

DOCKETED

Docket Number:	19-SPPE-03
Project Title:	Sequoia Data Center
TN #:	230859
Document Title:	Notice of Committee Conference and Orders on Hearings
Description:	Committee Conference scheduled for December 17, 2019, at 10 a.m. in Sacramento
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:**

**SEQUOIA BACKUP GENERATING
FACILITY**

Docket No. 19-SPPE-03

**NOTICE OF COMMITTEE CONFERENCE AND
ORDERS ON HEARINGS**

On August 14, 2019, C1-Santa Clara, LLC (Applicant) submitted an application for a small power plant exemption (hereafter, the application is referred to as the "SPPE") for the Sequoia Backup Generating Facility to the California Energy Commission (CEC).¹

PLEASE TAKE NOTICE that the committee² has scheduled a Committee Conference:

**TUESDAY, DECEMBER 17, 2019
10:00 a.m.**

**California Energy Commission
Art Rosenfeld Hearing Room (Hearing Room A)
1516 Ninth Street
Sacramento, CA 95814
(Wheelchair accessible)**

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

¹ Information about this proceeding, including a link to the electronic docket, may be found on the CEC's web page at <https://ww2.energy.ca.gov/sitingcases/sequoia/>. Documents related to this proceeding may be found in the online docket at: <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=19-SPPE-03>. The SPPE is TN 229419-1.

² The CEC appointed a Committee consisting of Karen Douglas, Commissioner and Presiding Member, and Patty Monahan, Commissioner and Associate Member, at a CEC Business Meeting on September 11, 2019 (TN 229721).

BACKGROUND

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.³ An application for a small power plant exemption is subject to an expedited process designed to determine whether thermal power plants that will generate between 50 MW and 100 MW should be exempt from the CEC's certification jurisdiction.⁴ In considering an application, the CEC is the "lead agency" under the California Environmental Quality Act (CEQA).⁵ The CEC must also determine generating capacity and to analyze whether the construction or operation of the project would result in substantial adverse impacts on the environment or energy resources.⁶ The small power plant exemption process provides a public forum allowing the Applicant, CEC staff (Staff), intervenors, governmental agencies, and members of the public to participate in the decision-making process.

If an application 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.

The Sequoia SPPE

The Applicant proposes to build the Sequoia Data Center and Sequoia Backup Generating Facility (collectively, the Data Center and the Backup Generating Facility are referred to as the "Proposed Project") at 2600 De La Cruz Boulevard, Santa Clara, California (Project Site).⁷ The Project 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 SPPE, demolition activities had been completed for every project feature except for piping and miscellaneous infrastructure associated with the former cogeneration facility, pursuant to a demolition permit issued by the City of Santa Clara on February 7, 2019. The Applicant would construct:

- the 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;

³ Pub. Resources Code, §§ 25120, 25500.

⁴ Pub. Resources Code, § 25541; Cal. Code Regs., tit. 20, §§ 1934 et seq.

⁵ Pub. Resources Code, § 25519 subd. (c). CEQA, California Public Resources Code, section 21000 et seq., codifies a statewide policy of environmental protection. The California Natural Resources Agency promulgates the CEQA Guidelines, California Code of Regulations, title 14, section 15000 et seq. (Guidelines) that detail the protocol by which state and local agencies comply with CEQA requirements. We refer to the statute and the Guidelines collectively as "CEQA."

⁶ Pub. Resources Code, §§ 25500, 25541.

⁷ The information in this section is taken from section 2 of the SPPE (TN 229419-1).

- the Backup Generating Facility consisting of 54 Tier-2 standby diesel fired generators, each with a maximum peak rating of 2.250 MW, located in a generator equipment yard;
- a 100 megavolt amps (MVA) electrical substation;
- surface parking; and
- landscaping.

Silicon Valley Power (SVP) would be the primary power provider to the Proposed Project. The Proposed Project would include the construction and operation of an on-site, 100-megavolt amps electrical substation. The substation will allow delivery of power from SVP but will not allow any electricity generated from the backup generators to interconnect to the transmission grid. The Proposed Project also includes electrical switchgear and distribution lines between the substation and buildings as well as from the backup generator yards and each respective building.

To ensure an uninterruptible power supply, the Applicant proposes to install the Backup Generating Facility, consisting of 54 diesel-fired, 2.25 MW back-up generators, nine of which are intended to be redundant. The generators are intended to support a maximum load of 96.5 MW. Each generator would integrate a dedicated fuel tank with a capacity of 6,800 gallons, with a total combined storage of 367,200 gallons, designed to provide 24 hours of emergency generation at full demand of the Data Center. The Data Center will also include uninterruptible power supply systems and batteries to protect against load surges, sags, under voltage, and voltage fluctuations.

The SPPE describes the Data Center as separate from the Backup Generating Facility, but CEQA requires the lead agency to consider the “whole of an action.”⁸ Therefore, the CEC will include the entire Proposed Project in its analysis, which includes the construction and operation of the Data Center, the Backup Generating Facility, and other related facilities.

