DOCKETED	
Docket Number:	20-BUSMTG-02
Project Title:	Public Comment on California Energy Commission Business Meetings
TN #:	234837
Document Title:	Item 13 - Transcript of September 9, 2020 Business Meeting
Description:	Transcript of Item 13
Filer:	Cody Goldthrite
Organization:	California Energy Commission
Submitter Role:	Commission Staff
Submission Date:	9/18/2020 4:23:08 PM
Docketed Date:	9/18/2020

BUSINESS MEETING

BEFORE THE

CALIFORNIA ENERGY COMMISSION

Ιn	the	Matter	of:)
) 20-BUSMTG-01
	Ві	usiness	Meeting)
)

REMOTE ACCESS ONLY

The California Energy Commission's August 12, 2020 Business Meeting will be held remotely, consistent with Executive Orders N-25-20 and N-29-20 and the recommendations from the California Department of Public Health to encourage physical distancing to slow the spread of COVID-19. The public is able to participate and observe the meeting consistent with the direction in these Executive Orders. Instructions for remote participation can be found in the notice for this meeting and as set forth below in this agenda.

PARTIAL TRANSCRIPT

ITEM 13: Small Power Plant Exemption for the Sequoia Backup Generating Facility (19- SPPE-03)

WEDNESDAY, SEPTEMBER 9, 2020 10:00 A.M.

Reported by: Peter Petty

APPEARANCES

Commissioners (Via Remote)

David Hochschild, Chair Janea Scott, Vice Chair Karen Douglas Andrew McAllister Patricia Monahan

Staff Present: (Via Remote)

Drew Bohan, Executive Director Darcie Houck, Chief Counsel Noemi Gallardo, Public Advisor Cody Goldthrite, Secretariat

	Agenda Item
Susan Cochran Lisa DeCarlo Lon Payne Matthew Layton	13 13 13 13
Others Present (Via Remote)	
Interested Parties	Agenda Item
	4.0

Scott Galati, DayZen,	LLC, n,	representing	13
C-1 Santa Clara,	LLC		
Robert Sarvey			13

<u>Public Comment</u> (Via Remote)	Agenda	Item
Thomas Andrews, California Air Resources Bo	oard 1	13
Craig Segall, California Air Resources Boa:	rd 1	13
Henry Hilken, Bay Area Air Quality Manageme	ent 1	13
District		

I N D E X

	Page
Proceedings	4
13.Small Power Plant Exemption for the Sequoia Backup Generating Facility (19- SPPE-03).	4

PROCEEDINGS	2

2.	SEPTEMBER	9.	2020	2:17	n.m.

- 3 CHAIR HOCHSCHILD: Welcome back, everybody.
- 4 We are back from closed session and ready to move
- 5 on to Item 13, Small Power Plant Exemption for Sequoia
- 6 Backup Generating Facility.
- 7 Let me turn it over to Susan Cochran.
- 8 MS. COCHRAN: Thank you, Chair Hochschild. And
- 9 good afternoon.
- 10 As Chair Hochschild said, I'm Susan Cochran, I'm
- 11 with the Chief Counsel's Office. And I'm the hearing
- 12 officer assigned to assist the committee appointed to
- 13 conduct proceedings on the application for a small power
- 14 plant exemption for Sequoia Backup Generating Facility.
- The CEC appointed a committee consisting of
- 16 Commissioner Douglas as presiding member and Commissioner
- 17 Monahan as associate member to conduct proceedings on the
- 18 application.
- 19 On August 14, 2019, the application for an SPPE,
- 20 small power plant exemption, was filed by C-1 Santa Clara,
- 21 LLC. I will refer to that entity as Applicant for the
- 22 remainder of my presentation.
- The Applicant proposes to build the Sequoia Data
- 24 Center, a four-story, 703, 450,000-square foot data center
- 25 building that will house computer servers in a secure and

