DOCKETED			
Docket Number:	20-SPPE-01		
Project Title:	Great Oaks South Backup Generating Facility Small Power Plant Exemption		
TN #:	233973		
Document Title:	e: Transcript of July 13, 2020 Committee Conference		
Description:	N/A		
Filer:	Cody Goldthrite		
Organization:	California Energy Commission		
Submitter Role:	Commission Staff		
Submission Date:	7/21/2020 3:12:08 PM		
Docketed Date:	7/21/2020		

CALIFORNIA ENERGY COMMISSION

COMMITTEE CONFERENCE AND CLOSED SESSION

))

>))

In the Matter of:

Application for Small Power) COMMITTEE CONFERENCE Plan Exemption for the: Great Oaks South Backup Generating Facility

) Docket No. 20-SPPE-01) AND RELATED ORDERS) Re: Great Oaks South

) Backup Generating Facility

STATE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

COMMITTEE CONFERENCE AND CLOSED SESSION

REMOTE

MONDAY, JULY 13, 2020

1:32 P.M.

Reported by: Peter Petty

CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

COMMISSIONERS PRESENT:

Commissioner Karen Douglas, Presiding Member Chair David Hochschild, Associate Member

CEC STAFF PRESENT:

Susan Cochran, Hearing Officer Kourtney Vaccaro, Advisor to Commissioner Douglas Eli Harland, Advisor to Commissioner Douglas Le-Quyen Nguyen, Advisor to Chair Hochschild John Hilliard, Technical Advisor to the Commission on Siting Matters Lisa Worrall, Project Manager Lisa DeCarlo, Staff Counsel Jared Babula Steven Kerr Rosemary Avalos, Public Advisor's Office Cody Goldthrite, Secretariat

APPLICANT:

Scott Galati, Esq. Masoud Zafaripour, SV1, LLC

PUBLIC AGENCIES:

Pippin Mader, California Air Resources Board (CARB) Jakub Zielkiewicz, Bay Area Quality Management District (BAAQMND) Meenaxi Raval, City of San Jose

PUBLIC COMMENT:

Jakub Zielkiewicz, Bay Area Quality Management District

INDEX

1.	Call	to Order and Introductions	4
2.	Presentation on Small Power Plant Exemptions		
	a.	Overview of the Small Power Plant Exemption process and the rules applicable to this proceeding (Hearing Officer Susan Cochran)	8
	b.	Opportunities for public participation (CEC Public Advisor Rosemary Avalos)	11
	с.	Presentation of the Great Oaks South Backup Generating Facility and Data Center Project (Applicant Masoud Zafaripour)	26
	d.	Overview of CEC Staff's role and its review of the SPPE Application (Staff Lisa Worrall)	33
	e.	Discussion of issues, status, schedule, and next steps (Committee and Parties)	41
3.	Public Comment		62
4.	Committee Closed Session		67
5.	Adjourn		68
Repo:	rter's	s Certificate	

Transcriber's Certificate

Page

2 JULY 13, 2020

1:32 P.M.

COMMISSIONER DOUGLAS: So this is the Committee
Conference Regarding the Application for Small Power Plant
Exemption for the Great Oaks South Backup Generating
Facility.

7 The California Energy Commission has assigned a 8 committee of two commissioners to conduct these proceedings. 9 I'm Karen Douglas, the presiding member of this committee. 10 Chair David Hochschild is the associate member of this 11 Committee. We are all participating remotely today using 12 Zoom.

13 I would like to introduce some of the people in 14 attendance today. So Chair Hochschild we just heard has 15 joined us in the Zoom meeting. My advisor Kourtney Vaccaro 16 is here as well as Eli Harland who is also my advisor. And 17 Le-Quyen Nguyen, advisor to Chair Hochschild, is here. John 18 Hilliard is the technical advisor to the Commission on Siting 19 Members, Siting Matters. And Susan Cochran is the hearing 20 officer for this event.

I would also like to introduce the Public Advisor's
Office represented by Rosemary Avalos.

At this point, I'd like to ask the parties to please introduce themselves and their representatives, starting with the Applicant.

CALIFORNIA REPORTING, LLC

229 Napa Street, Rodeo, California 94572 (510) 224-4476

MR. GALATI: Good morning, Commissioner Douglas and
 Chair Hochschild. This is Scott Galati. I am representing
 SV1 which is a division of Equinix.

4 On the phone that will be speaking later today is 5 Masoud Zafaripour and he is a project manager of the Great 6 Oaks South project. And he can introduce himself again when 7 it's his time for his presentation.

8 COMMISSIONER DOUGLAS: Thank you.

9 And now staff, could you introduce yourselves,10 please.

MS. WORRALL: Yes. I am Lisa Worrall and I am the project manager for the Great Oaks South Backup Generating Facility.

14 And I have -- I think I have two of my staff
15 attorneys on the line if they want to introduce themselves.
16 MS. DECARLO: Thanks, Lisa.

This is Lisa DeCarlo, Energy Commission staff
counsel. I'm filling in for Kerry Willis while she's out.
And with us as well is Jared Babula who's also filling in in
the ACC position for Kerry.

21 COMMISSIONER DOUGLAS: Great. Thank you very much,
 22 Ms. DeCarlo.

At this point, I invite any public agencies to introduce themselves. And let me just start by asking, are there any federal government agency on the phone? Or any CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476 1 state government agency representatives not including the

2 Energy Commission?

3 HEARING OFFICER COCHRAN: Cody, it looks as though we have some folks who've raised their hand. They may be trying 4 5 to respond to Commissioner Douglas. Can you authorize them 6 to speak? I see a --7 MR. GOLDTHRITE: They are authorized to speak. 8 HEARING OFFICER COCHRAN: Okay. 9 MS. RAVAL: Good afternoon, everybody in the 10 Commission. I'm the staff of CEC. My name is Meenaxi Raval, 11 I'm a supervisor with (indiscernible) with the city of San 12 Jose. And from city's end, I'll be managing this project. 13 COMMISSIONER DOUGLAS: Thank you very much. And for 14 the benefit of the court reporter, if you could spell your 15 name, that would be really helpful. 16 MS. RAVAL: Absolutely. M-E-E-N-A-X-I. And my last 17 name is spelled Raval, R-A-V-A-L. 18 COMMISSIONER DOUGLAS: Thank you. 19 MS. RAVAL: Thank you. 20 COMMISSIONER DOUGLAS: Other public agencies on 21 this -- participating today? 22 MR. ZIELKIEWICZ: Hi, this is Jakub Zielkiewicz from 23 the Bay Area Air Quality Management District.

24 COMMISSIONER DOUGLAS: All right. Thank you.

25 HEARING OFFICER COCHRAN: Again, Mr. Zielkiewicz, if

CALIFORNIA REPORTING, LLC

229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 you could spell your name for the court reporter, that would 2 be very helpful. 3 MR. ZIELKIEWICZ: Of course. Jakub is spelled J-A-K-U-B, for boy. Zielkiewicz, is spelled, Z, for Zebra, 4 5 I-E-L-K-I-E-W-I-C, for Charlie, Z, for Zebra. Thank you. 6 HEARING OFFICER COCHRAN: Thank you. 7 COMMISSIONER DOUGLAS: Thank you. 8 Any other public agencies? So local agencies, Native 9 American tribes, federal or state agencies. 10 MR. MADER: This is Pippin Mader from the California Air Resources Board. 11 12 COMMISSIONER DOUGLAS: Great. Thank you for joining 13 us today. 14 MR. MADER: Thanks for having us. 15 COMMISSIONER DOUGLAS: Absolutely. 16 Anybody else? 17 All right. Chair Hochschild, do you have any opening 18 remarks? 19 CHAIR HOCHSCHILD: I do not. Thanks. 20 COMMISSIONER DOUGLAS: Absolutely. 21 So I will now turn the proceedings over to Susan 22 Cochran, the hearing officer, who will handle this event to 23 discuss small power plant exemptions, generally, and then to 24 lead a discussion about the Great Oaks South Backup 25 Generating Facility application for a small power plant **CALIFORNIA REPORTING, LLC** 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 exemption.

2

HEARING OFFICER COCHRAN: Thank you very much.
Good afternoon. As Commissioner Douglas stated, my
name is Susan Cochran and I am the hearing -- I'm a hearing
officer who will be handling this event to discuss the Great
Oaks South Power -- sorry, the Great Oaks South Backup
Generating Facility application.

So go ahead, Susan.

9 I'm a hearing officer with the California Energy
10 Commission which I will refer to as the CEC from here on out.
11 The hearing officer who is actually assigned to this case,
12 Rebecca Westmore, is unable to join with us today so I will
13 be acting on her behalf.

14 The function of the hearing officer is to assist the 15 Committee and the CEC in conducting hearings on applications 16 and in preparing documents such as orders, notices, and 17 decisions.

18 On March 19, 2020, SV1, LLC a whole subsidiary of
19 Equinix, LLC, filed an application for a small power plant
20 exemption, SPPE, for the Great Oaks South Backup Generating
21 Facility. I'm going to refer to that as an application.

The purpose of the Great Oaks South Backup Generating Facility is to provide an uninterruptible power supply for the Great Oaks South Data Center in San Jose, California. The Applicant purposes to build 36 three-megawatt generators

CALIFORNIA REPORTING, LLC

1 to support the demand of each of the three buildings making 2 up the data center and three 0.5 megawatt generators to 3 support life safety. There will be one of those at each of 4 the three buildings. The Applicant has estimated the total 5 demand of the data center buildings is 99 megawatts.

6 The CEC created an electronic docket, 20-SPPE-01 for 7 the application. The CEC has appointed two of its members, 8 Commissioner Karen Douglas and Chair David Hochschild who 9 introduced themselves to you today as a committee to conduct 10 proceedings on this application.

