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Memorandum

To: Vice Chair Siva Gunda, Presiding Member Date: May 9, 2022

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Subject: SUPPLEMENTAL TESTIMONY (RESPONSE TO SECOND COMMITTEE QUESTION) THE CA3 BACKUP GENERATING FACILITY (CA3BGF) SMALL POWER PLANT EXEMPTION (21-SPPE-01)

COMMITTEE QUESTION

Mitigation measure GHG-1 in the FEIR requires the Project to reduce the time the backup generators operate for readiness testing and maintenance on an annual basis to comply with any new threshold of significance for stationary sources adopted by Bay Area Air Quality Management District (BAAQMD) on or before CA3 receives its Authority to Construct permit. How do BAAQMD's new thresholds of significance for land use plans and projects affect GHG-1 or any other mitigation measure in the FEIR, if at all?

CEC STAFF RESPONSE

Greenhouse Gas Emissions

As described in **Section 4.8 Greenhouse Gas Emissions** of the FEIR, the operational greenhouse gas (GHG) emissions include direct "stationary source" emissions from the operation of the emergency backup generators (gensets) and indirect and "non-stationary source" emissions from the operation of the project.

1. Stationary Sources

Mitigation measure **GHG-1** applies to the direct "stationary source" emissions from the operation of the gensets. CEC staff proposed this mitigation measure based on BAAQMD's preliminary proposal of the California Environmental Quality Act (CEQA) GHG thresholds of significance presented in November 2021¹. At that time, BAAQMD staff was in the process of preparing and presenting to the BAAQMD governing board for approval an update to the CEQA GHG threshold of significance for stationary

¹ BAAQMD Presentation at the Equity and Environmental Justice Focus Group on the Air District Update to the CEQA Thresholds of Significance for Greenhouse Gases, November 16, 2021. Available online at: https://www.baaqmd.gov/~/media/files/planning-and-research/ceqa/ceqa-thresholds-workshop-111621/ceqa-ghg-thresholds-nov-16-focus-group-ppt-pdf.pdf?la=en&rev=78a67c87a79c4d718b252dbd3fb00472.

sources from 10,000 metric tons of carbon dioxide equivalent per year (MTCO $_2$ e/yr) to 2,000 MTCO $_2$ e/yr or compliance with the State Air Resources Board's (CARB) capand-trade program, as well as an update to the CEQA thresholds of significance for land use projects and plans.

In April 2022, the BAAQMD adopted *Justification Report: CEQA Thresholds for Evaluating the Significance of Climate Impacts From Land Use Projects and Plans*² to assist lead agencies when evaluating the indirect and "non-stationary" source emissions of land use development projects. However, as the BAAQMD notes in its answer to frequently asked question #2 on the BAAQMD CEQA Thresholds and Guidelines Update ³, the BAAQMD staff has paused work on the stationary source thresholds to focus on land use projects and plans. The BAAQMD website states that after the project and plan level thresholds are adopted, BAAQMD staff will turn their attention to the stationary source threshold of significance and further investigate appropriate approaches.

The mitigation measure **GHG-1** is for the project's stationary sources (i.e., gensets), and, therefore, the new BAAQMD CEQA GHG thresholds of significance for land use projects and plans do not affect mitigation measure **GHG-1**. However, CEC staff continues to recommend mitigation measure **GHG-1** to require the applicant to limit the GHG emissions of the gensets to whichever BAAQMD CEQA Guidelines GHG threshold is applicable at the time of permitting with the BAAQMD.

