

DOCKETED	
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STATE OF CALIFORNIA

Energy Resources
Conservation and Development Commission

In the Matter of:

Application For Small Power Plant
Exemption for the **GREAT OAKS
SOUTH BACKUP GENERATING
FACILITY**

DOCKET NO: 20-SPPE-1

**SV1 COMMENTS ON THE DRAFT
ENVIRONMENTAL IMPACT REPORT**

SV1, LLC (SV1) provides the following comments on Staff's Draft Environmental Impact Report (DEIR), docketed on May 21, 2021 (TN 237875). Other than the modifications proposed below, SV1 believes the DEIR is thorough, legally sufficient, and agrees with the conclusions and proposed mitigation measures and modifications to SV1's proposed design measures.

GREENHOUSE GAS EMISSIONS

On page 4.8-24 of the DEIR, Staff proposes the following mitigation measure it deemed necessary to demonstrate compliance with the City of San Jose Climate Action Plan (CAP).

MM GHG-1: The project owner shall participate in the San Jose Clean Energy at the Total Green level (i.e., 100% carbon-free electricity) for electricity accounts associated with the project.

SV-1 requests Staff proposed **MM GHG-1** be replaced with Project Design Measure **PD GHG-1**, proposed below. **PD-GHG-1** has been designed to allow flexibility for compliance with the CAP.

PD GHG-1: To ensure compliance with the City of San Jose Climate Action Plan, the project owner shall implement one, or a combination of the following measures:

- 1) Install solar panels, solar hot water, or other clean energy power generation sources;
- 2) Purchase electricity through San Jose Clean Energy Total Green level (i.e., 100% carbon-free electricity), or through negotiation of an electricity contract with San Jose Clean Energy that accomplishes the same goals as the Total Green Level; or
- 3) Purchase Renewable Energy and/or Renewable Energy Credits which comply with the Greenhouse Gas Protocol and RE100 reporting standards in a sufficient quantity equal to that portion of the project's actual non-renewable electricity consumption. These purchases are also reviewed and validated annually to be in compliance with afore mentioned standards by Equinix's external third party auditor.

The project owner shall keep records of the measures implemented and provide an annual report to the City of San Jose to demonstrate compliance with this the above requirements. If the Project Owner utilizes the purchase of Renewable Energy Credits, such credits must be in the same form used by the San Jose Clean Energy to achieve its Total Green Level.

SV1 has sent **PD GHG-1** to the City of San Jose Planning Staff for review. Since the purpose of Staff's Proposed **MM GHG-1** was to ensure compliance with the City of San Jose CAP, the CEC Staff should defer to the City of San Jose Staff opinion regarding **PD GHG-1** and compliance with the City of San Jose CAP.

ALTERNATIVES

In Section 5, CEC Staff selected natural gas fired internal combustion engines as a feasible alternative for carrying forward in its analysis of Alternatives. For the reasons contained in Section 5 of the SPPE Application, Revised, the use of a fixed single point of fuel delivery to the GOSBGF, introduces a point of potential failure that does not exist for the proposed project, which can obtain diesel fuel to the site through multiple sources

and delivery methods. Reliability is the primary objective SV1 provides to its customers. Since the use of natural gas fuel reduces to the GOSDC in case of an emergency outage, Staff should not have carried this alternative forward for environmental comparison.

In addition, Staff uses emission data provided by Enchanted Rock that is misleading. Staff provides no evidence that the emission data provided was obtained through the methods normally required for permitting emission sources in California. The emission data provided for the proposed project are guaranteed by the manufacturer of the emergency generators and the selective catalytic reduction (SCR) supplier. SV-1 requests that Section 5 of the DEIR be revised to include acknowledgement that the data provided for Enchanted Rock natural gas solution are not guaranteed and therefore estimates may be significantly underestimated.

In addition, Staff should acknowledge that Enchanted Rock does not presently supply natural gas engines for only emergency use and instead has previously marketed to Equinix a “natural gas solution” whereby, the multiple small natural gas engines are used for Equinix facilities to “self-generate” pursuant to a temporary approved Resource Adequacy program and that participation in such program could offset the increased costs of multiple natural gas engines that are significantly more than the cost of the proposed generators. The emissions that would be created during self-generation for Resource Adequacy purposes are not accounted for in Staff’s Alternative Analysis.

SV1 does acknowledge and agree with Staff’s conclusion that the Proposed Project will not have significant impacts and therefore, the use any of the Alternatives is not required by law nor necessary.

Dated: July 6, 2021

Respectfully Submitted,



Scott A. Galati
Counsel to SV1