ORDER REGARDING ISSUES IDENTIFICATION, STATUS REPORTS, AND PROPOSED SCHEDULE

To assist the Committee, parties, participating agencies, and members of the public in understanding the Proposed Project, Staff shall file an Issues Identification Report, Status Report, and Proposed Schedule, summarizing the major issues identified to date, status on activities conducted to date and issues that require resolution before hearings can be conducted, and proposing a schedule for the conduct of this proceeding. This report will also indicate what additional information is necessary to resolve issues of concern. Staff shall file its Issues Identification Report, Status Report, and Proposed Schedule **no later than December 4, 2019**. Applicant shall file a response to the Issues Identification Report, Status Report, and Proposed Schedule, including a report on activities conducted

⁸ Cal. Code Regs., tit. 14, § 15378, subd. (a) (under CEQA “project” means the whole of the action).

to date and issues that require resolution before hearings can be conducted, **no later than December 11, 2019**.

The Applicant shall be prepared to offer an overview of the Proposed Project at the Committee Conference. Staff shall also be prepared to offer an overview of the SPPE process and their Issues Identification Report, Status Report, and Proposed Schedule. Overviews may include presentations and should not be longer than 15 minutes. If presentations are used, they must be filed to the docket by **December 13, 2019**.

Copies of these documents will be posted to the online docket for this proceeding.

PURPOSE OF THE COMMITTEE CONFERENCE

The purpose of this Committee Conference is to allow the Committee, the parties, participating government agencies, and the public to have a dialogue on the process and proceeding, including scheduling future dates to resolve issues associated with the SPPE and to receive additional input on the Issues Identification Report, Status Report, and Proposed Schedule discussed above.

After the Committee Conference, the Committee will establish a schedule for this proceeding.

Pursuant to sections 1203, subdivision (f), and 1944, subdivision (b), of Title 20 of the California Code of Regulations, the Committee hereby extends the date for evidentiary hearings to be conducted until a schedule can be established based on the information provided by the parties pursuant to this order.

NOTICE OF CLOSED SESSION DELIBERATIONS

At any time during the Committee Conference, the Committee 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 PUBLIC PARTICIPATION

The CEC invites members of the public and other interested parties to participate either on an informal basis or by intervening in the proceeding. Both types of participation allow written and oral comments. At the informal participation level, written and oral comments are considered by the Committee and are part of the record, but are not part of the evidence upon which the CEC can base its decision. The CEC must base its decision on the formal evidentiary record.⁹ Intervenors are parties to the proceeding and have the

⁹ Cal. Code Regs., tit. 20, § 1212 subd. (c).

right to introduce evidence into the evidentiary record and cross-examine the other parties' witnesses.¹⁰

The CEC Public Advisor's Office provides the public with assistance to participate in CEC proceedings. For assistance, please contact Noemí O. Gallardo, Public Advisor, at publicadvisor@energy.ca.gov, (916) 654-4489, or (800) 822-6228.

OTHER CEC CONTACTS

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

Technical questions concerning the Proposed Project should be directed to Leonidas Payne, Staff Project Manager, by e-mail at leonidas.payne@energy.ca.gov, or (916) 651-0966.

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

If you have a disability and require assistance to participate in this event, please contact Yolanda Rushin at yolanda.rushin@energy.ca.gov, or (916) 654-4310 at least five days in advance.

REMOTE ATTENDANCE

You may participate in this Committee Conference 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 **922 671 750**. 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. International attendees: Click on the "Global call-in number" link.
3. To have WebEx call you: Enter your direct dial phone number (no extensions are permitted) and click "Call Me."
4. 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."

¹⁰ *Id.* § 1212 subd. (a).

Via Telephone Only (No Visual Presentation): Call (866) 469-3239 (toll-free in the U.S. and Canada). When prompted, enter the meeting number **922 671 750**. International callers may select their number from:

<https://energy.webex.com/energy/globalcallin.php>.

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 Proposed Project, as well as notices and other relevant documents pertaining to this proceeding, may be viewed on the CEC web page at <https://ww2.energy.ca.gov/sitingcases/sequoia/>.

IT IS SO ORDERED.

Dated: November 25, 2019

ORIGINAL SIGNED BY:

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

Dated: November 26, 2019

ORIGINAL SIGNED BY:

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

Mailed to list number(s): 7531

AGENDA
Sequoia Backup Generating Facility (19-SPPE-03)
Committee Conference

December 17, 2019, at 10:00 a.m.

California Energy Commission
Art Rosenfeld Room (Hearing Room A)
1516 Ninth Street
Sacramento, CA 95814

1. Call to Order
2. Committee Conference
 - a. Applicant's overview of the proposed Sequoia Backup Generating Facility
 - b. Staff's overview of small power plant exemption process and the Issues Identification Report, for the proposed Sequoia Backup Generating Facility
 - c. Presentation by the Public Advisor
 - d. Discussion of status to date by Staff and Applicant
 - e. Discussion of issues identified by Staff, Applicant, or Committee
 - f. Discussion of proposed schedules

3. Public Comment

Members of the public and other interested persons and entities may speak up to three minutes on a matter related to this proceeding.

4. Closed Session¹¹

Committee closed session consideration of the following items:

DELIBERATION ON THE SMALL POWER PLANT EXEMPTION FOR THE SEQUOIA BACKUP GENERATING FACILITY

5. Adjourn

6. Agency Contact: Galen Lemei, Hearing Officer, phone: (916) 654-4873, or e-mail at galen.lemei@energy.ca.gov.

¹¹ 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.