2. Indirect and Non-Stationary Sources

Under the BAAQMD's 2022 CEQA thresholds of significance for land use projects, a CEQA lead agency can conclude that a project will not make a cumulatively considerable contribution to global climate change if the project is designed and built to be consistent with the applicable local GHG reduction strategy (as "option B" on p.2 of BAAQMD's 2022 Justification Report). As stated on page 4.8-3 of the FEIR, GHG impacts from all other project-related (indirect and non-stationary) emissions sources would be considered to have a less-than-significant impact if the project is consistent with the city of Santa Clara Climate Action Plan (CAP). The city of Santa Clara CAP and accompanying environmental documentation are consistent with the guidelines set forth by BAAQMD for a Qualified GHG Reduction Strategy, which parallel and elaborate upon criteria established in the CEOA Guidelines, California Code of Regulations, title 14, section 15183.5(b)(1)⁴. The FEIR concludes that with the implementation of mitigation measures GHG-2 and GHG-3, GHG emissions related to the project from indirect and non-stationary sources would be consistent with the applicable plans and policies adopted to reduce GHG emissions and would comply with all regulations or requirements adopted to implement a statewide, regional, or local

²BAAQMD Justification Report: CEQA Thresholds for Evaluating the Significance of Climate Impacts From Land Use Projects and Plans, April 2022. Available online at: https://www.baaqmd.gov/~/media/files/planning-and-research/ceqa/ceqa-thresholds-2022/justification-report-pdf.pdf?la=en.

³ BAAQMD CEQA Thresholds and Guidelines Update website: https://www.baaqmd.gov/plans-and-climate/california-environmental-quality-act-ceqa/updated-ceqa-guidelines.

⁴ Santa Clara Climate Action Plan. December 2013. Available online at: http://santaclaraca.gov/Home/ShowDocument?id=10170.

plan for the reduction or mitigation of GHG emissions, including the city of Santa Clara CAP, which is a Qualified GHG Reduction Strategy. Therefore, the project's indirect and non-stationary sources would comply with option B of the BAAQMD's new CEQA threshold of significance for land use projects: projects must be consistent with a local GHG reduction strategy that meets the criteria under CEQA Guidelines Section California Code of Regulations, title 14, 15183.5(b).

In addition, the FEIR analyzed the project's consistency with both the city of Santa Clara 2013 CAP and the 2022 draft CAP. The 2022 draft CAP reflects the 2030 GHG emissions limit requirements and progress toward meeting the long-term targets of Executive Order B-55-18. Therefore, the city of Santa Clara 2022 draft CAP would comply with option A of the BAAQMD's new CEQA threshold of significance for plans: meet the State's goals to reduce emissions to 40 percent below 1990 levels by 2030 and carbon neutrality by 2045. Additionally, the city of Santa Clara is planning to adopt the 2022 draft CAP in June 2022⁵.

Transportation

With respect to transportation, under the BAAQMD's 2022 CEQA thresholds of significance, development projects must be designed to include electric vehicle (EV) charging infrastructure consistent with CAL Green Tier 2 requirements and reduce project-generated vehicle miles traveled (VMT) below the regional average consistent with the current version of the California Climate Change Scoping Plan (currently 15 percent) or meet a locally adopted Senate Bill 743 VMT target.

EV Charging Infrastructure

The project would provide a total of 117 parking spaces distributed between the existing CA1 and CA3. CA3 would include a total of 30 parking spaces at the site with the remaining spaces to be located at the existing CA1, an adjacent data center. Parking spaces to be located onsite include: two handicap accessible parking stalls; one handicap accessible van parking stall; four EV charging stations, and six clean air vehicle spaces⁶. The project would provide EV charging infrastructure consistent with CAL Green Tier 2 standards.

Vehicle Miles Traveled (VMT)

The project has achieved a reduction in project-generated VMT below the regional average consistent with the City of Santa Clara's Transportation Analysis Policy. As described in **Section 4.17 Transportation** of the FEIR, the project generated VMT would be reduced to 14.14 VMT; a total reduction of 15 percent. Therefore, the project complies with the VMT portion of the land use threshold updates and mitigation measure **TRANS-1** is not affected."

⁵ https://www.santaclaraca.gov/our-city/departments-a-f/community-development/planning-division/general-plan/climate-action-plan

⁶ DayZenLLC (DayZenLLC). (TN 240597). Summary of Parking Changes due to City PCC Comments – CA3BGF, dated November 15, 2021. Available online at: https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=21-SPPE-01