

CALIFORNIA ENERGY COMMISSION1516 NINTH STREET
SACRAMENTO, CA 95814-5112**DOCKET****11-SPPE-01**

December 2, 2011

DATE DEC 02 2011RECD. DEC 02 2011**TO: AGENCY DISTRIBUTION LIST****REQUEST FOR AGENCY PARTICIPATION IN THE REVIEW OF THE SANTA CLARA SC-1 DATA CENTER (11-SPPE-01)**

On November 18, 2011, Xeres Ventures, LLC, (Xeres), a subsidiary of DuPont Fabros Technologies, LP, submitted an Application for a Small Power Plant Exemption (SPPE) to construct and operate the Santa Clara SC-1 Data Center, Phase 2, (Data Center), at 555 Reed Street, Santa Clara, California. Xeres proposes to install 16 backup generators at the Data Center, located in an industrial area in the City of Santa Clara in Santa Clara County, California. Each backup generator has a capacity to generate 2250 kW, or 2.25 MW.

In November of 2007, Xeres filed an application with the Bay Area Air Quality Management District (District) for Authority to Construct (ATC) permits for the new Data Center. The City of Santa Clara, as Lead Agency under the California Environmental Quality Act (CEQA), prepared an Initial Study and issued a Mitigated Negative Declaration (MND) in March, 2008. The ATC and the City of Santa Clara's MND evaluated both Phase 1 and Phase 2 of the Data Center, which includes a total of 32 backup generators, with a total capacity of 72 MW. The ATC issued by the District requires that the addition of the second set of generators must have either approval or an exemption from the California Energy Commission prior to installation of generator sets 17-32 prior to issuance of a Permit to Operate. Xeres has constructed and is currently operating Phase 1 of the facility, with generator sets 1-16 installed, and seeks authorization to complete the build out of Phase 2, adding generator sets 17-32 to the Data Center.

PROJECT DESCRIPTION

The Data Center is an approximately 312,000 square foot building on a 16.1-acre site located on the north side of Reed Street, west of De La Cruz Boulevard, in the city of Santa Clara. The site was formerly developed as a lumber mill and is within a fully developed area in Santa Clara. The Data Center, which is two stories and approximately 48 feet in height, will house computer servers and supporting equipment for private clients, as well as associated office uses, in an environmentally controlled structure. Additionally, a substation and switchgear were installed on the site.

The backup generators 17-32 for Phase 2 will be housed in a 51,550 square foot penthouse enclosure on the second floor of the Data Center and are to be air cooled. The second floor will also contain 14,087 square feet of offices. The first floor will house mechanical equipment and computer servers.

The entire structure including all onsite civil improvements, central office, loading, and

control/security areas, as well as sixteen backup generators have been constructed during Phase 1. Phase 2 will include the outfitting of all the remaining critical infrastructure, walls and partitions, raised floor and the remaining sixteen backup generators. An 80,000 square foot area in the northeast corner of the site will remain vacant (e.g., not covered by buildings or pavement). Commercial operation of Phase 1 began in September 2011.

ENERGY COMMISSION'S SMALL POWER PLANT EXEMPTION PROCESS

The Energy Commission is responsible for reviewing, and ultimately approving or denying, all thermal electric power plants, 50 MW and greater, proposed for construction in California. The Energy Commission's SPPE process allows projects between 50 and 100 MW to proceed with local approval rather than requiring an Energy Commission license. An exemption from this licensing process is available if the Energy Commission finds that the project would not create a significant adverse impact on the environment or energy resources. The Energy Commission is the lead agency under the California Environmental Quality Act (CEQA) responsible for preparing an Initial Study. If warranted, the Commission will prepare a Mitigated Negative Declaration that examines public health and safety, and environmental impacts of the proposed project including all related facilities such as electric transmission lines, natural gas and water pipelines.

The first step in the SPPE process is the appointment of a Committee of two Commissioners to provide oversight and guidance regarding the SPPE process for this project.

Agency Participation

Your participation in the proceeding is encouraged and would consist of identifying and working to resolve issues of concern to your agency. If the Energy Commission approves an exemption for the Santa Clara SC-1 Data Center Project, it would likely issue a Mitigated Negative Declaration. The applicant would then be responsible for obtaining all necessary local, state and federal permits required to construct and operate the project.

Enclosed is a CD of the SPPE application in electronic format. If you would like a printed copy of the application, or have questions, or need additional information on how to participate in the Energy Commission's review of the proposed project, please contact Robert Worl, Siting Project Manager, at (916) 651-8853, or by email to rworl@energy.state.ca.us. Please forward any written comments regarding potential issues of concern to 1516 Ninth Street, MS 15, Sacramento, CA 95814-5512 by January 14, 2011.

The status of the proposed project, copies of notices, electronic version of the SPPE application, and other relevant documents are also available on the Energy Commission's Internet website at <http://www.energy.ca.gov/sitingcases/santaclara>. By being on the mailing list, you will receive notices of all project related activities and

documents related to the proposed project's evaluation and review. You can also subscribe to receive email notification at <http://energy.ca.gov/listservers>.

Sincerely,

Chris Davis, Manager
Energy Facilities Siting Office

Enclosure: CD of the Santa Clara SC-1 Data Center SPPE application