11 Notice of today's committee conference was posted on 12 July 2, 2020. The notice for today's conference and other 13 documents related to this application for exemption are 14 available on the CEC's website in the electronic docket for 15 this proceeding. The PowerPoint presentations you will see 16 today will be filed in the docket over the next couple of 17 days.

18 Before we proceed, I want to discuss some 19 housekeeping issues. Consistent with Governor Newsom's 20 Executive Orders N-25-20 and N-29-20 and the recommendations 21 from the California Department of Health to encourage 22 physical distancing to slow the spread of COVID-19, we are 23 conducting this committee conference remotely using Zoom. We 24 have set this Zoom meeting up so that most participants will 25 not be able to mute and unmute themselves to speak. You may **CALIFORNIA REPORTING, LLC**

229 Napa Street, Rodeo, California 94572 (510) 224-4476

still mute your phone by pressing star 6. You should be able
 to hear the meeting.

3 There's a court reporter taking down all of the comments made and questions asked today. I therefore must 4 5 ask that only one person speak at a time. If you would like 6 to be recognized, please use the raise hand feature as 7 someone has already done during the course of this committee 8 conference already. If you're on your phone, press star 9 to 9 raise your hand. If you have muted your phone by pressing 10 star 6, please be sure to unmute yourself by pressing star 6 11 again.

12 The raise your hand feature creates a list of 13 speakers based on the time when your hand was raised. We 14 will call on you in that order. I will review these 15 directions again before we start the public comment period.

Please identify yourself before you speak. As you saw already, we've already asked folks to say and spell their name slowly. That is important for me and for the court reporter. If you do not identify yourself, either the court reporter or I may interrupt you to ask you to do so to ensure that we have a complete and accurate record of this committee conference.

If you run into any difficulties, please contact the Public Advisor's Office or visit the Zoom help center. The contact information for both of these is on page 5 of the CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476 1 notice for today's committee conference.

Before I move on, are there any questions?
Seeing none, I'm now going to move on to the
substance of today's conference.

5 The purpose of today's committee conference is to 6 review the current status of the proceeding to provide the 7 public with an overview of the process by which the CEC will 8 consider the application to hear more about the project and 9 its features and to develop a schedule.

10

Next slide, please.

At today's conference, first I will give an overview describing a small power plant exemption, again, known as an SPPE. And then I'll outline some of the rules applicable to CEC proceedings. After I give that overview, the CEC's Public Advisor's Office will discuss opportunities for public participation in this proceeding.

17 Following the Public Advisor's Office, we will hear 18 from the Applicant about the application. CEC staff will 19 then discuss their role in reviewing the application.

20

Next slide, please.

Following staff's presentation as stated in the agenda for today, the Committee and the parties will discuss a schedule and any other topics regarding the application. There will then be an opportunity for public comment. The Committee has also given notice that it may hold a closed CALIFORNIA REPORTING, LLC

1 session. We will decide whether that is necessary after we
2 have heard from everyone.

After all of that, we will then adjourn the meeting.
Next slide, please.

5 The CEC was created in 1974 with the passage of the 6 Warren-Alquist Act. Under that law, the CEC has the 7 exclusive authority to consider and ultimately approve or 8 deny applications for the construction and operation of 9 thermal power plants that will generate 50 megawatts or more 10 of electricity.

11 The Warren-Alquist Act allows builders of thermal 12 power plants that will generate from 50 to 100 megawatts to 13 apply to the CEC for an exemption from this exclusive 14 jurisdiction if the proposed project meets certain criteria. 15 This exemption is known as the SPPE.

16

Next slide, please.

17 To grant an SPPE, the Warren-Alquist Act states that 18 the CEC must make three separate and distinct determination. 19 First, that the proposed power plant has a generating 20 capacity of no more than 100 megawatts. Second, that no 21 substantial adverse impact on the environment will result 22 from the construction or operation of the power plant. And 23 third, that no substantial adverse impact on energy resources 24 will result from the construction or operation of the power 25 plant.

CALIFORNIA REPORTING, LLC

229 Napa Street, Rodeo, California 94572 (510) 224-4476

1

Next slide, please.

2 In addition to meeting the requirements under the 3 Warren-Alquist Act, the CEC must also analyze an SPPE application under the California Environmental Quality Act, 4 5 otherwise known as CEQA. The CEC is the CEQA lead agency and 6 considers the whole of the action. For the application for 7 the Great Oaks South Backup Generating Facility, the whole of 8 the action means not just the backup generators but also the 9 entire data center complex that the backup generators support 10 and includes other project features such as landscape. When 11 I occasionally refer to the project today, I'm referring to 12 the backup generators, the data center, and the other project 13 features.

14 It is important to note that if the CEC decides to 15 grant the application, that decision would not constitute 16 project approval. Instead, upon being granted, an exemption 17 from the CEC's power plant licensing process, the project 18 owner would then seek permit and licenses that are required 19 from other local agencies. For this project, that would be 20 without limitation, the city of San Jose and the Bay Area Air 21 Quality Management District. These agencies will also 22 conduct any other necessary environmental analysis as 23 responsible agencies under CEQA.

24 Next slide, please.

25 Consideration of an SPPE begins with the filing of an CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476 1 application. The application for the Great Oaks South Backup 2 Generating Facility SPPE was filed with the CEC on March 19, 3 2020. Staff is currently asking for additional information about the application. We refer to these as data request for 4 5 discovery. Staff uses this information to prepare an 6 environmental review document that includes information 7 necessary under both CEQA and the Warren-Alquist Act for the 8 Committee and the CEC to decide whether to approve or deny 9 the SPPE.

10

Next slide, please.

11 After the staff has completed its analysis, and staff will talk more about its process later on, the next step is 12 13 consideration by the Committee and ultimately the CEC. In 14 this review, the CEC used an adjudicative process. The 15 Committee will ultimately hold an evidentiary hearing, like a 16 trial, where it will receive evidence from the parties and 17 comments from the public about whether to grant or to deny 18 the SPPE.

After the evidentiary hearing is complete, the Committee will prepare its proposed decision. The proposed decision will include the Committee's analysis of the project under both the Warren-Alquist Act and CEQA. That decision is based solely on evidence contained in the hearing record.

24 Next slide, please.

25 Following the drafting of the Committee proposed CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476 decision, the Committee proposed decision is then considered by the CEC at a public meeting. At that public meeting, the CEC will ultimately decide whether to adopt, modify, or reject the Committee's proposed decision. Notice of all of these events, the evidentiary hearing, and the business meeting where the Committee proposed decision will be considered will be provided.

8 Next slide, please.

9 In all SPPE proceedings there are at least two 10 parties, the applicant requesting the exemption and CEC 11 staff. Other people in organizations can become parties to a 12 proceeding. The Public Advisor's Office will describe what 13 intervening means in just a few moments.

14 Next slide, please.

15 Because we use an adjudicative process, the CEC's regulations and state law require that we ensure a fair 16 17 process for everyone who participates in this proceeding. 18 The CEC's ultimate decision will be based solely on evidence 19 contained in the record. One way we ensure a fair process --20 (Whereupon the Hearing Officer's audio feed is corrupted) 21 CHAIR HOCHSCHILD: Susan, you may want to try --22 HEARING OFFICER COCHRAN: Sorry, my --23 CHAIR HOCHSCHILD: Yeah, you may want to try to go to 24 audio only if you have --

25 HEARING OFFICER COCHRAN: Okay. I shouldn't, but I CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476 1 am apparently. Hold on just one second.

2 Okay. Let's try that.

3 CHAIR HOCHSCHILD: Yeah, much better.

4 HEARING OFFICER COCHRAN: Thank you. It just winked,
5 I thought it was -- it just winked on my end. Sorry.

6 Anyway, so as I was saying, the ex parte rule states 7 that parties to a proceeding and interested persons outside 8 the CEC, that is the general public, are prohibited from 9 communicating with presiding officers about anything that may 10 be in controversy or dispute unless notice is given to allow 11 an opportunity for all other parties to participate in that 12 communication or the communication is in a writing shared 13 with the public and the parties.

14 Next slide, please.

Obviously, the first thing we have to define is communications. Prohibited communications include voicemail messages, text messages, e-mails, letters, telephone calls, and in-person discussions. Essentially, any form of communication.

20

Next slide, please.

The next topic is presiding officers. In this proceeding, the presiding officers are members -- are the members of this Committee, both Commissioner Douglas and Chair Hochschild, as well as the three other members of the CEC.

CALIFORNIA REPORTING, LLC

229 Napa Street, Rodeo, California 94572 (510) 224-4476

Presiding officers also include the hearing officers which are Rebecca Westmore and Ralph Lee. Ex parte communications are also prohibited with individuals assisting these presiding officers which in this proceeding includes anyone serving as an advisor to the commissioners and any attorney or other experts assisting the Committee or commissioners with this proceeding.

8 Next slide, please.

9 Today's conference is one of several public events 10 that will extend over the next several months. At these 11 events, members of the public can provide comment on the 12 project.

13 I'd now like to invite Rosemary Avalos from the 14 Public Advisor's Office to present how it can help members of 15 the public participate in meetings and hearings about the 16 application. Once the Public Advisor has completed her 17 presentation, we'll move on to Applicant's presentation.

18 Ms. Avalos.

19 MS. AVALOS: Thank you, Susan.

Yes, my name is Rosemary Avalos and I'm an outreach
specialist in the Public Advisor's Office. This is the

22 Public Advisor's presentation for today's Great Oak South

23 Center committee conference.

24 Next slide, please.

25 I'll start by explaining a little bit about the CEC's CALIFORNIA REPORTING, LLC

229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 Public Advisor. The Public Advisor's role is mandated by 2 statute in the Warren-Alquist Act. The Public Advisor must 3 be a licensed attorney who is nominated by the Energy 4 Commission and appointed by the governor for a three-year 5 term. The Public Advisor's duties and tasks include helping 6 the public to understand Commission processes, recommending 7 to the Commission approaches to engage the public, 8 identifying missing stakeholders and helping conduct outreach 9 to them.