- 1 environmentally controlled structure with approximately
- 2 70,000 square feet dedicated to administrative and office
- 3 uses. The data center will be located at 2600 De La Cruz
- 4 Boulevard in Santa Clara, California. To provide an
- 5 uninterrupted power supply to the Sequoia Data Center, the
- 6 Applicant proposes to install a total of 54, 2.2 megawatt
- 7 diesel-filed -- diesel-fired standby generators to serve
- 8 the information technology load and ancillary power needs
- 9 for the data center. I will generally refer to these 54
- 10 standby generators as the backup generators.
- 11 Prior to filing the application, existing above-
- 12 ground buildings at the project site were demolished.
- 13 Construction of the backup generators and the data center
- 14 will require removal of piping and other infrastructure
- 15 associated with a former cogeneration facility that was
- 16 located at the project site.
- 17 In addition to construction of the backup
- 18 generators and the data center, the Applicant will build a
- 19 substation for Silicon Valley Power, the local utility.
- 20 The California Energy Commission has exclusive jurisdiction
- 21 to approve or deny applications for the construction and
- 22 operation of thermal power plants that will generate 50
- 23 megawatts or more of electricity.
- 24 Section 25541 of the Public Resources Code
- 25 creates an exemption from that exclusive jurisdiction for

- 1 power plants generating 100 megawatts or less if the CEC
- 2 can make three separate findings. Number 1, that the
- 3 proposed facility will generate no more than 100 megawatts.
- 4 Number 2, that the proposed facility will not have a
- 5 significant adverse effect on the environment. And
- 6 Number 3, that the proposed facility will not have a
- 7 significant adverse effect on energy resources.
- 8 In addition, the California Energy Commission
- 9 acts as the lead agency under CEQA on the SPPE. The CEC
- 10 staff prepared an Initial Study Proposed Mitigated Negative
- 11 Declaration, ISPMND, to provide its analysis about the
- 12 project's ability to meet the requirements of the Warren-
- 13 Alquist Act and CEQA. The committee issued its proposed
- 14 decision on August 24, twenty -- 21, 2020 which recommends
- 15 granting the request at exemption. The committee proposed
- 16 decision considered the whole of the action which for the
- 17 project is the data center, the backup generators, the
- 18 substation, and other project features such as landscaping.
- 19 If the Commission grants the small power plant
- 20 exemption, the decision does not approve the project, that
- 21 is the data center, the backup generators, and/or the
- 22 substation. Instead, once granted, a small power plant
- 23 exemption requires the project proponent to obtain further
- 24 permits and licenses from other agencies. In this case,
- 25 the city of Santa Clara and the Bay Area Air Quality

- 1 Management District. Those agencies will conduct any other
- 2 necessary environmental analysis as responsible agencies
- 3 under CEQA.
- 4 The first finding under Section 25541 requires
- 5 that the generating capacity of the backup generators not
- 6 exceed 100 megawatts. The proposed decision found that the
- 7 generating capacity of a facility that cannot distribute
- 8 power offsite should be calculated based on the maximum
- 9 load of the project as well as by permanent design
- 10 constrictions that limit the amount of power that can be
- 11 delivered from the generators. In this case, the project's
- 12 maximum load includes demand of the servers housed in the
- 13 data center and the cooling and lighting load for the
- 14 buildings. The project's maximum load was calculated to be
- 15 approximately 96.5 megawatts which is fixed by the use of
- 16 electrical equipment and is an upper capacity limit.
- 17 The Committee has proposed Condition of Exemption
- 18 PD-1 to ensure that in the event the configuration of the
- 19 data center were to change and that change result in an
- 20 increase in electrical demand, the Applicant must follow
- 21 the CEC's regulations for a change in a project design
- 22 feature or operation or performance and amendment to CEC
- 23 decisions.
- 24 The Committee has also proposed Condition of
- 25 Exemption PD-2 that precludes delivery of any the

- 1 electricity to be produced by the Sequoia Backup Generating
- 2 Facility to be used for any other facility, property, or
- 3 use, including but not limited to delivery to the electric
- 4 distribution system, also known as the grid, without the
- 5 express written approval of the CEC.
- 6 The second factor under Section 25541 is whether
- 7 the backup generators will have a significant adverse
- 8 effect on the environment. Section 25519 of the Public
- 9 Resources Code establishes that the CEC is the lead agency
- 10 under CEQA. However, small power plant exemptions are not
- 11 governed by the CEC certified regulatory that we -- program
- 12 that we use for applications for certification. Therefore,
- 13 our analysis to the effect on the environment considers
- 14 factors under both CEQA and the Warren-Alquist Act.
- The Applicant had included a number of project
- 16 design features to mitigate or avoid potential
- 17 environmental effects from the demolition, construction,
- 18 and operation of the data center and the backup generators.
- 19 Staff prepared an environmental review document, the
- 20 ISPMND, that proposed additional mitigation measures for
- 21 biological resources and paleontological resources. The
- 22 proposed decision includes the additional mitigation
- 23 measures.
- 24 CEQA requires that the CEC adopt a mitigation
- 25 monitoring or reporting program, MMRP. One is attached to

