

CALIFORNIA ENERGY COMMISSION1516 NINTH STREET
SACRAMENTO, CA 95814-5512
www.energy.ca.gov**11-SPPE-01**

DATE DEC 02 2011

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**NOTICE OF RECEIPT OF AN
APPLICATION FOR A SMALL POWER PLANT EXEMPTION
FOR SANTA CLARA SC-1 DATA CENTER, PHASE 2
(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 applications to construct and operate thermal electric power plants, 50 MW and greater, in California. The Energy Commission's facility certification process carefully examines public health and safety, environmental impacts and engineering aspects of proposed power plants and all related facilities such as electric transmission lines and natural gas and water pipelines. The Energy Commission has a certified regulatory program and is the lead agency under the California Environmental Quality Act (CEQA).

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.

PUBLIC PARTICIPATION

Over the coming months, the Energy Commission will conduct a number of public workshops and hearings on the proposal to determine whether the proposed project should be approved for construction and operation and under what set of conditions. These workshops and hearings will provide the public as well as local, state and federal agencies the opportunity to ask questions about, and provide input on, the proposed project. The Energy Commission will issue notices for these workshops and hearings at least 10 days prior to the meeting.

This notice of receipt has been mailed to all parties that requested placement on the mailing list during the pre-filing period and to property owners located within 1000 feet of the proposed project site and 500 feet of a project linear feature (e.g. pipeline). By being on the mailing list, you will receive notices of all project-related activities and notices when documents related to the proposed project's evaluation are available for review. If you want your name removed from the mailing list, please contact Maria Santourdjian, Project Assistant, at (916) 651-9410, or by e-mail at Msergoya@energy.state.ca.us. Please direct your technical or project schedule questions to Robert Worl, Project Manager, at (916) 651-8853, or by e-mail at rworl@energy.state.ca.us. The application and project documents can be viewed on the Energy Commission website at: <http://www.energy.ca.gov/sitingcases/santaclara/index.html>.

If you desire information on participating in the Energy Commission's review of the project, please contact the Energy Commission's Public Adviser's Office, at (916) 654-4489 or toll free in California, at (800) 822-6228. The Public Adviser's Office can also be contacted via email at publicadviser@energy.state.ca.us.