In summary, I'm here today to help inform members of the public about how to navigate and participate in the small power plant exemption proceeding. Generally, state proceedings may seem like a long windy path that can generate confusion, but the CEC's Public Advisor's Office is here to provide guidance.

16

Next slide, please.

17 The key takeaway from this presentation is that the 18 CEC values public participation and wants to hear from an 19 array of stakeholders with different perspectives because 20 having a robust record helps the Committee make a thoroughly 21 informed decision.

At the National Academy for Science, Engineering, and Medicine have concluded, public participation includes the quality of agency decisions about the environment. Raw manage public involvement also increases the legitimacy of CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476 1 decisions in the eyes of those discussed by them which makes
2 it more likely that the decision will be implemented
3 effectively.

Please know that the Public Advisor functions as a
bridge between the CEC and the public to help ensure any
stakeholder or member of the public can participate
meaningfully in the CEC's proceedings such as today.

8 Our staff has a lot of experience to answer questions 9 and we can access the Commission's subject matter experts 10 when we don't have immediate answers. Please don't hesitate 11 to contact us with any questions for guidance.

12

Next slide, please.

13 The CEC conducts significant outreach from beginning 14 to end of every proceeding to ensure we cast a wide net to 15 inform the public and stakeholders. Staff, the committee for 16 this proceeding, and the Public Advisor's Office taken on 17 various responsibilities to conduct outreach. Some of the 18 key outreach conducted has been mailing of the notice of 19 receipt to residents and property owners within 1,000 feet of 20 the project site, California Native American tribes

21 associated with the project area, and others.

This notice is important because it notifies people that the proceeding is beginning and it informs people about signing up for the LISTSERV to ensure that they receive future notices. Please note that the full mailing list will CALIFORNIA REPORTING. LLC

1 be published in the Environmental Assessment document.

The notice of this committee conference was mailed to residents and property owners within 1,000 feet of the project site, e-mailed to parties to the proceeding and LISTSERV. And I should note that all notices are also filed in the docket.

Because we are very diligent at the CEC, additional 7 8 outreach was conducted to notify about this proceeding. We 9 outreached to the following types of stakeholders via 10 mailing, e-mail, and phone. Went to local state and electric 11 representatives, air and water district officials, park and 12 rec department, community faith organizations, environmental 13 and social justice advocates, health groups, libraries, 14 schools, school districts, religious organizations, chambers 15 of commerce, trade associations, and labor groups.

Next slide. Next slide, please.

16

17 There are two ways to participate in SPPE 18 proceedings. One is informal as a member of the public like 19 you would in any other CEC event, or formal as an intervener. 20 This proceeding will consist of various types of events we 21 encourage you to attend in order to participate in the 22 proceedings. In every event, such as today's committee 23 conference, time will be carved out specifically for public 24 comment and that is your opportunity to speak to the issues. 25 I'd like to emphasize that the CEC has recently **CALIFORNIA REPORTING, LLC**

converted to using Zoom as its main platform for holding
 events online and provide instructions in its notices on how
 to participate. Zoom allows for people to join online and by
 phone.

5 Aside from providing verbal comments during event, 6 you can also provide comments in writing to the Public 7 Advisor and she will relate the main points on your behalf. 8 Finally, you may also submit written comments through our 9 docket system to be included in the record.

10

Next slide, please.

11 The formal approach to participate in SPPE 12 proceedings is to become an intervenor. An intervenor is a 13 person or group that is a party to the proceeding. Like any 14 other party to the proceeding, an intervenor may present 15 evidence and witnesses, object to other parties' evidence, 16 cross-examine other witnesses, and file motions.

17 In order to become an intervenor, you must file a 18 petition to intervene. We emphasize that even if you --

19(Whereupon the audio cuts off)20MS. AVALOS: Okay. Can you hear me now? Hello?

21 Okay.

In order to become an intervenor, you must file a petition to intervene. We emphasize that even if you are not sure whether you want to become an intervener or even if you do not end up participating at all in the proceeding, it is **CALIFORNIA REPORTING, LLC**

1 important to go ahead and file so that you don't miss key 2 deadlines and opportunities to engage.

Anyone may file a petition. And to be crystal clear, you do not need to be an attorney or have legal representation in order to file a petition. Also, there is not a specific --

7 (Whereupon the audio cuts out)
8 MS. AVALOS: You know, it has to do with the phone.
9 So I'll start again.

10 Anyone may file a petition. And to be crystal clear, 11 you do not need to be an attorney or have legal 12 representation in order to file a petition. Also, there is 13 not a specific form to fill out, but you must include the 14 required information in the petition you file. For example, 15 the petition must identify grounds for intervention, 16 position, and interest of the petitioner, and the extent to 17 which the petitioner desires to participate in the 18 proceedings. The petition must be filed in the docket and 19 include the docket number.

20

Next slide, please.

21 Whether you decide to engage in the proceeding as a 22 member of the public or an intervenor, we highly recommend 23 you go to the Great Oaks South Data Center project page to 24 obtain the most current information about the proceedings. 25 Here's the web -- what the webpage looks like. The red arrow CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

points to the link where you can submit electronic comments.
The blue arrow points to the e-filing link which is the
preferred pathway for staff and parties to the proceeding to
submit material.

5 The gold arrow points to the docket log links. The 6 docket log is the repository for documents filed by parties 7 to the proceeding by staff and for public comment. It's 8 where you'll find all materials submitted for this

9 proceeding.

10 The green arrow is the section where you'll sign up 11 for the Great Oaks South Data Center LISTSERV. Signing up 12 for the LISTSERV is very important. It is a lifeline to the 13 proceeding. We'll go over the steps to sign up on the next 14 slide.

15 If you need assistance with any of these processes, 16 contact the Public Advisor's Office. This webpage also 17 contains contact information for the Public Advisor's Office 18 and contact information for staff who can answer more 19 questions about the Great Oaks South proceeding.

20 Next slide, please.

Signing up with the proceeding's LISTSERV is a voluntary procedure. We highly recommend it because it is the most efficient way to receive the most current information about the proceeding, including alerts about what is happening in the proceeding and notification about CALIFORNIA REPORTING, LLC

1 material that has been docketed.

2 Signing up with the LISTSERV is a guick process. 3 First you'll go to the project webpage noted here and shown in the previous slide. Scroll down to the box that looks 4 5 like this, one entitled "Subscribe Great Oaks South Data 6 Center LISTSERV." Enter your first and last name along with your e-mail and click send. You'll immediately receive an 7 8 automated e-mail from the CEC asking you to complete your 9 subscription. Please be on the lookout for this e-mail 10 because you won't be able to join without responding to it. 11 You'll have 24 hours to confirm your subscription. If you do 12 this successfully, you'll then receive e-mail notification 13 that your subscription was accepted and you'll begin to 14 receive material for this proceeding.

15

Next slide, please.

16 Today is the first committee conference for this 17 proceeding and the schedule with specific deadlines for the 18 rest of this proceeding is forthcoming. You'll be able to 19 find the schedule on our webpages and you'll be notified of 20 the schedules via the LISTSERV if you are subscribed.

21 We want to emphasize a few significant opportunities 22 you'll have to participate. First is the publication of the 23 CEC Staff Environmental Assessment document. CEQA allows for 24 a public review and comment period on staff environmental 25 assessment document. This is a period during which staff CALIFORNIA REPORTING, LLC

will prepare a proposed mitigated negative declaration based
 upon the assessment of potential environmental impacts
 outlined in the staff's initial study.

4 Staff will respond to the comments and questions in 5 the proposed decision. If necessary, a workshop may be held 6 to address only unresolved issues. The prehearing conference and evidentiary hearing are other opportunities. Subsequent 7 8 to the environmental assessment is a prehearing conference 9 followed by an evidentiary hearing. The prehearing 10 conference is a public forum where the Committee will assess 11 the parties (indiscernible) for the evidentiary hearing. 12 Public comment will be taken.

13 The evidentiary hearing is an administrative 14 adjudicatory proceeding to receive evidence into the formal 15 record from parties. Members of the public may present 16 comments at the evidentiary hearing that become part of the 17 hearing record.

18 Committee proposed decision. After the evidentiary 19 hearing concludes, the Committee issues a proposed decision 20 which provides the findings under both the CEQA and Warren-21 Alquist Act about whether the project will have significant 22 environmental or energy impacts and the proposed decision 23 sets forth the recommendation for this project of whether or 24 not to grant an exemption on the CEC's certification process. 25 Commission decision at business meeting. Toward the **CALIFORNIA REPORTING, LLC**

229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 end of the proceeding, the Commission will decide on whether 2 to approve or deny the proposed decision during a regularly scheduled CEC business meeting. Public comment will also be 3 accepted and considered prior to the vote of the 4 5 commissioners. 6 Next slide, please. 7 Here is contact information for the Public Advisor's 8 office. The best way to communicate with us during the 9 shelter in place period is via e-mail at 10 publicadvisor@energy.ca.gov. I'd also like to note that by 11 the end of this week, we'll post this presentation through 12 our online docket system for public access. 13 Thank you. And now I'll hand the mic back to Hearing 14 Officer Susan Cochran. 15 HEARING OFFICER COCHRAN: Thank you, Ms. Avalos, for 16 your presentation. 17 I'd now like to invite the Applicant to present an 18 overview of the Great Oaks South SPPE application. 19 MR. GALATI: Ms. Hearing Officer, that would be for 20 Masoud. Now would be the time to unmute yourself and go 21 ahead and give your presentation. Thank you, Masoud. 22 MR. ZAFARIPOUR: Yeah, thank you. 23 Good afternoon, Commissioner and the staff. Thank 24 you for holding this meeting. 25 I have prepared some files for to introduce Equinix **CALIFORNIA REPORTING, LLC** 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 but unfortunately, due to the confidentiality, they could not 2 resolve it in time. So I'm just going to speak about Equinix 3 and then we get to the files that you have in front of you.