- 1 the proposed decision as Exhibit D. CEQA also provides
- 2 that the CEC may delegate reporting or monitoring
- 3 responsibility under the MMRP to another public agency that
- 4 accepts the delegation. The city of Santa Clara has agreed
- 5 to monitor Applicant's performance of the mitigation
- 6 measures the Committee has recommended.
- 7 The Committee considered the ISPMND during the
- 8 Committee's adjudicatory process and the proposed decision
- 9 includes it as Appendix A. On the basis of Appendix A and
- 10 the entire record, and with the implementation and
- 11 imposition of the mitigation measures, the proposed
- 12 decision includes findings of fact and conclusions of law
- 13 regarding the adequacy of our environmental review from
- 14 both CEQA and the Warren-Alquist Act. The proposed
- 15 decision specifically finds that the project will not have
- 16 any adverse effect on the environment.
- 17 The final finding under Section 25541 requires
- 18 that the backup generators not present an adverse impact on
- 19 energy resources. This finding is also made in the CEC's
- 20 role as the CEQA lead agency. The proposed decision
- 21 concludes that the proposed project will not have any
- 22 adverse impacts on energy resources. This finding is also
- 23 made in the CEC's role as the lead agency.
- We have had meaningful and substantive
- 25 participation from the parties, including the Applicant,

- 1 staff, and Intervenor Robert Sarvey. During the public
- 2 review and comment period on the ISPMND, the Bay Area Air
- 3 Quality Management District, the Department of Toxic
- 4 Substances Control, the city of San Jose Airport
- 5 Department, and Mr. Sarvey submitted comments on the
- 6 ISPMND. The Committee held two committee conferences,
- 7 including one in Santa Clara. Representatives from Bay
- 8 Area Air Quality Management District and the city of Santa
- 9 Clara and its electrical utility Silicon Valley Power
- 10 testified at the evidentiary hearing. The comments
- 11 received on staff's ISPMND have been addressed in the
- 12 proposed decision.
- 13 The Committee filed a proposed decision on
- 14 August 21, 2020. The Committee also submitted a notice of
- 15 availability to the docket on August 2020 -- 21, 2020, that
- 16 was docketed on August 24, 2020. This notice of
- 17 availability was sent electronically to the proof of
- 18 service list and the LISTSERV and was sent via U.S. mail to
- 19 a list of property owners, occupants of nearby properties,
- 20 and responsible and trustee agencies. The notice of
- 21 availability invited comments on the proposed decision and
- 22 asked that those comments be received by August 31, 2020 at
- 23 5:00 p.m.
- 24 Before the August 31, 2020 deadline, the CEC
- 25 received comments from Mr. Sarvey who is also an intervenor

- 1 in this matter. Mr. Sarvey did not propose any edits or
- 2 changes to the proposed decision. The Committee has
- 3 therefore not proposed any errata to the proposed decision.
- 4 Mr. Sarvey made some comments that touch on subjects raised
- 5 during the evidentiary hearing and that are accordingly
- 6 addressed in the proposed decision. While I recognize that
- 7 Mr. Sarvey may disagree with the conclusions reached, the
- 8 Committee did give thoughtful consideration to all of his
- 9 comments and arguments raised in the evidentiary hearing
- 10 and elsewhere when it was preparing the proposed decision.
- On the other hand, some of the comments that
- 12 Mr. Sarvey submitted on the proposed decision are concerns
- 13 being raised for the first time. I believe that
- 14 Mr. Sarvey, if he is present, can and should speak for
- 15 himself on those topics. After the completion of those
- 16 comments, staff, the Applicant, and/or I can be ready to
- 17 address questions you may have about the comments.
- 18 A proposed order was prepared and filed in the
- 19 docket. If the Commission is inclined to adopt that
- 20 proposed order, please delete the text on page 1 that
- 21 reads: [And errata, dated September XX, 2020], and the
- 22 related footnote at the bottom of page 1.
- 23 I'm available to respond to any questions that
- 24 may arise and am happy to provide further information if
- 25 necessary. That concludes my report.

