DOCKETED	
Docket Number:	21-SPPE-01
Project Title:	CA3 Backup Generating Facility-Vantage
TN #:	241090
Document Title:	Report of Conversation - Climate Action Plan Update and Applicability
Description:	Conversation between Wenjun Qian of the CEC and Nimisha Agrawal, City of Santa Clara
Filer:	Marichka Haws
Organization:	California Energy Commission
Submitter Role:	Commission Staff
Submission Date:	12/28/2021 4:31:09 PM
Docketed Date:	12/28/2021

CALIFORNIA ENERGY COMMISSION REPORT OF CONVERSATION Page 1 of 1



Siting, Transmission

FILE: n/a and Environmental **Protection Division PROJECT TITLE: CA3 Backup Generating** Docket: 21-SPPE-01 **Facility TECHNICAL AREA(s):** Greenhouse Gases **Email Telephone Meeting Location: N/A** From 09/29/2021 Wenjun Qian, Air DATE: NAME(s): TIME: Resources Engineer to 11/29/2021 Nimisha Agrawal, Associate Planner, City of Santa Clara WITH: Climate Action Plan Update and applicability **SUBJECT:**

COMMENTS:

This report of conversation documents multiple e-mail exchanges between Nimisha Agrawal, Associate Planner at City of Santa Clara, and Wenjun Qian (CEC staff) regarding the City's Climate Action Plan Update and applicability. The e-mail chain is attached.

cc:	Signed:
	<u> s </u>
	Name: Wenjun Qian, Air Resources Engineer

From: Nimisha Agrawal
To: Qian, Wenjun@Energy

Cc: Gloria Sciara; John Davidson; Hughes, Joseph@Energy; Veerkamp, Eric@Energy; Record, Jacquelyn@Energy;

DeCarlo, Lisa@Energy; Baldwin, Jennifer@Energy

Subject: RE: Climate Action Plan Update applicability

Date: Monday, November 29, 2021 2:46:02 PM

Attachments: image001.png

image002.png image003.png

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Wenjun,

To clarify, the application for proposed data center at 2590 Walsh was received on May 10, 2021 and the proposed data center at 2825 Lafayette Street was received on November 19, 2019. Apologize for the confusion.

In the CAP update we are not making using renewable diesel in the backup generators a requirement. Following action is included in the CAP update:

B-3-6 Alternative fuel backup generators:
 Provide information and technical assistance to data centers and other large commercial users to transition from diesel to lower-carbon backup generators (e.g., renewable diesel).

Please feel free to docket this email chain as Report of Conversation.

Thanks.

Nimisha Agrawal | Associate Planner Community Development Department 1500 Warburton Avenue | Santa Clara, CA 95050 O:408.615.2450 | D: 408.615.2467



Expanding City Services

Beginning October 4, 2021, Santa Clara City Hall (1500 Warburton Ave.) and other facilities will open Monday – Thursday, 9 a.m. – 3 p.m. (Closed 12 p.m. – 1 p.m.)

The City of Santa Clara encourages scheduling virtual appointments for services. The public may schedule in-person appointments or walk-in for certain City services.

Visit SantaClaraCA.gov/AccessSantaClara for additional details.

From: Qian, Wenjun@Energy < Wenjun.Qian@energy.ca.gov>

Sent: Tuesday, November 23, 2021 3:39 PM

To: Nimisha Agrawal < NAgrawal@SantaClaraCA.gov>

Cc: Gloria Sciara <GSciara@santaclaraca.gov>; John Davidson <JDavidson@SantaClaraCA.gov>;

Hughes, Joseph@Energy < Joseph.Hughes@energy.ca.gov>; Veerkamp, Eric@Energy

<Eric.Veerkamp@energy.ca.gov>; Record, Jacquelyn@Energy <Jacquelyn.Record@energy.ca.gov>;
DeCarlo, Lisa@Energy <Lisa.DeCarlo@energy.ca.gov>; Baldwin, Jennifer@Energy
<Jennifer.Baldwin@Energy.ca.gov>

Subject: RE: Climate Action Plan Update applicability

Nimisha,

Thank you for your responses.

For the second bullet, you mentioned Lafayette and Walsh data centers. How about Vantage CA3 data center (at 2590 Walsh Avenue)? Has the City received application for that one yet?