So just quickly talking about Equinix. You know, the
company was established in 1998 by Al Avery and Jay Adelson.
Our Equinix name stands for equality, neutrality,
interexchange. Our trademark represents a stronghold place

8 where assets are guarded and interconnected. We are neutral 9 to all telecom companies that are interested to establish 10 their footprints in our IBX's international business 11 exchange.

Our success is rooted in three core strengths that centers around Equinix customers. Equinix customers are at the center of everything that Equinix does. So first strengths are ecosystem that consists of neutrality interconnection with more than 370,000. And then our network and cloud strategic hops.

18 Our global reach is unprecedented, be 211 data
19 centers through five continents that allows us a significant
20 scale to manage the volume. And then consistency for
21 customers.

22 Our next strength is service excellent. Quality of 23 the data centers and outstanding services that we provide to 24 our customers. A close relationship with our customers and 25 maintaining a personal excellence that's world class and 26 CALIFORNIA REPORTING, LLC

1 consistent accounts for our continents. Our brand shows the 2 pride and Equinix's uniqueness.

3 Talking about some of the Equinix competitive advantages. As I've said, Equinix is in five continents, is 4 5 a multibillion dollar company in 26 countries, 55 metros. We 6 operate based on six-nine of nines of reliability. We have more than 370,000 interconnections which includes the cross 7 8 connects which allows the companies to connect with each 9 other. We have more than 8,000 employees, 9700 customers, 10 2900 cloud and IT companies. Sixty percent of our revenues 11 are based on recurring revenues. We have \$26 billion of 12 invested capital, and we have had 69 quarters of continuance 13 growth.

And talk about some of the customers that are inside our data center. Microsoft, Amazon, I'm sure Burger King, Morgan Stanley, Bloomberg, Oracle, and just Netflix, the name goes on. Name goes on.

18 So this was my brief discussion about Equinix. Let's 19 move on to the presentation that you have in front of you. 20 Next page, please.

So this is the rendering of how the future building is going to look like when it's completed and built. These views are taken from different street. The view on the right-hand side shows the view from the -- of the building from Great Oaks Boulevard. And the view on the left-hand CALIFORNIA REPORTING, LLC

1 side shows the view from the Via Del Oro.

2

Next slide, please.

3 This shows the site layout for the three buildings Equinix is intending to build. Three buildings, you know, 4 SV12, 18, and 19. And the views that are on the upper-hand 5 6 corner and the lower-hand corner and left and right are taken 7 from the different angles from each street. So the view on 8 the upper right-hand side is from the corner of Via Del Oro 9 and the Great Oaks Boulevard. The view on the bottom right-10 hand side is from the Great Oaks Boulevard. The view on the 11 upper left-hand side is taken from the San Ignacio and Via 12 Del Oro. And the view on the bottom is from the San Ignacio 13 road.

The generating yards are to the located to the north and south of each building. If you look at the SV12, you will see the yards, generating yards on the north side of the property which across from the Via Del Oro. And then the other yard is on the south of the property. And the same for the other two buildings, SV18 and SV19 which are on the north and south of each property.

21

Okay. If you go to the next one, please.

22 So project description as has been communicated. 23 There are a Great Oaks South property confirmation consists 24 of three new two-story buildings on an 18-acre site. Our 25 total gross square footage is 547,000. A total electrical

CALIFORNIA REPORTING, LLC

229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 demand of 99 megawatts. Our site is located within three 2 streets, Via Del Oro to the north, Great Oaks South to the 3 east, and San Ignacio to the west. And we have an empty lot 4 on the south, south of the property.

5 And the surrounding development consists of one or 6 two stories modern offices, you know, which consists of 7 buildings constructed of stucco, steel, and reflective glass 8 windows.

9 So Great Oaks South property data center will be 10 constructed in three phases starting with SV12, then 18 and 11 19. That's the present sequence. Each building will consist 12 of 12, 3.25 megawatts of generator and one .5 megawatts 13 dedicated for life safety.

14 Generators as was discussed is going to be located in 15 two generator yards to the north and south of the building. 16 The west side plan that was submitted, the west side plan has 17 been submitted to the city of San Jose. The original SUP 18 building that was approved in February 2017 also included the 19 Initial Study and Mitigated Negative Declaration, and also 20 MMRP. SUP and the environmental studies included backup 21 generation facility. A copy of the MMRP report was submitted 22 to the Commission.

23 The original SUP that was approved by the city of San 24 Jose included 63 megawatts of generation capacity with 25 570,000 square feet, gross square feet. And as was stated in CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 the beginning of this page, we have reduced the square 2 footage to 547,000.

3 It's our understanding that the city intends to rely 4 on the environmental analysis that Commission will perform to 5 supplement the reviews and approval of the Great Oaks Data 6 Center, Great Oaks South Data Center. Expectations is that 7 the city will complete their review of the building site plan 8 elevation and materials and aesthetics and then wait for CEC 9 approval.

10

Next slide, please.

11 Proposed modification of the Great Oaks Data Center 12 that resulted from optimizing the Great Oaks South for its 13 customers include replacing the 21, 3-megawatt generators, 14 part of the SUP with 36, 3.25-megawatt generators in 30 plus 15 6 configuration. Meaning that six generators are designated 16 as backup. We only will -- we will only operate 30 17 generators at a time max. Adding three .5 megawatts life 18 safety emergency generators, one per building. Total 19 generation demand for each building will be 33 megawatts. 20 Electrical distribution includes medium wattage 21 switchgear, low wattage switchgear, UPSs, ASTSs, and 22 distribution cabling that will interconnect the six generation yards to their respective buildings. 23 24 The Great Oaks South Backup Generating Facility will 25 only be operated for maintenance, testing, and only during CALIFORNIA REPORTING, LLC

emergency utility outages. It is our experience that outside
 of very limited maintenance hours, Great Oaks South Data
 Center will rarely use backup generators due to high
 reliability of PG&E electrical grid.

5 So therefore the Great Oaks South backup generating 6 facility main purpose is for safety net and assurance for our 7 customers. The main purpose of the global -- sorry, Great 8 Oaks South Backup Generator Facility will be to provide 9 sufficient power to meet the demand of the data centers 10 during a power outage and to maintain power to servers that 11 are housed in our data centers.

12 The Great Oaks South Data Center load is based on 13 fully loaded buildings and ASHRAE hottest design day 14 temperature which is possible, but extremely unlikely. It's 15 just under 99 megawatts, below the SPPE threshold. So it's 16 therefore expected that our actual load, electrical demand 17 load will be much lower than 99 megawatts.

And as previously communicated to the Commission, we have adapted the air cool chillers versus the water cool chillers that resulted in measured domestic water consumption reduction down to 3.36 acre feet per year.

Thank you. That's my -- end of my presentation. HEARING OFFICER COCHRAN: Thank you for that. We will now turn to staff's presentation on its review of the SPPE.

CALIFORNIA REPORTING, LLC

229 Napa Street, Rodeo, California 94572 (510) 224-4476

MS. WORRALL: Okay. Sorry. I'm right here.
 HEARING OFFICER COCHRAN: That's okay.
 MS. WORRALL: It's windows and windows, I'm used to
 having two computer screens. I miss my two computer screens
 desperately.
 Okay. So this is Lisa Worrall, project manager for
 the Great Oaks South Backup Generating Facility.

8 And so I just want to say good afternoon to everyone, 9 especially Chair Hochschild, Commissioner Douglas, and 10 Hearing Officer Cochran.

11 Staff has issued three data requests. The first set 12 was on April 7th, the second on April 16th, and the third was 13 May 18th. And staff has received responses to Set 2 on 14 May 18th and Set 3 on June 24th. And then we received 15 supplemental responses to Set 2 on June 30th.

16 And we hadn't received responses on Set 1. It was 17 initially filed to another project specific to the Walsh Data 18 Center and so it hasn't actually been filed as of yet 19 specific to the Great Oaks South Backup Generating Facility. 20 But based on the Applicant's responses to staff's issues, ID, 21 status, and proposed schedule memo, they anticipate filing 22 by -- the responses to Set 1 by July 17th. So we anticipate 23 that to occur.

And the Data Requests Set 2, Applicant's responses are not complete at this point. We have a couple of

CALIFORNIA REPORTING, LLC

229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 questions that are still not completely responded to. 2 Question Number 4 regarding ground level impact analysis for 3 criteria pollutants. And this is, you know, air quality. And we had sent an e-mail to the Applicant specifying we wish 4 5 to have the emissions modeling, the emissions modeling 6 conducted in a manner that captured the overlapping periods. 7 So when you have the first data center in operations but 8 you're constructing the second data center. So you're kind 9 of representing, you know, a more worst case scenario and something that actually would occur based on the Applicant's 10 11 presented schedule of construction and operation of the 12 facilities.

And then when we have both the first two data centers operational and then we bring in the third one for construction, we wanted to capture that. And so as more of a tweak of, you know, when you run the analysis, can you run it just to capture the overlapping periods.

18 And then Number 49, this is also from Set 2, we
19 haven't received all of the supporting information. Some of
20 the copies of the records search and reports haven't been
21 received as yet. We did receive some but not in completion.
22 And then the other one I think I understand is fairly
23 difficult to do and we've also tried to talk to contacts with
24 Pacific Gas & Electric.

25 Number 58, the one-line diagram of how, you know, how CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476 1 the lines would connect. I'm not a transmission expert, so I
2 leave that to my transmission folks.