- 1 CHAIR HOCHSCHILD: Thank you, Susan.
- Is the Applicant on the line? Would the
- 3 Applicant like to comment?
- 4 MS. COCHRAN: The Applicant was represented by
- 5 Scot Galati. I don't know if Mr. Galati is on the line.
- 6 MR. GOLDTHRITE: Scott Galati is on the line.
- 7 We're opening it now.
- 8 MS. COCHRAN: Thank you.
- 9 CHAIR HOCHSCHILD: Mr. Galati, can you hear us?
- 10 MR. GOLDTHRITE: So it seems like we're having a
- 11 technical issue because we can hear him on the Verizon
- 12 line, but he's not coming through.
- 13 CHAIR HOCHSCHILD: Is there another way to
- 14 connect him?
- 15 MS. GALLARDO: This is Noemi Gallardo, the public
- 16 advisor. I can send him a -- he can -- well, actually he
- 17 can, if he can join by Zoom, we can promote him to a
- 18 panelist and have him come through that way.
- 19 CHAIR HOCHSCHILD: Is that Scott there? Scott?
- 20 No?
- Okay. Do you have his e-mail address, you can
- 22 send him the Zoom link?
- 23 MS. GALLARDO: Yes, we'll connect with him.
- MR. GALATI: I am on.
- 25 CHAIR HOCHSCHILD: Oh, there you go.

- 1 MS. GALLARDO: So there he is.
- 2 CHAIR HOCHSCHILD: We can hear you. Go ahead,
- 3 Scott.
- 4 MR. GALATI: Okay. Are you hearing me through
- 5 the phone?
- 6 CHAIR HOCHSCHILD: Yes, we can hear you fine.
- 7 MR. GALATI: Thank you very much. Thank you.
- 8 Scott Galati, representing C-1 Santa Clara, LLC,
- 9 which is owned by the same company that owns CyrusOne.
- 10 Also on the phone but not here to speak, just wanted to let
- 11 you know is Jeff Devine from CyrusOne as well as Marcela
- 12 DeLong who you had heard in evidentiary hearing with the
- 13 design team. Steve Branoff who is with the Air Quality
- 14 firm that did the consulting on that. And Brianna Bohonok
- 15 who is our environmental consultant.
- We have reviewed the proposed decision, we think
- 17 that all the issues were fairly discussed for quite some
- 18 time, they were briefed, and we support the proposed
- 19 decision in its entirety and ask that you approve it.
- Thank you.
- 21 CHAIR HOCHSCHILD: Thank you. Is the Applicant
- 22 on the line? Sorry. Is the staff on the line and would
- 23 the staff like to provide any response to that?
- MR. GOLDTHRITE: So we opened Lisa DeCarlo, Lon
- 25 Payne, and Matthew Layton's line.

- 1 CHAIR HOCHSCHILD: Staff, can you hear us? Lisa
- 2 or Matthew?
- MR. LAYTON: This is Matt Layton, I can hear you.
- 4 But Lisa and Lon were going to talk.
- 5 CHAIR HOCHSCHILD: Okay. Lisa, can you --
- 6 MS. DECARLO: This is Lisa DeCarlo, I can hear.
- 7 CHAIR HOCHSCHILD: Okay. Yeah, go ahead, Lisa.
- 8 MS. DECARLO: Okay. Great. Lon was going to
- 9 give our opening response but I'll try and make it here.
- 10 Yeah, staff has read and agrees with the proposed
- 11 decision in Hearing Officer Cochran's summary of that
- 12 decision. And most of -- and agrees most of Mr. Sarvey's
- 13 comments related to issues already presented before the
- 14 Committee and addressed in the decision. And we're
- 15 available to address any questions or comments that the
- 16 dais may have for us.
- 17 CHAIR HOCHSCHILD: Thank you.
- 18 Unless there's questions from the commissioners
- 19 or staff, should we see if there are any other intervenors
- 20 on the line wishing to comment at this time?
- 21 MR. GOLDTHRITE: We have Robert Sarvey on the
- 22 line.
- 23 CHAIR HOCHSCHILD: Go ahead, Mr. Sarvey.
- MR. SARVEY: Thank you. With approval of this
- 25 fifth data center, the CEC will have allowed the use of