Regarding the last bullet, I was just wondering if the City would require the data centers to use renewable diesel in the backup generators. Regarding renewable diesel, we understand that it is usually manufactured at industrial facilities such as refineries using high pressures and temperatures to convert feedstocks to the final product. Renewable diesel and CARB diesel both meet the same definition of "hydrocarbon oil" and American Society of Testing and Materials (ASTM) specification ASTM D975-12a. Renewable diesel is considered to be a "drop in" replacement for conventional diesel. Almost all renewable diesel fuel currently used in California is produced in Singapore by Neste, using a patented vegetable oil refining process.

Is it OK for us to docket this email chain as Report of Conversation, so that I can use it as a reference in my analysis?

Thanks.

Wenjun

From: Nimisha Agrawal < <u>NAgrawal@SantaClaraCA.gov</u>>

Sent: Tuesday, November 23, 2021 2:52 PM

To: Qian, Wenjun@Energy < Wenjun.Qian@energy.ca.gov>

Cc: Gloria Sciara <<u>GSciara@santaclaraca.gov</u>>; John Davidson <<u>JDavidson@SantaClaraCA.gov</u>>;

Hughes, Joseph@Energy < "> Veerkamp, Eric@Energy

<<u>Eric.Veerkamp@energy.ca.gov</u>>; Record, Jacquelyn@Energy <<u>Jacquelyn.Record@energy.ca.gov</u>>

Subject: RE: Climate Action Plan Update applicability

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Wenjun,

Please see my response below in blue.

• Will the revised language be published on the City's website? And can we find the adoption schedule somewhere on the City's website? We will be making the revisions to the draft CAP based on the comments received though the public engagement activities. We would be taking the CAP to Planning Commission early next year and then to the Council for adoption in

spring. The **CAP webpage** is kept updated with all activities related to CAP.

- Has the City received applications for the Vantage CA3 and the Lafayette data centers? When does the City expect to approve these projects? Yes, the application for Lafayette data center was received last year in January and for the Walsh data center was received just last week. We schedule the projects for a hearing only after the CEQA process is completed.
- Could you clarify whether "within six months" means 6 months before the adoption date or 6 months after the adoption date? Shall we expect that these data centers will be subject to B-1-7 or not? To clarify, if the projects are approved within 6 months after the adoption of CAP they will not be subject to B-1-7.
- Does "operate on 100% carbon neutral energy" mean they have to use renewable diesel as well as 100% carbon neutral electricity from SVP? The Council direction did not include the specifics on requiring renewable diesel. Can you elaborate on what you mean by renewable diesel? Our understanding is that diesel would primarily be used for the back up generators, which are a smaller part of data centers operations. We will look into the specifics, do you have a recommendation on what kind of renewable diesel the data centers should be using?

Thanks,

Nimisha Agrawal | Associate Planner Community Development Department 1500 Warburton Avenue | Santa Clara, CA 95050 O:408.615.2450 | D: 408.615.2467



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Visit SantaClaraCA.gov/AccessSantaClara for additional details.

From: Qian, Wenjun@Energy < <u>Wenjun.Qian@energy.ca.gov</u>>

Sent: Wednesday, November 3, 2021 10:52 AM

To: Nimisha Agrawal < NAgrawal@SantaClaraCA.gov >

Cc: Gloria Sciara <<u>GSciara@santaclaraca.gov</u>>; John Davidson <<u>JDavidson@SantaClaraCA.gov</u>>;

<<u>Eric.Veerkamp@energy.ca.gov</u>>; Record, Jacquelyn@Energy <<u>Jacquelyn.Record@energy.ca.gov</u>>

Subject: RE: Climate Action Plan Update applicability

Nimisha,

Thank you for your response. Will the revised language be published on the City's website? And can we find the adoption schedule somewhere on the City's website? Has the City received applications for the Vantage CA3 and the Lafayette data centers? When does the City expect to approve these projects? Could you clarify whether "within six months" means 6 months before the adoption date or 6 months after the adoption date? Shall we expect that these data centers will be subject to B-1-7 or not? Does "operate on 100% carbon neutral energy" mean they have to use renewable diesel as

well as 100% carbon neutral electricity from SVP?

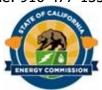
Thanks.

Wenjun Qian, Ph.D., P.E.

