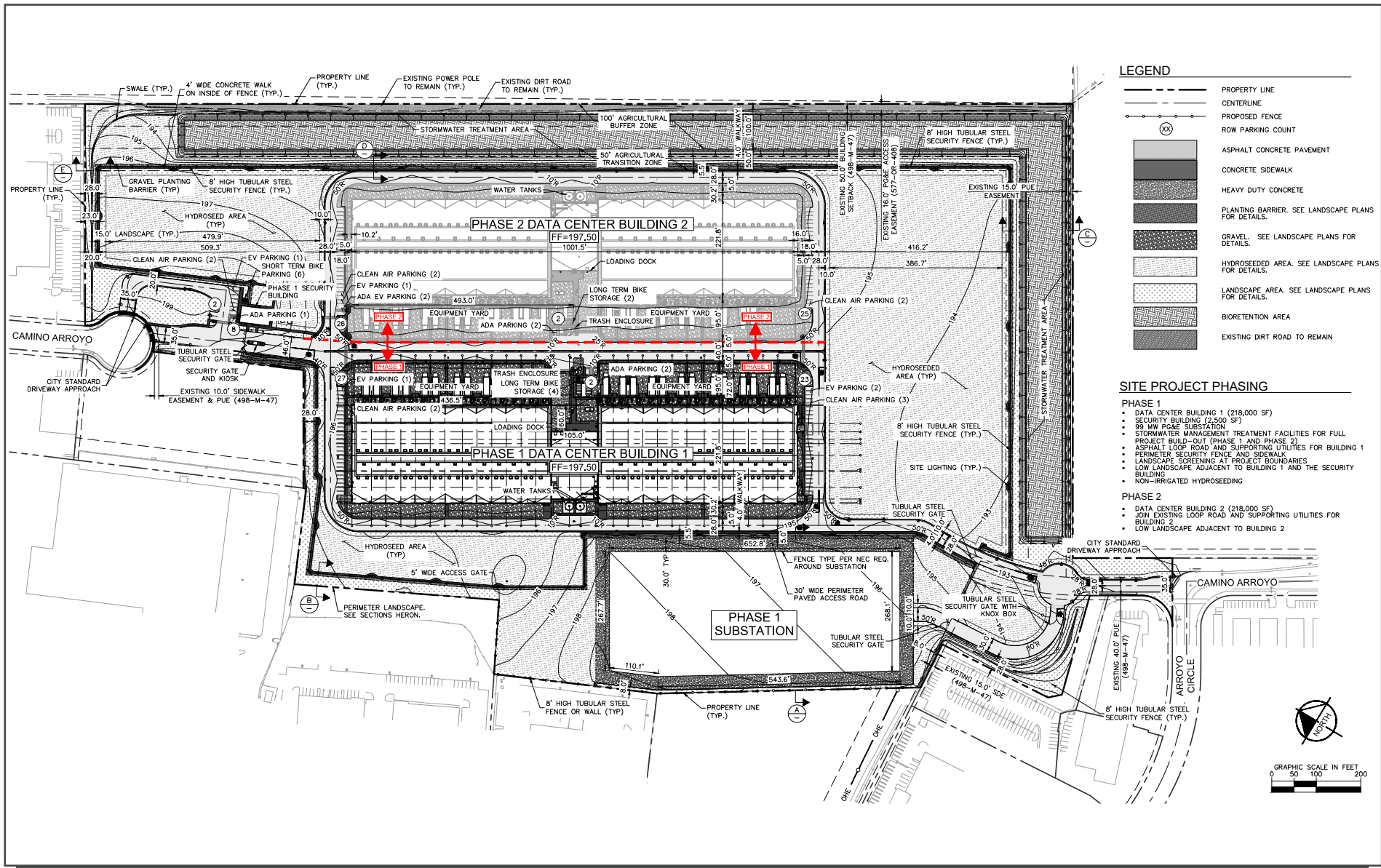
REGIONAL MAP

FIGURE 3.2-1



AERIAL PHOTOGRAPH AND SURROUNDING LAND USES

FIGURE 3.2-3



LEGEND

	PROPERTY LINE
	CENTERLINE
	PROPOSED FENCE
	ROW PARKING COUNT
	ASPHALT CONCRETE PAVEMENT
	CONCRETE SIDEWALK
	HEAVY DUTY CONCRETE
	PLANTING BARRIER. SEE LANDSCAPE PLANS FOR DETAILS.
	GRAVEL. SEE LANDSCAPE PLANS FOR DETAILS.
	HYDROSEEDED AREA. SEE LANDSCAPE PLANS FOR DETAILS.
	LANDSCAPE AREA. SEE LANDSCAPE PLANS FOR DETAILS.
	BIORETENTION AREA
	EXISTING DIRT ROAD TO REMAIN

- SITE PROJECT PHASING**
- PHASE 1**
- DATA CENTER BUILDING 1 (218,000 SF)
 - SECURITY BUILDING (2,500 SF)
 - 99 MW PG&E SUBSTATION
 - STORMWATER MANAGEMENT TREATMENT FACILITIES FOR FULL PROJECT BUILD-OUT (PHASE 1 AND PHASE 2)
 - ASPHALT LOOP ROAD AND SUPPORTING UTILITIES FOR BUILDING 1
 - PERIMETER SECURITY FENCE AND SIDEWALK
 - LANDSCAPE SCREENING AT PROJECT BOUNDARIES
 - LOW LANDSCAPE ADJACENT TO BUILDING 1 AND THE SECURITY BUILDING
 - NON-IRRIGATED HYDROSEEDING
- PHASE 2**
- DATA CENTER BUILDING 2 (218,000 SF)
 - JOIN EXISTING LOOP ROAD AND SUPPORTING UTILITIES FOR BUILDING 2
 - LOW LANDSCAPE ADJACENT TO BUILDING 2

SITE PLAN

FIGURE 3.2-4