And then Set 3, there's going to be a revised health risk assessment. And that we understand based on the Applicant's response to our memo on the 7th, that we are receiving that on July 17th. There were some things that needed to be explained or corrected in that health risk assessment.

9 And so then we've also identified several issues 10 that, you know, we have concerns about that will kind of need 11 to be resolved before we can move along and publish our 12 environmental document because there could be potential 13 impacts that we -- that may not get analyzed. So we want to 14 make sure we do that. And one of these is quite a difficult 15 situation and it relates to transmission lines.

16 The Applicant had said in his response to Data 17 Request Set 2 in Number 62 that in the future reconductoring 18 or line rerate of the two 115 kilovolt lines supplying the 19 Santa Teresa Substation may be required for each line to meet 20 the full demand of the data center independently.

And this idea that, okay, a reconductor or a rerate may need to be done. Rerate is I'm told from my transmission engineers, it's more of a clerical thing, it's not a big deal. The reconductor, on the other hand, if that were needing to be done, that could definitely have some potential CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 impacts that we would need to analyze such as if you need 2 to -- you need to have a, you know, a bigger line, and you 3 need to string it and you pull it and maybe you need helicopters, right, because sometimes that is done. We've 4 done some transmission line work for the CPUC in terms of the 5 6 environmental documents. So we're getting really familiar 7 with that, at least our environmental team. And the -- or 8 sometimes you need to take a new tower, use a new tower 9 because of the type of line that's needing to be used.

10 The main idea is that this reconductoring or rerating 11 may need to be done in order to for the -- each of the lines 12 to be able to handle the full demand of the data center 13 independently. And so this is PG&E pulling down either of 14 the two 115 kV lines for maintenance and that's done we think 15 maybe once a year. We still are working with PG&E trying to 16 figure this out.

We have a great contact at PG&E who's been very helpful and we're still kind of working with her. It was actually a contact, Jennifer Goncalves, and she's kind of the local person in the local service center. And we got that name from the environmental document that was done by the city. So, you know, we're not proud, we'll take names from wherever.

24 So the thing is is you pull these lines down. If the 25 line that remains in service can't supply say full buildout

CALIFORNIA REPORTING, LLC

229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 of the project and then you need to kick on your generators. 2 While this is kind of a situation, it's not an emergency 3 situation, it's a situation where PG&E's pulled their line out for maintenance purposes. And knowing the extent of 4 reconductoring work that needs to be done if it needs to be 5 6 done. So there's a study that needs to be done where we 7 understand we're still working on this.

8 And so this is a -- this is something that we would 9 need to have a full stop on it. We need to know either it's going to be -- has to be reconducted or it's a rerate, one or 10 the other, and then we can go from there. If it's a rerate, 11 12 well, gosh, great. We're secure, we're safe, and we don't 13 need to analyze anymore. But if it's a reconductoring, 14 that's a different story and that adds some time.

15 Air quality and public health concerns and issues 16 that we've identified, we understand that the -- the 17 Applicant is using a Tier 2 engines and currently as proposed 18 does not include diesel particulate filters. And I don't 19 want to mix this up, but the Applicant needs to demonstrate 20 how the project would be consistent with the Bay Area Air 21 Quality Management District Regulation 2, Rule 5. And this 22 requires the Applicant to use the best available control 23 technology for toxins to any new or modified source of toxic 24 contaminants where the source would result in a cancer risk 25 greater than 1 -- 1.0 in a million and/or chronic hazard CALIFORNIA REPORTING, LLC

229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 index greater than .20.

2 The current health risk assessment and the Applicant 3 is actually updating, revising them as I spoke about earlier July 17th. It underestimated -- staff contends that it 4 5 underestimated the health risks of the project during both 6 project construction and readiness and testing and maintenance. And so staff had kind of found that if the HRA 7 8 was done correctly based on the project as it's designed with 9 a Tier 2, no DPF filters, the cancer risk of the project 10 during readiness, testing, and maintenance would exceed the 11 BAAQMD, or B-A-A-Q-M-D, significant threshold of 10 in a 12 million causing significant health risks of impacts without 13 mitigation.

14 Now mitigation -- possible mitigation could be using 15 DPS, you know, your diesel particulate filters or reducing 16 the currently proposed 20 hours of readiness and testing and 17 maintenance per year for the engine.

18 And we also have, just so you know, we have Air 19 Quality staff listening in. We have -- we have Gerry Bemis 20 and we have Wenjun Quian. We have also Mr. Geoff Lesh.

21 But the staff has proposed -- the proposed design 22 measures that the Applicant have provided which was part of 23 the previous application, part of the previous environmental 24 document said that they would add exhaust control measures --25 hold on, am I misunderstanding this? Yeah, PD1. Add exhaust CALIFORNIA REPORTING, LLC

control measures -- oh, staff would add exhaust control
 measures that requires Tier 3 or better construction
 equipment. And this would be consistent with the assumptions
 that the Applicant used in estimating construction emissions.
 So in their construction emission estimate.

6 So the staff is proposing to add these Tier 3 or 7 better construction equipment requirement to existing PD AQ-8 1. The other -- the other number PD proposed design measure 9 AQ-2 currently as written, it is written consistent to --10 with the original document and it limits the testing and 11 maintenance of the originally proposed 21 generators to 356 12 hours per year. So now we're up to 39 generators. So, you 13 know, needs to be some kind of clerical change, obviously.

14 So you need to revise -- need to revise consistent 15 with the proposed 39 generators and if the Applicant decides 16 because of the HRA to limit the hours of readiness and 17 testing, then you would want to -- you could also change that 18 in AQ-2 at that time. And once staff receives any 19 outstanding data responses from the Applicant, they can 20 review these -- the PD AQ-2 and AQ-1 and see if there is any 21 other changes that need to be made to those measures.

And the last item of concern staff has and this may not be, you know, as insurmountable as anything. The Applicant I know has paid the nitrogen deposition fee. However when you calculate it up, that actually only covers CALIFORNIA REPORTING, LLC

229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 the mobile source emissions, it wasn't actually calculated 2 for the non -- it wasn't actually calculated for the point 3 source emissions. The point source emissions being the 4 generators, you know. And the mobile, of course, being the 5 vehicles, you know, the workers' vehicles and the commuters.

6 So mitigation measures, staff actually calculated out the point source emissions what they would be and they're 7 8 working on mitigation measures to capture those. And it will 9 mirror -- the mitigation measure will mirror previous mitigation measures that staff has proposed for these 10 11 nitrogen deposition impacts on other similar projects. They're going to work with the U.S. Fish and Wildlife Service 12 13 and the Applicant and make sure that the appropriate 14 mitigation is incorporated into the project to mitigate 15 potentially cumulatively considerable impacts to federally 16 listed species and other special status species that are 17 affected by nitrogen deposition.

And then staff has proposed a schedule which you saw in the -- our memo. And last we're at committee conference the 13th. We still have some outstanding data responses that we're receiving and so looking forward to July 17th and then we can kind of go from there.

And if anyone has any questions, go ahead. Oh, and
 of course I've got Gerry Bemis and I've got Wenjn Quian,
 Geoff Lesh all on the line in case you questions for them
 CALIFORNIA REPORTING, LLC

1 too.

2 HEARING OFFICER COCHRAN: Thank you, Ms. Worrall.
3 MS. WORRALL: Uh-huh.

HEARING OFFICER COCHRAN: At this point, we're now
going to move on to the discussion of issues with the staff
and Applicant.

In the notice for today's committee conferences,
Ms. Worrall indicated, we directed staff to file an Issues
Identification Report, Status Report, and Proposed Staff
Schedule. Staff timely filed that requested document on
July 7, 2020.

12 The notice also ordered that the Applicant file a 13 response to staff's Issues Identification Report, Status 14 Report, and Proposed Schedule. The Applicant timely filed 15 its response on July 10, 2020. We thank staff and Applicant 16 for filing these documents in the time requested.

Ms. Worrall, you just spent a lot of time talking about the outstanding data request that you have exchanged with the Applicant. Discovery would generally close 60 days after the filing of the Application. For this case, that would be May 20 -- May 18, 2020.

22 MS. WORRALL: Uh-huh.

23 HEARING OFFICER COCHRAN: Do you anticipate needing 24 to file additional requests after receiving the answers from 25 the Applicant? Have you given any thought to how long CALIFORNIA REPORTING, LLC

229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 additional discovery might take?

2 MS. WORRALL: About how long? I think there may be, 3 I think staff in reading them, they may have additional questions. I certainly -- I think this -- the absence of the 4 5 transmission line information whether we need to reconduct or 6 rerate is something that -- it's -- from what it sounded like 7 to me is it sounded like there was a load study that needs to 8 be done. And we haven't had a chance to kind of, you know, 9 talk with Ms. Goncalves and say, you know, well, how long did 10 that take? Who does that? You know, and just try to get to 11 understand okay, so how can we get this done? You know, what 12 needs to occur? How long does it take is a big one.

13 And so I -- that's something that I think -- I think 14 that's something depending upon how long it does take to get 15 the load study. And what its results may yield, if it's a 16 reconductoring, as long as they can -- as long as PG&E can 17 explain what they are for reconductoring. I mean, that's --18 that could take some time. And depending upon the length of 19 reconductoring. And I don't think there's been any kind of a 20 load study or, you know, done in that area. And that's what 21 I understand needs to be done.

I understand needs to be done.

22 So I -- it's hard to know --

HEARING OFFICER COCHRAN: Well, let me -- let me
interject and let me see maybe Mr. Galati or Mr. Zafaripour
can shed some light on this.

CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476 1

MS. WORRALL: All right.

2 MR. GALATI: Yes. Thank you. This is Scott Galati. 3 Sorry about this, Commissioner. I think what you're 4 seeing happen is what happens on every project but we're 5 doing it in a public setting in front of you. And so we're 6 making sausage. So sorry that it doesn't look nice. This 7 happens all the time.