Air Resources Engineer California Energy Commission 715 P St, MS-46 Sacramento, CA 95814

Email: Wenjun.Qian@energy.ca.gov

Phone: 916-477-1339



From: Nimisha Agrawal < NAgrawal@SantaClaraCA.gov>

Sent: Tuesday, November 2, 2021 4:07 PM

To: Qian, Wenjun@Energy < <u>Wenjun.Qian@energy.ca.gov</u>>

Cc: Gloria Sciara < <u>GSciara@santaclaraca.gov</u>>; John Davidson < <u>JDavidson@SantaClaraCA.gov</u>>;

Hughes, Joseph@Energy < Joseph. Hughes@energy.ca.gov >; Veerkamp, Eric@Energy

<<u>Eric.Veerkamp@energy.ca.gov</u>>; Record, Jacquelyn@Energy <<u>Jacquelyn.Record@energy.ca.gov</u>>

Subject: RE: Climate Action Plan Update applicability

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Wenjun,

Thank you for your patience. With our internal discussions, we are proposing the following language for the data center projects in the CAP update:

B-1-7 Carbon neutral data centers:

Require all new data centers to operate on 100% carbon neutral energy, with offsets as needed. This requirement does not apply to data centers with planning application approval within six months of the CAP adoption date.

Please be aware that above is the proposed language by staff and there may me changes to this when it goes up to the Council. The draft CAP Update will tentatively go to the City Council for adoption in April 2022.

Hope this helps,

Thanks,

Nimisha Agrawal | Associate Planner Community Development Department

1500 Warburton Avenue <u>| Santa Clara, CA 95050</u> O:408.615.2450 | D: 408.615.2467



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Visit SantaClaraCA.gov/AccessSantaClara for additional details.

From: Qian, Wenjun@Energy < Wenjun.Qian@energy.ca.gov >

Sent: Monday, October 18, 2021 10:27 AM

To: Nimisha Agrawal < <u>NAgrawal@SantaClaraCA.gov</u>>

Cc: Gloria Sciara <<u>GSciara@santaclaraca.gov</u>>; John Davidson <<u>JDavidson@SantaClaraCA.gov</u>>;

Hughes, Joseph@Energy < ">">">">", Veerkamp, Eric@Energy

<<u>Eric.Veerkamp@energy.ca.gov</u>>; Record, Jacquelyn@Energy <<u>Jacquelyn.Record@energy.ca.gov</u>>

Subject: RE: Climate Action Plan Update applicability

Nimisha,

I just want to follow up with you regarding the new CAP action B-1-7, which would require all new data centers to operate on 100% carbon neutral energy. Will it be applicable to the data centers we are reviewing, such as Vantage CA3 (at 2590 Walsh Avenue) and the Lafayette data center (at 2825 Lafayette Drive)?

Thanks.

Wenjun Qian, Ph.D., P.E.

Air Resources Engineer California Energy Commission 715 P St, MS-46 Sacramento, CA 95814

Sacramento, CA 93014

Email: Wenjun.Qian@energy.ca.gov

Phone: 916-477-1339



From: Nimisha Agrawal < NAgrawal@SantaClaraCA.gov >

Sent: Friday, October 1, 2021 2:44 PM

To: Qian, Wenjun@Energy < <u>Wenjun.Qian@energy.ca.gov</u>>

Cc: Gloria Sciara <<u>GSciara@santaclaraca.gov</u>>; John Davidson <<u>JDavidson@SantaClaraCA.gov</u>>;

Hughes, Joseph@Energy < Joseph@Energy Fric@Energy <a href="mailto:Fric@Ene

<<u>Eric.Veerkamp@energy.ca.gov</u>>; Record, Jacquelyn@Energy <<u>Jacquelyn.Record@energy.ca.gov</u>>

Subject: RE: Climate Action Plan Update applicability

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Wenjun,

Thank you for your patience. The CAP team did have a discussion on your inquiry, but we would need further discussions internally, specifically on action B-1-7, before providing you a response. Actions B-3-6 and B-3-7 are not really requirements, rather actions to provide information and support to the Data Centers. I hope to get back to you by next week.

Have a good weekend.

