

DOCKETED

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Project Title:	Gilroy Backup Generating Facility
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Document Title:	Notice of Receipt
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NOTICE OF RECEIPT OF AN APPLICATION FOR A SMALL POWER PLANT EXEMPTION FOR GILROY BACKUP GENERATING FACILITY

On December 17, 2020, Amazon Data Services (ADS or applicant) filed an application with the California Energy Commission (CEC) seeking an exemption from the CEC's jurisdiction (Small Power Plant Exemption, or SPPE) for the Gilroy Backup Generating Facility (GBGF) (20-SPPE-03). The GBGF would be part of the Gilroy Data Center (GDC) to be located in the City of Gilroy. Both the GDC and GBGF components are collectively referred to as the project.

Shortly after the application was filed, on December 21, 2020, the Bay Area Air Quality Management District (BAAQMD) issued a letter stating that it had established a best available control technology (BACT) for large (greater or equal to 1,000 brake horsepower) diesel engines used for emergency standby power that requires them to meet the U.S. EPA's Tier 4 emissions standards.

In response to BAAQMD's letter, the applicant has modified the project to use Tier 4 compliant generators. The applicant filed revised air quality and noise materials on March 30, 2021, updated air quality appendices on April 12, 2021, and a revised project description on April 20, 2021, reflecting the project change.

Project Description

The project site is an undeveloped parcel approximately 56 acres in size located east of Arroyo Circle and between the two segments of Camino Arroyo within the City of Gilroy (APN 841-69-039). The site is near the Highway 101 corridor and immediately adjacent to industrial and commercial development. The site was used for agricultural purposes from 1939 to present. The project site is currently tilled agricultural land but is now proposed for industrial development, consistent with the General Industrial zoning and General Plan designations on the site.

The applicant proposes to construct two data storage center buildings and an on-campus security building totaling approximately 438,500 square feet. The project would also include an onsite switchyard and a new utility substation to accommodate electricity to be delivered to the site by Pacific Gas and Electric Company (PG&E). Interconnection of the new substation to the distribution grid would require PG&E to install approximately 3 new electric transmission poles

and approximately 1,000 linear feet of new overhead 115 kilovolt transmission line.

The GBGF would be a backup generating facility with a generation capacity of up to 96 megawatts (MW) to support the need for the GDC to provide uninterruptible power supply for its servers. The GBGF would consist of 50, 2.5 MW diesel-fired emergency backup generators, arranged in two generation yards, each designed to serve one of the two data center buildings that make up the GDC. Project elements would also include switchgear and distribution cabling to interconnect the two generation yards to their respective buildings. In addition, the GBGF would include three smaller emergency generators; two house power diesel fired generators, each capable of generating 600 kilowatts (kW) to support its respective building phase in an emergency; and a 175 kW diesel fired emergency generator to support a security building.

CEC Jurisdiction and SPPE Process

The CEC has the exclusive authority to certify all thermal power plants (50 MW and greater) and related facilities proposed for construction in California. The SPPE process allows applicants proposing to construct thermal power plants between 50 and 100 MW to obtain an exemption from the CEC's jurisdiction and proceed with local permitting rather than requiring CEC certification. The CEC can grant an exemption if it finds that the proposed facility would not create a substantial adverse impact on the environment or energy resources. Public Resources Code section 25519(c) designates the CEC as lead agency, in accordance with the California Environmental Quality Act (CEQA), for all facilities seeking an SPPE. CEQA requires the lead agency to consider the whole of the action; therefore, CEC will include the entire project in its analysis, which includes the construction and operation of the data center buildings, backup generators, electric distribution substation, and transmission infrastructure.

As lead agency, CEC is required by Public Resources Code section 21080.3 and CEQA Guidelines section 15063(g) to consult with responsible and trustee agencies to ascertain whether a negative declaration or environmental impact report is required. CEC staff has begun its review of the application. Over the coming months, staff will evaluate the project and prepare the appropriate environmental analysis document for public review.

The assigned Committee of two Energy Commissioners will then conduct a hearing to determine whether to propose that the full Commission adopt (or certify) the CEQA document and to determine whether to recommend to the full Commission that the facility should be exempt from the CEC's power plant certification process. This hearing will provide the public as well as local,

state, and federal agencies and California Native American tribes the opportunity to provide input on the exemption request. Subsequent steps include issuance of a proposed decision by the Committee, and possible adoption of that decision by the CEC at a Business Meeting. Should the exemption be granted, the applicant would still need to secure the appropriate entitlements from relevant local, regional, state, and federal agencies to construct and operate the proposed project. The CEC's regulations setting forth the SPPE process are primarily located in Title 20, California Code of Regulations, sections 1934-1947.

Public Participation

The CEC welcomes public participation in the SPPE review process. A copy of the SPPE application as well as other project information, can be found on the CEC website at: <https://ww2.energy.ca.gov/sitingcases/gilroybackupgen/>. To stay informed about this project and receive notice of upcoming meetings and workshops, please subscribe to the project list serve, which can be accessed on the same project webpage. The list serve sends out email notifications when documents and notices are posted to the project webpage.

