

**DOCKETED**

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<b>Project Title:</b>	Laurelwood Data Center (MECP I Santa Clara I, LLC)
<b>TN #:</b>	229285
<b>Document Title:</b>	Memo Regarding Laurelwood Data Center Supplemental Status Report #2 Update
<b>Description:</b>	Update to Staff's Status Report #2 and Supplemental Status Report #2
<b>Filer:</b>	Lisa Worrall
<b>Organization:</b>	California Energy Commission
<b>Submitter Role:</b>	Commission Staff
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# Memorandum

Date: August 8, 2019  
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To: Karen Douglas, Commissioner and Presiding Member  
Janea A. Scott, Vice Chair and Associate Member

From: California Energy Commission – Lisa Worrall  
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Subject: LAURELWOOD DATA CENTER (19-SPPE-01) SUPPLEMENTAL STATUS REPORT #2 UPDATE

On July 23, 2019, the Committee held a status conference to hear from the parties about the progress of the small power plant exemption (SPPE) proceeding. At the conference, staff presented an approach to streamline the process based on staff's experience in the McLaren proceeding (17-SPPE-01). Subsequent to the conference, staff filed a schedule for filing staff's draft initial study and holding a public workshop (TN# 229075). Staff is providing the committee with an update on the status of the initial study and the workshop, and clarifying staff's recommendation for the remaining steps in the proceeding.

Staff is on track to file the draft initial study on August 16<sup>th</sup>. In addition, staff is arranging a public workshop in Santa Clara to be held on August 27<sup>th</sup>. The purposes of the draft initial study and the workshop are to solicit comments, resolve issues or narrow areas of disagreement between the parties, and agree on mitigation for potentially significant effects (i.e., biological resources, cultural resources, and air quality). Before a proposed mitigated negative declaration can be released for public review, CEQA requires that “[r]evisions in the project plans or proposals [are] made by or agreed to by the applicant” which avoid or mitigate all potentially significant effects (Cal. Code Regs., tit. 14, 15070(b)(1)). Following the workshop, staff plans to file a final initial study that would serve as staff's testimony for the evidentiary hearing. This departure from the way the McLaren SPPE was processed is intended to allow issues to be discussed publicly and possibly resolved before proceeding to the evidentiary hearing, thereby streamlining and focusing the hearing on any remaining issues.

After the evidentiary hearing, staff suggests that the Committee file its proposed decision with the State Clearinghouse for a 30-day comment period by state agencies. Staff believes the Committee's document is the appropriate document to be circulated through the Clearinghouse as required by CEQA because it will be complete and contain the information obtained through the evidentiary hearing portion of the SPPE proceeding (i.e., include project revisions and/or applicant-agreed mitigation that will avoid significant effects on the environment).