8 I'm learning things from what Ms. Worrall is saying 9 here that I'd be happy to discuss in the staff workshop, I 10 think that this can be worked out.

11 I would like to just point out a couple of things. 12 First of all, with request to data request, we are working 13 diligently on them. Remember that Mr. Zafaripour has said in 14 his presentation is we changed the project. Staff had some 15 concerns about the amount of water that we were using even 16 though it was consistent with what the city of San Jose and 17 the Water District said they could supply us. We changed the 18 That took some time. So we reduced from entire system. 19 several hundred acre feet per year down to 3 acre feet per 20 year. That took some time. The Applicant did that on their 21 This takes away resources sometimes from answering data own. 22 requests when you're redesigning the project.

In addition on the air quality, we are trying to accommodate staff. We'd just like to point out that staff requests on how we do the remodeling is inconsistent with the CALIFORNIA REPORTING, LLC

other three projects in which we did the modeling the exact same way. But rather than object to it, we're trying to help and trying to take into account what staff has learned. We agree that we should redo this remodeling and we're doing it. So I didn't want to you to leave the impression that this Applicant is not working diligently after what Ms. Worrall had said in responding to the data request.

8 The first data request was one that wasn't relevant, 9 was not -- it was an issue that had come up on an earlier 10 project answered here. It's no longer an issue. We'll 11 respond to that. I thought that that one was going to be 12 withdrawn.

13 I just wanted to let the Committee know that if staff 14 has additional questions on the items that have taken us a 15 little longer to provide to them, I will not object to the 16 fact that discovery has been closed. We've established that 17 kind of working relationship for years now and be happy to 18 entertain additional questions about the questions about the 19 answers that we're providing that we're providing a little 20 later.

21 With respect to the derating and the reconductoring, 22 I think that staff is treating the project more like a power 23 plant where that -- those lines are necessary to serve. 24 They're not necessary to serve for us. The question was 25 could each line support the facility entirely by itself? We 26 CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 don't need that to occur. We can take power from both lines, 2 that's how we are being designed.

3 In addition, it's very important to know is as -- as you heard in Mr. Zafaripour's presentation, the project is 4 5 going to be built over time. Phase 1 is SV12. Phase 2 might 6 be SV18 or 19, I think that's the current schedule. That may 7 be several years out. So to ask PG&E to do a study today to 8 serve the facility as if it were fully loaded, all three 9 buildings and that simultaneously it was the hottest day of 10 the year for the whole year, that is what would possibly 11 produce a rerating or reconductoring in the future if we 12 required either line to support us independently.

So I think we take that offline, talk with Staff about it. We know Mr. -- Ms. Goncalves as well. And I think that it would be great if we set up a workshop to discuss this because I think there's some confusion on this issue.
We stand ready to continue to work with staff.

18 With respect to the Bay Area Air Quality Management 19 District standards, we will meet those standards. How we 20 currently meet those standards is not with a diesel 21 particulate filter but by reducing the maintenance and 22 testing hours such that our emissions do not trigger any of 23 those threshold. We can't propose what that condition is 24 until we finish the remodeling. But we will be rewriting the 25 condition to require a limited amount and a fixed cap on

CALIFORNIA REPORTING, LLC

229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 maintenance and testing.

2 So that's -- so there are two ways to mitigate. You 3 can put on something that reduces the emissions or you can 4 just never generate the emissions. We chose the latter.

5 So I do believe that nothing I heard today is 6 insurmountable or should affect our schedule and that's why 7 we agreed with staff schedule that 30 days after we provide 8 the rest of the information that staff needs, that they can 9 produce their initial study mitigating negative depth and we 10 can move forward. Thank you for that.

I had a follow-up question based on the last comment you made about the diesel particulate filter. And instead of the filter, you're talking about limiting the hours for testing. I believe you said 20 hours.

HEARING OFFICER COCHRAN: Thank you, Mr. Galati.

16 Is that reflected in a project feature or has that 17 been incorporated --

18 MR. GALATI: Yes.

11

19 HEARING OFFICER COCHRAN: -- into the project?

20 MR. GALATI: Correct, it has been.

21 HEARING OFFICER COCHRAN: Okay.

22 MR. GALATI: And what we'll be doing is revising the 23 number that we limit that in as a project design measure once 24 we finish the modeling the way staff asked us to do because 25 we think the number needs to change.

CALIFORNIA REPORTING, LLC

1 HEARING OFFICER COCHRAN: Okay. And again, obviously 2 the reason that I'm asking some of these questions is because 3 one of the purposes or one of the products that you'll be seeing coming out of this conference is a scheduling order to 4 5 give folks an idea of when they can expect some of the 6 documents and events that we've described today. For 7 example, when staff might prepare its environmental review 8 document. The initial study, whatever environmental review 9 document looks like. And in addition, then, obviously the 10 Committee-led events like the evidentiary hearing and the 11 preparation of the Committee proposed decision.

12 To that end, Mr. Galati, you also just mentioned or 13 Mr. Zafaripour did in his presentation that one of the three 14 data center buildings is already under construction. Do I 15 understand that correctly?

16

MR. GALATI: No, that's not correct.

MR. ZAFARIPOUR: That's not -- that's not correct. HEARING OFFICER COCHRAN: Okay. Okay. So what is happening at the project site right now?

20 MR. GALATI: Nothing. We have not submitted -- this 21 project does have approval to build the prior facility which 22 we have now modified but we have not submitted for any 23 permits to begin building under that -- under that old 24 approval. We've modified the project, we're coming to the 25 Commission, and then we'll go back to the city of San Jose 26 CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 and only after the city of San Jose does its review, we'll be 2 asking for building permits.

3 HEARING OFFICER COCHRAN: Okay. Thank you.
4 MR. GALATI: What we are doing, though, madam -5 Hearing Officer, what we are doing is we are working with the
6 city in reviewing the project so that we can be ready to go
7 when the Commission is done.

8 HEARING OFFICER COCHRAN: Understood. I was just 9 confused because I had thought that I had read, like I said, 10 that construction was underway on I believe that's GO12. The 11 Building Number 12. So.

12 One other question I have before we really dive -- I 13 had a couple of more questions before we really dive into 14 schedule and that is, are there environmental justice 15 communities near the project site? And if so, can you please 16 describe them including their distance from the project?

MS. WORRALL: This is Lisa Worrall. I wish I was doing environmental justice as well because that's my wheelhouse. But I'm the PM and so it's hard to do it all.

20 Our environmental justice woman isn't on but Steven 21 Kerr, I don't know if he's unmuted. He's my supervisor and 22 he usually knows all as does Eric Knight.

I would say there are environmental justice communities because it's pretty hard not to find one. It really -- yeah, it's pretty hard not to find one.

> **CALIFORNIA REPORTING, LLC** 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 We have residences within 500 feet of the linears. 2 If I'm getting myself correct. See, I'm managing two 3 projects at once and they're fairly similar. 4 (Indiscernible). Yes. 5 HEARING OFFICER COCHRAN: And by the linears, you're 6 referring to the lines that we've talked about --7 MS. WORRALL: Right. 8 HEARING OFFICER COCHRAN: -- having to either be 9 reconductored --10 MS. WORRALL: No. 11 HEARING OFFICER COCHRAN: -- or studied or something 12 else? 13 MS. WORRALL: No. These are like -- where is my 14 project description. I think the sewer -- is a sewer line, 15 electrical lines. I know there are electrical lines. There 16 are several utility lines that are going to be constructed. 17 I believe. 18 Scott? 19 HEARING OFFICER COCHRAN: Mr. Kerr --20 MR. GALATI: Yes. 21 HEARING OFFICER COCHRAN: -- is on the line. 22 MS. WORRALL: Oh, Mr. Kerr, yes. I'm getting both my 23 projects confused sometimes. 24 HEARING OFFICER COCHRAN: Mister --25 MR. GALATI: Madam Hearing Officer, this is Scott **CALIFORNIA REPORTING, LLC** 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 Galati --

2

HEARING OFFICER COCHRAN: Thank you.

3 MR. GALATI: -- the linear that Ms. Worrall was 4 referring to deal with buried electrical utilities that come 5 from the sanitary substation to serve the project.

6 HEARING OFFICER COCHRAN: Okay. Thank you.

MS. WORRALL: But I did know we have residents across the street and they've been notified and they've been notified in English, Vietnamese, and in Spanish. And we've produced notices in the newspaper. I just got my last two confirmations, they were -- I'll docket them today. They came out on July 10th.

I know our environmental staff will be doing an environmental justice evaluation and look into the CalEnviroScreen and whether or not there's any disadvantaged communities within the -- within a six-mile radius which I believe there are.

18 Steven Kerr, are you on the line at all?
19 MR. KERR: Yes, I'm here. This is Steve Kerr.
20 MS. WORRALL: I think better memory than I do on
21 this.

22 MR. KERR: I'm looking for the latest EJ maps and I 23 don't see them in our shared file here yet. Those sections 24 are still being drafted and prepared by staff and so I don't 25 have the detailed breakdown yet under my review of what the 26 CALIFORNIA REPORTING, LLC

229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 EJ populations in the area, where they're kind of

2 concentrated.

3 But there is some more residences around this area, 4 it's not particularly remote.

5 MS. WORRALL: No, that's true, it isn't.

6 HEARING OFFICER COCHRAN: Okay.

7 MS. WORRALL: I think we're kind of the closest 8 within residents. When I think about the other previous data 9 centers that we have encountered, it's been -- those have 10 been more in industrial business areas. Here we've got 11 residents. And so that's also why I looked at language to 12 determine what languages we should translate because we can't 13 assume that everyone, you know, is comfortable reading 14 English. And, you know, this is highly technical 15 information. You know. 16 HEARING OFFICER COCHRAN: Thank you. Much 17 appreciated. 18 MS. WORRALL: Sure. 19 HEARING OFFICER COCHRAN: One final substantive 20 question is what other --21 MS. WORRALL: Go ahead. 22 HEARING OFFICER COCHRAN: What other technologies are

available that could provide uninterruptable power to data
 centers or other facilities similar to data centers? Has
 staff researched other data centers or facilities that are
 CALIFORNIA REPORTING, LLC
 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 using other technology to provide backup generation either 2 instead of or in conjunction with diesel fired backup

4 MS. WORRALL: Do you want to take that Steve or do

3

generators?