- 1 diesel generators in all five of the Santa Clara Data
- 2 Center decisions despite the Bay Area Air Quality
- 3 Management District pleading with you to use a different
- 4 technology. The five data centers approved by the
- 5 Commission will operate 232 diesel backup generators
- 6 totaling 611.5 megawatts, and admitted to Environmental
- 7 Justice Committee, all these projects are within a few
- 8 thousand feet of each other.
- 9 The Air Resources Board has also now advised you
- 10 to not allow the backup use of generators at these data
- 11 centers. The two expert responsible air quality agencies
- 12 are telling you to now not use -- or they're telling you
- 13 now to use a different technology.
- 14 With approval of the proposed decision, the
- 15 Commission will approve five data centers totaling 453.6
- 16 megawatts of potential peak demand which is 86 percent SPPE
- 17 current peak demand. Currently, as you know, the state is
- 18 struggling to meet its electrical needs. Has even to
- 19 resorted to rolling backup and running data center diesel
- 20 backup generators to meet electricity demands.
- 21 Under current conditions, as we saw recently, the
- 22 453 megawatts of rode or even the 99 megawatts required to
- 23 power the Sequoia Data Center represents a significant
- 24 impact to energy resources in current conditions.
- 25 The five data centers have the potential to emit

- 1 693,000, 519 metric tons of GHG emissions per year which is
- 2 2 percent of the entire energy sectors GHG emission target
- 3 for 2030. The proposed decision never even mentions the
- 4 cumulative impact of your approval of five mega data
- 5 centers. In fact, it is consistently commented at all of
- 6 these proceedings that you require the Applicants to use
- 7 Silicon Valley Power green energy program following back in
- 8 (indiscernible) to prevent a significant impact on the
- 9 state's GHG reduction plan.
- 10 The PD -- the other PDs for data centers again
- 11 failed to require an assessment of emergency operations
- 12 despite it being the purpose of the project. The PD
- 13 rationalized it does not evaluate emergency operations
- 14 because in the ISMND (sic), staff pointed out that
- 15 emergency operations are highly unlikely testifying that
- 16 the risk of an outage at any data center within SPPE
- 17 service territory has historically been 1.6 percent per
- 18 year. That conclusion is laughable now that you guys use
- 19 Santa Clara Data Center emergency diesel generators as the
- 20 demand responsible to recently prevent rolling blackouts.
- 21 The decision dismisses the emergency operation
- 22 with diesel generators due to PSDS event that should state
- 23 as the utilities and regulators try to balance and cost and
- 24 benefits of PSDS by fine tuning and targeting
- 25 implementation. The most likely outcome is that future

- 1 PSDS will have even less potential effects on SPPE service
- 2 territory. Their speculation.
- Fires are raging across California right now.
- 4 Two of the most significant wildfires in California history
- 5 running across the state right now and red -- red flag
- 6 warnings are in effect. An unprecedented September PSDS
- 7 shutoff is now underway as we speak. PSD events are not
- 8 going to diminish and they're fixed on Silicon Valley Power
- 9 are likely to increase.
- 10 Do the right thing. Do not allow diesel use to
- 11 back up these data centers and require the Applicant to
- 12 enroll Silicon Valley Clean Power Program to prevent a
- 13 significant impact on GHG resources. Thank you.
- 14 CHAIR HOCHSCHILD: Thank you. Are there any
- 15 other intervenors on the line wishing to comment?
- MR. GOLDTHRITE: I don't believe we have any
- 17 intervenors on the line. We have three public comments.
- 18 CHAIR HOCHSCHILD: Yep. Before we get to that,
- 19 Susan, do you have any response to any of the previous
- 20 comments?
- 21 MS. COCHRAN: Yes, Chair Hochschild, thank you.
- I just want to point out that as it relates to
- 23 alternatives to the project, CEQA states that a lead agency
- 24 be that consider alternative technologies or other
- 25 alternatives to a project once it has determined that there