Thanks,

Nimisha Agrawal | Associate Planner Community Development Department 1500 Warburton Avenue | Santa Clara, CA 95050 O:408.615.2450 | D: 408.615.2467



In accordance with the County of Santa Clara Order, City Hall will be closed. Coronavirus Updates are available on the <u>City's website</u> and include the latest information on City Facility Closures. The Planning Division is currently operating only by email, mail and phone. **I will be working remotely during this time.**

Please be aware that there may be a delay in responses depending on the nature of the inquiry. For general or urgent matters, please contact <u>planning@santaclaraca.gov</u> or by phone at 408-615-2450.

From: Qian, Wenjun@Energy < Wenjun.Qian@energy.ca.gov >

Sent: Wednesday, September 29, 2021 4:16:44 PM **To:** Gloria Sciara < GSciara@santaclaraca.gov>

10. Cioria Sciara \Cosciara (Cosciara Ca.gov)

Subject: RE: Climate Action Plan Update applicability

Thanks, Gloria, for forwarding the email. I sent an email to Nimisha a week ago but haven't heard back.

From: Gloria Sciara < GSciara@santaclaraca.gov> Sent: Wednesday, September 29, 2021 3:44 PM

To: Qian, Wenjun@Energy < <u>Wenjun.Qian@energy.ca.gov</u>>

Cc: Hughes, Joseph@Energy < Joseph. Hughes@energy.ca.gov >; Veerkamp, Eric@Energy

<<u>Fric.Veerkamp@energy.ca.gov</u>>; Record, Jacquelyn@Energy <<u>Jacquelyn.Record@energy.ca.gov</u>>; Nimisha Agrawal <<u>NAgrawal@SantaClaraCA.gov</u>>; John Davidson <<u>JDavidson@SantaClaraCA.gov</u>>

Subject: RE: Climate Action Plan Update applicability

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Hello Wenjun

Thank you for your email. I am copying our CAP team folks so they can respond to the questions you posed since I have not been involved in the update am not familiar with the specifics and thresholds.

I am confident the project Lead Nimisha Agrawal or principal planner John Davidson can answer your questions. They are both copied here.

Regards,

Gloria Sciara AICP | Development Review Officer Zoning Administrator | Planning Commission Staff Liaison Planning Division | Community Development Department 1500 Warburton Avenue | Santa Clara, CA 95050 O: 408.615.2450 | D: 408.615.2453



From: Qian, Wenjun@Energy < Wenjun.Qian@energy.ca.gov >

Sent: Wednesday, September 29, 2021 2:12 PM **To:** Gloria Sciara < GSciara@santaclaraca.gov>

Cc: Hughes, Joseph@Energy < Joseph. Hughes@energy.ca.gov >; Veerkamp, Eric@Energy

<<u>Eric.Veerkamp@energy.ca.gov</u>>; Record, Jacquelyn@Energy <<u>Jacquelyn.Record@energy.ca.gov</u>>

Subject: Climate Action Plan Update applicability

Hi Gloria,

The California Energy Commission is reviewing a few Small Power Plant Exemption (SPPE) applications for data center projects. I'm doing the air quality and GHG parts of the EIR for the Vantage CA3 data center. My co-worker, Jacquelyn, is working on the Lafayette data center. I noticed that the City of Santa Clara has prepared a draft Climate Action Plan Update to be adopted in December 2021. There are a few actions specifically related to data centers, such as:

- B-1-7 Carbon neutral data centers:
 - Require all new data centers to operate on 100% carbon neutral energy, with offsets as needed. This requirement does not apply to development projects on file with the city as of the CAP adoption date.
- B-3-6 Alternative fuel backup generators:

 Provide information and technical assistance to data centers and other large commercial users to transition from diesel to lower-carbon backup generators (e.g., renewable diesel).
- B-3-7 Renewable electricity for new data centers:
 Support convening of a data center working group to identify and implement renewable electricity purchasing options for commercial customers.

We would like to know if these requirements would be applicable to the data centers we are reviewing, such as Vantage CA3 (at 2590 Walsh Avenue) and the Lafayette data center (at 2825 Lafayette Drive).

Please let me know if we should arrange a conference call or if you think we should contact someone else.

Thanks.

Wenjun Qian, Ph.D., P.E. Air Resources Engineer

California Energy Commission 715 P St, MS-46 Sacramento, CA 95814

Email: Wenjun.Qian@energy.ca.gov

Phone: 916-477-1339