5 you want me to take that?

6 It's really an Air Quality thing, I think. We've had 7 Air Quality staff, Gerry Bemis and I think Jackie Record, 8 Jacqueline Record have been talking with -- talking with the 9 USEPA and talking with this outfit Western States Oil and 10 they have renewable -- renewable diesel.

11 Where actually I've been working on a report, a 12 record of conversation, it's going through the management 13 chain, and docketing it for this project about the 14 availability of renewable diesel. And then a conversation 15 with the USEPA and looking at the use of credits, federal air 16 credits related to renewable -- renewable diesel that 17 actually reduces your cost.

18 I know those conversations have happened. I don't 19 know, Steve, if you are privy or aware of anything.

20 MR. KERR: The application includes a section of 21 alternative -- alternatives looked at by the Applicant which 22 they can discuss. At this point, we're reviewing the project 23 that's proposed to us for impacts. And if we find that there 24 are impacts that aren't mitigable, then that would kick it 25 out of the exemption process and there would be an

CALIFORNIA REPORTING, LLC

229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 alternatives analysis done by staff.

But at this point we're still gathering information
and evaluating the impacts of the proposed project.

4 COMMISSIONER DOUGLAS: Mr. Galati, I see your hand is 5 raised. Did you have something you wanted to add to the 6 discussion?

7 MR. GALATI: Yes. We did prepare Section 5 which was 8 alternatives technology that we considered, it's in the 9 application. We were going to modify that based on what you 10 just asked us. We'd be happy to address renewable diesel and 11 we'd be happy to address fuel cells.

12 So we'll file that as a revised Section 5 and docket 13 that and I suspect we'll be able to do that in the next week 14 or so. Probably give me a couple of weeks to get that 15 reviewed and approved.

16 And in addition, there is a Section 4.23 in the 17 application. Madam Hearing Officer, if you would like to 18 review that, that does have environmental justice evaluation, 19 I just was trying to submit in the attention here and I 20 couldn't tell you the results. So it is in 4.23, there are 21 maps there. It does not look to me like there are very many 22 environmental justice communities but there probably are 23 some.

24 MS. WORRALL: I can actually share my screen, I found 25 our figure. And what's nice is it shows it's -- oh, host has CALIFORNIA REPORTING, LLC

1 disabled it. No, I quess I can't. I don't know if you can 2 allow me to share my screen because I can bring up the 3 figure, our environmental justice figure. It shows we have disadvantaged communities, you know, for the CalEnviroScreen, 4 5 it's off to the northwest of the project, but it's towards, 6 it kind of clips, it's right at the edge of the six-mile 7 radius. 8 And if you do disable it, I'll be happy to share it 9 with you. 10 HEARING OFFICER COCHRAN: I think that we'll --11 MS. WORRALL: See our document. 12 HEARING OFFICER COCHRAN: I think we'll see the 13 figure when you publish more. It was more just --14 MS. WORRALL: Okay. 15 HEARING OFFICER COCHRAN: -- to allow folks to know 16 that we do recognize that that can be an issue and that we 17 will be including that information in future documents. 18 MS. WORRALL: Yes, definitely. 19 HEARING OFFICER COCHRAN: So thank you for that, 20 though. MS. WORRALL: Yes, of course. 21 22 HEARING OFFICER COCHRAN: So I now wanted to talk 23 schedule which is everybody's favorite topic. And I noticed 24 that in staff's proposed schedule, there are no actual dates 25 after today's committee conference. No firm dates, I'll say. **CALIFORNIA REPORTING, LLC** 229 Napa Street, Rodeo, California 94572 (510) 224-4476

But staff does say that they believe that it is going to take an estimated 30 days after final responses to all data requests to prepare the Environmental Review Document. And I specifically refer to it as an Environmental Review Document because I understand you're still evaluating impacts, et cetera, that may come from this project.

7 And I believe that the Applicant was in agreement 8 with that. So that's why I was wondering how much longer we 9 think this discovery completion is going to take. I know Applicant has said that they will file certain documents by 10 11 July 17th. I don't know what other follow up is going to be required after that. Especially -- and when will the 12 13 decision about this line survey reconductoring, et cetera, 14 when will that decision be made? And how will that be 15 communicated to the Committee?

MS. WORRALL: Well, that can be communicated in a memo very easily.

18 The -- that's something, you know, the line 19 discussion is something that we've been having ongoing with 20 Jennifer. And we are actually anticipating some information 21 back from her. And every so often I kind of check in with my 22 transmission engineers. And, you know, I think we wanted to 23 have a telephone call with her and just to be able to just 24 ask questions about timing. And darn, I wish I had done that 25 before. But you can't do everything all at once, evidently. **CALIFORNIA REPORTING, LLC**

I think -- I mean, that's something that's ongoing
 while we're waiting for the Applicant's responses hearing
 that their responses are coming the 17th. You know, that's
 great news because that's just great news.

Staff will need to take a look at I know our Air
Quality engineer will need to go over the emissions
calculations and the HRA and that takes a little bit of time.
And if they have any follow-up little bitty questions, you
know, we can always handle that.

But ideally, I mean, I think -- see, you know, I
can't -- I don't know about this line business. I -HEARING OFFICER COCHRAN: Understood.

13 MS. WORRALL: Yeah, it's hard because I asked the 14 engineers, look it, do we really need to have each line being 15 capable of handling the full load? And they said yes, and 16 they were explaining because if you -- if you pull a line 17 down and it's a hot, really hot day and you try to serve the 18 load to the data centers and you're already constructed them 19 all, right, because you know, we -- we're analyzing the whole 20 other project.

You know, it is three data centers, it is, you know, 39 -- well, 36 generators. If all 36 generators are operating in order to serve the load because, you know, that single line that's left can't handle the load, can't dish out 99 megs, which it sounds like it can because that's what the CALIFORNIA REPORTING, LLC

229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 Applicant said and, you know, we definitely got a larger load 2 than originally -- on the original project. 3 It seems like it's a big deal if they can't figure out if they need to reconductor. I mean, you don't want to 4 5 have your air emissions going sky high. You know. 6 HEARING OFFICER COCHRAN: Okay. Yeah, thank you. 7 MR. ZAFARIPOUR: So if I may add. 8 MS. WORRALL: Yeah. 9 MR. ZAFARIPOUR: I think, you know --10 HEARING OFFICER COCHRAN: Who's speaking, please? 11 MR. ZAFARIPOUR: This is, sorry, this is Masoud 12 Zafairpour from --13 MS. WORRALL: Yes. 14 HEARING OFFICER COCHRAN: Thank you. 15 MR. ZAFARIPOUR: -- SV1. Yes. I think the discussion 16 around reconductoring. When we are talking about a project 17 that's long-range, you know, we're talking about seven, eight 18 years, I think at this point is that, you know, it's --19 I don't think it will, you know, say much because, you know, 20 PG&E has committed they can serve us. And as a customer, 21 that's their, you know, as being a service provider, that's 22 their commitment to any customer. 23 So try to predict between now and eight years from 24 now if a reconductoring is required, I think that's -- is, 25 you know, difficult. I mean, they can -- anybody, I mean, **CALIFORNIA REPORTING, LLC** 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 they can go and do all kinds of things, but things will 2 change between now and then. And I just want to be -- be 3 careful because they have told us they can, you know, meet 4 our requirement. And I'm sure between now and then, things 5 are going to change which they will adapt but try to say at 6 this point if it's a reconductoring is requirement -- is 7 required, I think it will be difficult.

8 I mean, I just, you know, I don't think is going to 9 serve much because it just, we're going to build the first 10 building and they're going to come through to build the next 11 building and so on. So.

HEARING OFFICER COCHRAN: Okay. Masoud, thank you very much.

14 Mr. Galati, I see your hand raised again.

15 MR. GALATI: Yes, thank you. I think that what would 16 be very helpful is for us to have a workshop with staff with 17 PG&E. I think when the electrical engineers at PG&E and we 18 are all on the phone, it'll make it clear that reconductoring 19 is not required to be studied now. So I'd like that 20 opportunity and I think the only way to do that would be in a 21 workshop where we can -- the engineers can talk to each other 22 using the same language.

HEARING OFFICER COCHRAN: Okay. And I want to make clear to people who may be listening in to this meeting that those type of workshops are still public events and so

CALIFORNIA REPORTING, LLC

members of the public can also participate and hear the
 exchange of information between staff and Applicant and PG&E.

So, Mr. Galati, I'm glad you perked up because I did have a question for you. In terms of the deadline to intervene, you're asking that it be the same day as the close of the public comment period. And then you had some additional conditions on intervening that I would like to understand a little bit better.

9 Can you explain a little bit more some of these new 10 conditions you want on interveners?

MR. GALATI: Yeah. So the purpose here is to reconcile the Energy Commission's often desire to do sort of an AFC proceeding in handling these projects to also reconcile that it is a CEQA proceeding.

So in every project that I have been involved with on data centers, the Applicant has been in 100 percent agreement with the ISMND. So the staff ISMND that comes out is sort of the document that you want to encourage people to comment on. That is -- that is how we know if we have any disputes that really take us to evidentiary hearing.

It is, I think, unfair to have no -- people not make comments on the ISMND which allows staff to respond to those comments. Those -- that narrows the issues significantly and therefore makes the evidentiary hearing to not be a long lengthy thing about new issues that people are trying to CALIFORNIA REPORTING, LLC

1 handle.