- 1 are no significant effects. And that discussion is already
- 2 within the committee proposed decision and I believe
- 3 addresses many of Mr. Sarvey's concerns.
- I think that we should wait for any further
- 5 discussion pending the receipt of the public comment.
- 6 CHAIR HOCHSCHILD: Thank you.
- 7 At this time, let's turn now to public comment.
- 8 Madam Public Advisor, do we have any public
- 9 comments?
- 10 MS. GALLARDO: Thank you, Chair. This is Noemi
- 11 Gallardo, public advisor.
- We do not have any written comment. We do have
- 13 people on the phone line. First of all, we will start off
- 14 with representatives from the California Air Resources
- 15 Board, also known as CARB or the ARB. First to speak will
- 16 be Thomas Andrews. And then second will be Craig Segall.
- 17 And as a heads up, we also have someone from the Bay Area
- 18 Air Quality Management District, Henry Milken -- Henry
- 19 Hilken, excuse me, he can go third.
- 20 And a reminder to all speakers to please spell
- 21 out your names and state your affiliation before speaking.
- 22 Thank you so much.
- Thomas Andrews should come first.
- MR. ANDREWS: I think there's been a
- 25 misunderstanding. This is Thomas Andrews, I'm not giving a

- 1 public comment, I guess.
- MS. GALLARDO: Okay. No problem, Thomas. Thank
- 3 you for clarifying that.
- 4 Craig, are you available? Please make sure to
- 5 unmute.
- 6 MR. SEGALL: I am. Can you hear me?
- 7 CHAIR HOCHSCHILD: Yes.
- 8 MS. GALLARDO: Yes, we can. Thank you.
- 9 MR. SEGALL: Great. Well, good afternoon,
- 10 Commissioners.
- 11 My name is Craig Segall; that's C-R-A-I-G,
- 12 S-E-G-A-L-L, and I'm assistant chief counsel at the
- 13 California Air Resources Board. Thanks for having me
- 14 today.
- 15 CARB and staff have been working with CEC staff
- 16 on how to improve the CEQA and Clean Air Analysis for
- 17 present and future data center projects. Those projects
- 18 become much more common as you've heard today.
- 19 Unfortunately, we're not quite finished with that yet which
- 20 brings me here today.
- 21 Recent events underscore the need for analyses to
- 22 ensure that backup generators are as clean as possible.
- 23 The backup power system are being called upon more
- 24 frequently due to public safety power shutoffs and for load
- 25 managements to avoid blackouts. The CEC is reviewing

- 1 multiple requests to grant small power plant exemptions
- 2 data centers largely in the Bay Area.
- 3 Collectively, hundreds of megawatt generations
- 4 under review with associated cumulative air pollution
- 5 effects. Much of the generation would use diesel engines,
- 6 many projects have chosen to use relatively old so-called
- 7 tier 2 generators that have less polluting tier 4
- 8 generators, batteries, or fuel cells, all of which are
- 9 alternatives we believe are worth considering here.
- 10 CARB has technical concerns related to the
- 11 analysis of these data centers, including Sequoia as to
- 12 potential avoidable adverse environmental effects they may
- 13 cause. We believe if CARB's technical concerns were
- 14 addressed, the CEC analysis would require stronger public
- 15 health protections such as improved pollution control
- 16 technologies.
- 17 Before data centers are approved by this
- 18 Commission, including Sequoia, CARB urges the CEC staff
- 19 work with CARB, interested air districts, and other
- 20 stakeholders to fully explore this issue. We believe we
- 21 can do so expeditiously as a team and CARB can also provide
- 22 analyses in the records for this proceeding this fall.
- 23 CARB's staff believes better options are available that
- 24 provide cleaner or zero emission backup power improve for
- 25 its stability and superior public health protection.