For questions about the project please contact Leonidas Payne, Project Manager, at (916) 838-2124 or by email at leonidas.payne@energy.ca.gov.

The CEC Public Advisor's Office is available to provide information on, and assistance with, public participation in CEC proceedings. The Public Advisor's Office can be reached at (916) 654-4489 or toll free in California at (800) 822-6228, and can also be contacted by email at publicadvisor@energy.ca.gov.

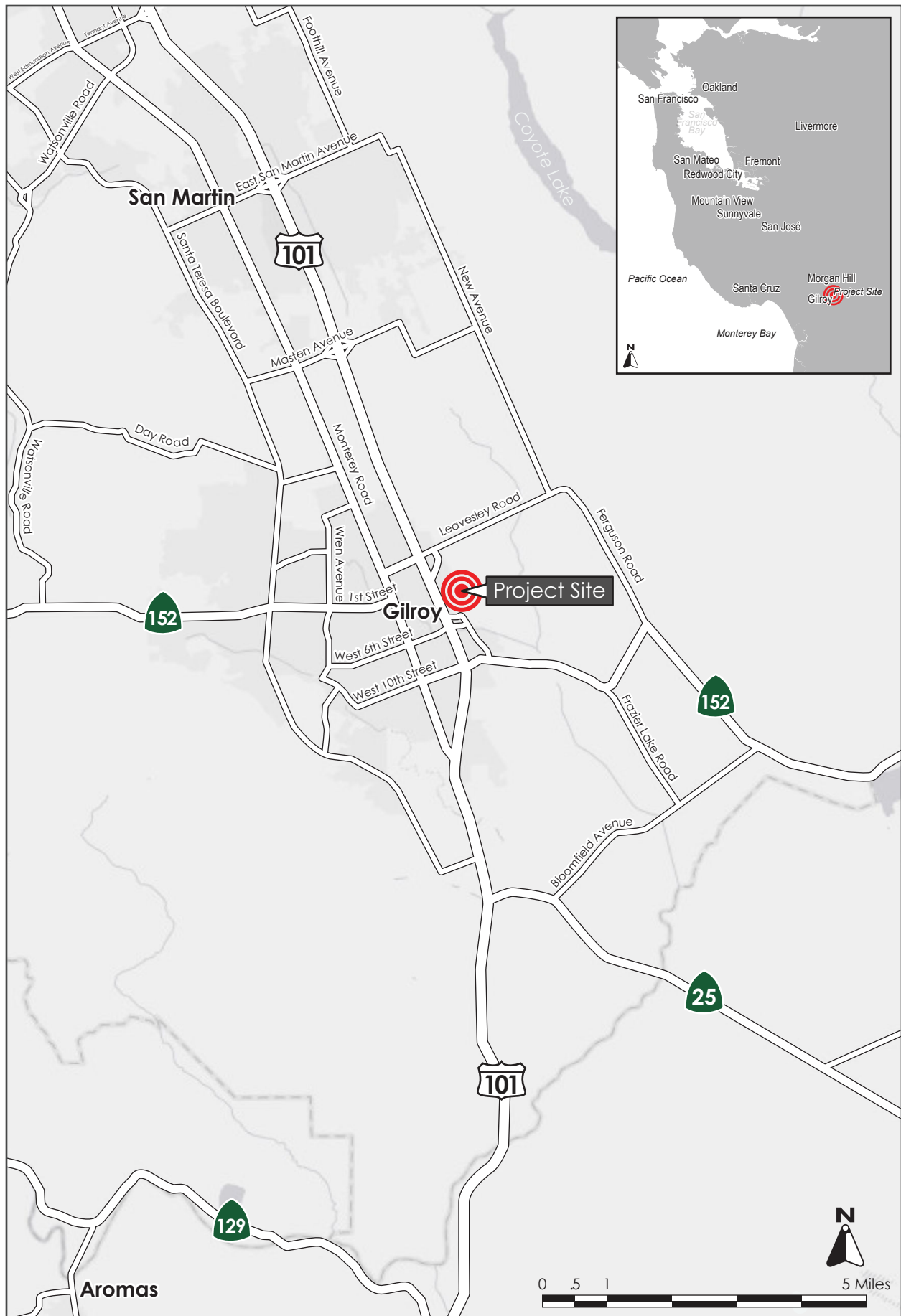
Media questions should be directed to the CEC's Media Office at (916) 654-4989 or by email at mediaoffice@energy.ca.gov.

Attachments (from the SPPE application):

Regional Map (Figure 3.2-1)

Aerial Photograph and Surrounding Land Uses (Figure 3.2-3)

Site Plan (Figure 3.2-4)



REGIONAL MAP

FIGURE 3.2-1

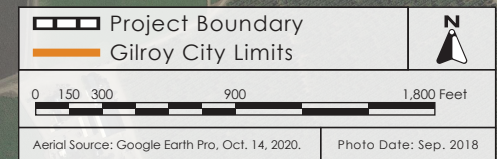


FIGURE 3.2-3