So to me what should happen is a person who is especially an intervener would comment on the ISMND, they've now read the ISMND, they've had it for 30 days, they know they are -- want to intervene because they have disputes. Petitioning to intervene at that time lets everybody know that there are disputes with the ISMND that might have to go to evidentiary hearing.

9 It would be great to know what those disputes are 10 which they are in the ISMND and in the public comment period. 11 Once those public comments in, staff could revise that and 12 then the person doesn't want to participate because it's been 13 resolved to their satisfaction, they certainly don't have to.

But allowing somebody to intervene significantly after the comment period, I think it ties staff's hands and then it ties our hands to try to handle everything in the framework of testimony which is a lot harder to do. So that is why I don't think it puts an undue burden on interveners because they can always file a request to have that date moved based on good cause.

But if somebody doesn't know by the end of the public comment period what they're objecting to in the ISMND, they're probably not going to be a very effective intervener. Certainly they can make public comment all throughout the entire and participate informally up until the last hearing. CALIFORNIA REPORTING, LLC

229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 But, you know, with intervention, I think that there 2 needs to be, you know, a little bit of responsibility on the 3 intervener to come in early. Even -- even Ms. Avalos, you know, is encouraging people to come in early to the project. 4 5 You know, ideally, we'd like people to intervene now so that 6 we have an opportunity to do a workshop and have a 7 communication, exchange information instead of having to do 8 it in opening testimony and reply testimony in front of the 9 Committee. We think that's bad use of Committee time. 10 HEARING OFFICER COCHRAN: Okay. Thank you for that. 11 That helped. So that concludes --12 MR. GALATI: So like one thing for the record is that 13 is the first time I've ever agreed to staff's schedule and I 14 still didn't understand why that didn't resolve the issue. 15 HEARING OFFICER COCHRAN: Well, I still have questions, that's my job. 16 17 So I think that that completes the questions that 18 we've identified in the issues and topics that the Committee 19 has identified. 20 Is there anything further from the parties that we 21 didn't talk about that we should have? 22 MS. DECARLO: This Lisa DeCarlo for Energy Commission 23 staff. 24 I just wanted to kind of piggyback on Scott's 25 discussion about the importance of having the intervener **CALIFORNIA REPORTING, LLC** 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 filing date prior to or on the same day as comments are due 2 on CEQA document.

But I'd also like to kind of part and parcel with that is also ensuring that those who do intervene are held to the same timeline established for filing of opening testimony and reply testimony just to make sure everything's fair for all the parties.

8 It is very difficult for staff when interveners are 9 provided a later date for their testimony which can sometimes 10 be just days prior to the evidentiary hearing. It's been a 11 hardship on staff to really try and turn around their kind of 12 analysis of what is contained in that file testimony in such 13 a short time.

HEARING OFFICER COCHRAN: Thank you, Ms. DeCarlo.Anything else? Anyone else?

16 Okay. So as I said, that concludes our discussion of 17 schedule, status, issues, and next steps.

18 We will now take public comment. So I told you at 19 the beginning that I would remind you of some of the ways 20 that you can participate in this hearing and review with you 21 again how Zoom operates.

22 Comments will be limited to three minutes per person.
23 If you are on your computer, use the raise hand feature to
24 let us know you'd like to comment. If you change your mind,
25 you can unraise your hand. We will call on you and open up
CALIFORNIA REPORTING, LLC

1 your line so that your -- so that you can make your comments. 2 For those on the phone, dial star 9 to raise your 3 hand. If you have muted yourself, press star 6 to unmute your phone line. We will unmute your line from our end and 4 5 you'll be able to make your comments. 6 We will call on you in the order you raise your hand. 7 If you are on the phone, we will tell you your line is open 8 and call on you by reading off the last three numbers of your 9 phone number. 10 So at this time, is there anyone in the public who 11 would like to make a public comment? 12 Mr. Goldthrite, I see BAAQMD Climate Protection 13 Section. MR. ZIELKIEWICZ: I'm sorry, this is Jakub 14 15 Zielkiewicz with the Bay Area Air Quality Management 16 District. 17 HEARING OFFICER COCHRAN: Thank you. 18 MR. ZIELKIEWICZ: Do you want me to spell the name 19 again for the court reporter? 20 HEARING OFFICER COCHRAN: No, we got it the first 21 time. Thank you, Mr. Zielkiewicz. 22 MR. KIELKIEWICZ: Perfect. Okay. Thank you to the 23 Committee and staff for hearing the Air District's comments 24 on the Proposed Great Oaks South Data Center. 25 I think it's important to put the Proposed Great Oaks **CALIFORNIA REPORTING, LLC**

63

South Data Center in the context of broader data center
 developments specifically in the Bay Area.

The Air District is aware of more than 1.3 gigawatts of likely diesel backup generation being planned at data centers alone in the Bay Area. I'll say that again. So we're aware of 1.3 gigawatts of likely diesel backup generation being data centers alone in the Bay Area.

8 Many of these are -- have come or will likely be 9 coming through the CEC through the SPPE process. The volume 10 of backup diesel generation in general and specifically at 11 datacenters in the Bay Area is of great concern to the Air 12 District.

As you heard in the Applicant's presentation, the Great Oaks South Data Center is proposing 99 megawatts of diesel backup generation. Once these 36 diesel generators are built and solved and operational, it's likely that they'll be in existence for years to come also locking in the associated greenhouse gas emissions.

19 The Air District does not view diesel generation at 20 this facility or in general to be part of the solution to the 21 state's climate goals including achieving carbon neutrality 22 no later than 2045 pursuant to Executive Order B-55-18. 23 We appreciate CEC considering alternative solutions

23 We appreciate CEC considering alternative solutions 24 to diesel backup generators for this project as a means to 25 demonstrate inconsistency with and achieving the state's goal CALIFORNIA REPORTING, LLC

229 Napa Street, Rodeo, California 94572 (510) 224-4476

of carbon neutrality. Alternatives could include alternative
 technologies, alternative fuels, or carbon offsets.
 Alternative technologies are available and are currently in
 use.

5 The California Air Resources Board recently released 6 the commercial backup generator technology clearinghouse 7 which identifies existing real and viable installations of 8 commercial backup power generation technologies including 9 alternatives to diesel.

In addition, the Applicant over the past few years has publicized the installation of 37 megawatts of fuel cells at its data centers including data centers in San Jose. It's unclear why this technology isn't being applied as part of the Great Oaks South project design let alone mentioned as an alternative in the SPPE application.

16 In addition, alternative fuels should also be 17 considered renewable diesel as one potential option of which 18 there's ample supply. It's a drop-in fuel and relative to 19 conventional fossil diesel that achieves greenhouse gas 20 emissions and criteria pollutant reductions.

21 Lastly, where alternative technologies and 22 alternative fuels don't achieve carbon neutrality, the use of 23 carbon offsets should be considered to achieve the objective 24 of carbon neutrality.

25 The Air District thanks the Committee for the CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 opportunity to comment today. We look forward to

2 collaborating with CEC on the Great Oaks South project in 3 identifying acceptable alternative solutions the proposed 4 diesel engines and in turn to contributing towards the goal 5 of carbon neutrality while improving air quality and public 6 health.

```
7
```

Thank you.

8 HEARING OFFICER COCHRAN: Thank you, Mr. Zielkiewicz.
9 I do not see any other raised hands. Does anyone
10 else wish to make a comment to the Committee?

Anyone else? Seeing none, I would ask Ms. Avalos if you have received any written comments that need to be

13 relayed or related to the Committee?

14 MS. AVALOS: Thank you, Susan.

15 No, the Public Advisors have not received any written 16 public comment. Thank you.

HEARING OFFICER COCHRAN: Commissioner Douglas and Chair Hochschild, did you want to make any comments? And also, do you feel it necessary to have a closed session? COMMISSIONER DOUGLAS: So this is Commissioner Douglas. I don't have any comments. I think it would be

22 helpful to have a brief closed session.

23 HEARING OFFICER COCHRAN: Say about 30 minutes,

24 maybe?

25 COMMISSIONER DOUGLAS: Chair Hochschild, does that CALIFORNIA REPORTING, LLC

1 sound all right to you?

2 CHAIR HOCHSCHILD: That sounds fine to me. Yep. 3 COMMISSIONER DOUGLAS: All right. Yes, about that. HEARING OFFICER COCHRAN: And then did Chair 4 5 Hochschild have any comments he wanted to make at this time? 6 CHAIR HOCHSCHILD: No additional comments. Thanks. 7 HEARING OFFICER COCHRAN: Okay. Thank you. 8 So as you just heard, the Committee will now adjourn 9 to a closed session in accordance with Government Code 10 Section 11126, subdivision (c)(3) which allows a state body, 11 including a delegated committee to hold a closed session to 12 deliberate on a decision to be reached in a proceeding a 13 state body was required to conduct by law. 14 We're going to return here even if we finish early. 15 For your convenience, we'll probably be back here about 16 quarter to four to report any actions or perhaps ask some 17 more additional questions that are raised during our 18 deliberations. 19 So with that, we're going to closed session. 20 (Off the record at 3:10 p.m.)

21 (On the record at 3:44 p.m.)

22 COMMISSIONER DOUGLAS: All right. So there's no23 reportable action from the closed session.

24 Susan, anything you want to add?

25 HEARING OFFICER COCHRAN: No, thank you.

CALIFORNIA REPORTING, LLC

229 Napa Street, Rodeo, California 94572 (510) 224-4476

1	COMMISSIONER DOUGLAS: All right. Absolutely.
2	Then we're I want to thank the parties and all the
3	participants today.
4	And with that, we're adjourned.
5	(Thereupon, the Hearing was adjourned at 3:45 p.m.)
6	000
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	