- 1 Thank you.
- 2 CHAIR HOCHSCHILD: Thank you.
- MS. GALLARDO: This is Noemi Gallardo, public
- 4 advisor. Is Henry Hilken on the line?
- 5 MR. HILKEN: Yes, I'm here. Can you hear me?
- 6 CHAIR HOCHSCHILD: Yes.
- 7 MS. GALLARDO: Yes, Henry, we can.
- 8 MR. HILKEN: Great. My name's Henry Hilken;
- 9 H-E-N-R-Y, H-I-L-K-E-N. And I'm the planning director at
- 10 the Bay Area Air Quality Management District.
- 11 Good afternoon, Commissioners. Thanks.
- 12 So we're joining you today to express our
- 13 concerns about the continued dramatic growth in diesel
- 14 combustion for backup power at data centers. We're --
- 15 we've been tracking this pretty closely. There are many
- 16 projects here in the Bay Area, we're aware of at least 15
- 17 projects that total over 1500 megawatts. Not all of these
- 18 are subject to CEC authority, of course. But collectively,
- 19 that's -- that's a lot of projects. 1½ gigawatts of power
- 20 diesel, fossil diesel powered generation proposed here in
- 21 the Bay Area. So cumulatively, this is a very significant
- 22 increase in diesel combustion in our region.
- 23 And so we really have -- we have air quality and
- 24 health concerns and we have climate concerns. This Sequoia
- 25 project that you're considering today and many of the other

21

- 1 recent projects are in impacted communities down at Santa
- 2 Clara County under our community health protection program.
- 3 And our goals there are in these impacted communities to
- 4 drive down emissions as quickly as we can. And so any
- 5 increase in toxic diesel emissions in these communities is
- 6 very concerning.
- 7 And certainly with respect to climate, I think we
- 8 just have to look out the window today, we've seen ample
- 9 evidence of climate forced wildfires that are plaguing us.
- 10 You know, for the fourth year running now, we've seen
- 11 historic air pollution from climate prompted wildfires in
- 12 Northern California. So clearly, we have a climate crisis
- 13 that we're grappling with today.
- So in light of these trends, we really need to
- 15 reverse our reliance on fossil diesel. And I know this is
- 16 something that the Commission is aware of. Even today
- 17 you've had some very interesting agenda topics on your SB-
- 18 100 report and that EV dashboard and those reach codes and
- 19 jurisdictions that you considered this morning. But we
- 20 really urge you to redouble these efforts. Have these
- 21 severe quality and climate challenges, this is not the time
- 22 to building such a massive increase in diesel fuel power
- 23 generation when there are promising alternatives available.
- 24 Renewables and energy storage fuel cells, even tier 4 as
- 25 was mentioned previously.

- 1 So we really urge the CEC to redouble its
- 2 efforts, continue to lead this transition to cleaner
- 3 sustainable energy and certainly the Air District would
- 4 very much like to work with you on this and work with CARB
- 5 as the previous speaker indicated. I think that would be a
- 6 good partnership and we'd really like to work with you on
- 7 reversing this transit diesel combustion.
- 8 Thanks.
- 9 CHAIR HOCHSCHILD: Thank you. Any further public
- 10 comment, Madam Public Advisor?
- MS. GALLARDO: No further comment, Chair.
- 12 CHAIR HOCHSCHILD: Okay. Unless there's any
- 13 objections from my colleagues, we'll now adjourn for Closed
- 14 Session again. And we'll come back when we're done with
- 15 that.
- 16 (Off the record for Closed Session at 2:44 p.m.)
- 17 (On the record for Open Session at 3:23 p.m.)
- 18 CHAIR HOCHSCHILD: At this point I see
- 19 Commissioner McAllister, Commissioner Douglas, Monahan, and
- 20 Vice Chair Scott. So we'll go ahead and restart the
- 21 meeting.
- Let me kick it over to Commissioner Douglas.
- 23 COMMISSIONER DOUGLAS: Let me unmute.
- 24 Thank you so much, Chair Hochschild. I have a
- 25 question for Mr. Segall, believe you're still on.

1	You	mentioned	the	possibility	of	bringing	some

- 2 new analysis or additional information that you think the
- 3 Commission should consider sometime this fall.
- 4 Could you elaborate on that? What do you think
- 5 you could provide this fall and generally by when?
- 6 MR. SEGALL: Thanks for asking, Commissioner
- 7 Douglas.
- 8 So we have taken a fairly close look at the
- 9 docket post for this proceeding. And again, you're coming
- 10 to this late, things have ramped up rapidly, they're all
- 11 managing all sorts of (indiscernible) I'm sure.
- But we've taken a close look at technology
- 13 availability both as to diesel generation and the starter
- 14 actions inclusion for (indiscernible) available. But also
- 15 looked at some question in this docket including how
- 16 emergency operations are modeled or not from the cumulative
- 17 air and (indiscernible) analyses from the modeling choices.
- 18 We have fairly extensive staff experience that we
- 19 can contribute in this area looking at what fact may mean,
- 20 what air quality (indiscernible) are relevant and what
- 21 alternatives are within your discretion to impose. I am
- 22 comfortable saying that CARB could file fairly detailed
- 23 analyses to that effect within a month or two if needed on
- 24 this question.
- We obviously also suggested some broader

- 1 collaboration amongst the air and energy agencies which we
- 2 do think would be appropriate. That particular proceeding,
- 3 even if those conversations are ongoing, we certainly could
- 4 highlight some areas that in our experience as an air
- 5 (indiscernible) see more the (indiscernible) Commission
- 6 consideration.
- 7 COMMISSIONER DOUGLAS: Okay. Thank you, that's
- 8 helpful.
- 9 Similar question for Bay Area. Is there a
- 10 specific analytical approach or specific set of information
- 11 that you think based on the recent energy emergency, the
- 12 Commission could consider, you know, specifically that you
- 13 think you could bring to the proceeding?
- MR. GOLDTHRITE: Henry Hilken is no longer on the
- 15 line.
- 16 COMMISSIONER DOUGLAS: Got it. Okav.
- 17 So I'm just kind of glancing at my colleagues to
- 18 see if anyone else wants to speak. Okay. I see head
- 19 shaking.
- 20 So Mr. Segall and parties, after deliberation,
- 21 you know, we do recognize that the current energy emergency
- 22 and the previous energy emergency are events that we didn't
- 23 have in our record because they happened subsequent to the
- 24 decision being published.
- 25 And based on the recent energy emergency, I'm

- 1 prepared to move that the Commission remand the proceeding
- 2 back to the Committee to consider additional relevant
- 3 information on air quality and public health impact with
- 4 the scope and filing of these additional proceedings to be
- 5 as set forth in future Committee orders. So that's my
- 6 motion for how to proceed on that.
- 7 CHAIR HOCHSCHILD: Thank you, Commissioner
- 8 Douglas.
- 9 Is there a second, Commissioner Monahan?
- 10 COMMISSIONER MONAHAN: Yes, I second that
- 11 recommendation from Mr. Douglas -- or motion.
- 12 CHAIR HOCHSCHILD: Okay. All right. With that,
- 13 let's take a vote.
- 14 All in favor say aye. Commissioner Douglas.
- 15 COMMISSIONER DOUGLAS: Aye.
- 16 CHAIR HOCHSCHILD: Commissioner Monahan.
- 17 COMMISSIONER MONAHAN: Aye.
- 18 CHAIR HOCHSCHILD: Commissioner McAlister.
- 19 COMMISSIONER MCALLISTER: Aye.
- 20 CHAIR HOCHSCHILD: Vice Chair Scott.
- 21 VICE CHAIR SCOTT: Aye.
- 22 CHAIR HOCHSCHILD: And I vote age as well. That
- 23 motion passes unanimously.
- With that, we are adjourned. Thank you,
- everybody.

1	(The	Business	Meeting	adjourned	at	3:28	p.m.)	
2			(000				
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								

REPORTER'S CERTIFICATE

I do hereby certify that the testimony in the foregoing hearing was taken at the time and

place therein stated; that the testimony of said witnesses were reported by me, a certified electronic court reporter and a disinterested person, and was under my supervision thereafter transcribed into typewriting.

And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

IN WITNESS WHEREOF, I have hereunto set my hand this 18th day of September, 2020.

PETER PETTY CER**D-493 Notary Public

TRANSCRIBER'S CERTIFICATE

I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were transcribed by me, a certified transcriber.

And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

IN WITNESS WHEREOF, I have hereunto set my hand this 18th day of September, 2020.

Jill Jacoby

Certified Transcriber AAERT No. CERT**D-633