



The Center of What's Possible

Date: July 31, 2020
To: Responsible Agencies, Trustee Agencies, Interested Parties and Organizations
Lead Agency: City of Santa Clara - Silicon Valley Power
Contact: Kevin Kolnowski, Electric Utility Chief Operating Officer
881 Martin Avenue
Santa Clara, CA 95050
Subject: Notice of Preparation of an Environmental Impact Report for the Requirement for New or Modified Parallel Generation Facilities to Utilize Renewable Generation and Fuel Sources
Project Title: City of Santa Clara Renewable Parallel Generation Facilities Resolution
Location: Silicon Valley Power Service Territory
Case Files: CEQ2020-01076

The City of Santa Clara is preparing an Environmental Impact Report (EIR), consistent with the California Environmental Quality Act (CEQA), to determine any potentially significant adverse environmental impacts of implementing Resolution No. 19-8701 and amending Silicon Valley Power's Rules and Regulations. The City Council passed and adopted Resolution No. 19-8701 on May 7, 2019 to limit the interconnection of Parallel Generation to the distribution system to facilities meeting the criteria for renewable electrical generation facilities as defined in the California Public Resources Code. For the purposes of the EIR, Resolution No. 19-8701 will also be referred to as the Renewable Parallel Generation Facilities Resolution.

In accordance with Section 15082 of the CEQA Guidelines, this Notice of Preparation (NOP) will be circulated to the public, responsible agencies, trustee agencies, interested parties and organizations for input regarding the analysis in the EIR. The City of Santa Clara requests your input regarding the scope and content of the environmental analysis, including the significant environmental issues, reasonable range of alternatives, and mitigation measures to include in the EIR. Details regarding the project description appear in the attached NOP.

Written comments must be received or postmarked by September 4, 2020.

Please send your comments to:

Kevin Kolnowski, Electric Utility Chief Operating Officer
City of Santa Clara - Silicon Valley Power
881 Martin Avenue
Santa Clara, CA 95050

Email comments to: parallelgeneration@aspeneq.com

To request documents by mail or to comment by phone: 408-213-8115

You may view a Public Scoping Presentation online at: www.santaclaraca.gov/ceqa

**Notice of Preparation (NOP)
of an Environmental Impact Report (EIR)
City of Santa Clara Renewable Parallel Generation Facilities Resolution**

1. Project Title

Renewable Parallel Generation Facilities Resolution

2. Lead Agency Name and Address

The City of Santa Clara operates its Electric Department as Silicon Valley Power or SVP. The City of Santa Clara is the lead agency for review of the project under CEQA because it must make a decision whether to implement the Renewable Parallel Generation Facilities Resolution and change Silicon Valley Power's Rules and Regulations.

City of Santa Clara - Silicon Valley Power
881 Martin Avenue
Santa Clara, CA 95050

3. Contact Person and Phone Number

Kevin Kolnowski, Electric Utility Chief Operating Officer
E-mail: KKolnowski@SantaClaraCA.gov
Phone: 408-615-5601

4. Project Location

Silicon Valley Power furnishes electric services in accordance with rules and regulations adopted by the City of Santa Clara to any Customer within the corporate limits of the City of Santa Clara, and to areas outside City limits as the City may designate.

The City of Santa Clara covers an area of 18.2 square miles. The City is situated between San Jose to the north, east, and south, and Sunnyvale and Cupertino to the west (Figure 1).

5. Project Sponsor's Name and Address

City of Santa Clara - Silicon Valley Power
881 Martin Avenue
Santa Clara, CA 95050

6. Description of Project

Consistent with the CEQA, the City is preparing an environmental document to determine any potentially significant adverse environmental impacts of implementing the Renewable Parallel Generation Facilities Resolution and amending Silicon Valley Power's Rules and Regulations.

On May 7, 2019, the City Council passed and adopted Resolution No. 19-8701 (referred to here as the

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Renewable Parallel Generation Facilities Resolution). Parallel Generation, as defined in SVP's Rules and Regulations, is the production and delivery of electric power electrically connected to SVP's distribution system by generators not owned or controlled by SVP. Implementing Resolution No. 19-8701 would amend SVP's Rules and Regulations to require new or modified parallel generation facilities to meet the criteria for renewable electrical generation facilities as defined in Section 25741 of the California Public Resources Code.

The proposed amendments to SVP's Rules and Regulations would:

- Define "renewable electrical generation facility" to align with Section 25741 of the California Public Resources Code;
- Clarify that SVP will only accept requests to interconnect generating facilities that are intended to operate in parallel with SVP's distribution system if the facility qualifies as a "renewable electrical generation facility" as defined in California Public Resource Code Section 25741;
- Require all customers interconnecting with SVP's distribution system with a qualifying renewable electrical generation facility (except solar photovoltaic systems, which are considered inherently eligible), to provide the following:
 - Preliminary renewable eligibility certification from the California Energy Commission (CEC) prior to interconnection with the SVP system;
 - Final CEC certification within 180 days of the interconnection; and
 - Annual attestation signed by the customer or documentation from a CEC approved reporting entity, such as the Western Renewable Energy Generation Information System (WREGIS), that verifies that the generation facility is in current status and proof of the renewable energy credit retirement applicable to the calendar year generation.
 - In addition, SVP may request documentation providing evidence of CEC renewable certification of the renewable electrical generation facility at any time.

These proposed amendments to the SVP Rules and Regulations do not apply to emergency or standby backup generation that runs on a limited, emergency basis, and typically does not operate in parallel with the electric utility system. SVP will also continue to encourage microgrids that are comprised of renewable generation facilities and energy storage options.

7. Environmental Impact Report

This NOP is a required publication at the outset of the EIR process. The EIR will provide a programmatic environmental assessment of the potential consequences of the proposed amendments to the SVP Rules and Regulations. It will discuss how the proposed amendments to the SVP Rules and Regulations could potentially affect the environment, identify any significant impacts, and recommend measures to mitigate those impacts. The EIR will also consider the potential environmental impacts of alternatives and identify an environmentally superior alternative.

The "No Project" Alternative will evaluate the impacts resulting from continued use of existing SVP Rules and Regulations without amendments to implement Resolution No. 19-8701. Under this Alternative, the resolution would not go into effect, and SVP's Rules and Regulations would not require new or modified parallel generation facilities to utilize renewable generation and fuel sources.

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Other alternatives that would avoid or lessen significant environmental effects related to the proposed amendments to the SVP Rules and Regulations will be analyzed. Although specific alternatives for the proposed amendments to the SVP Rules and Regulations have not yet been determined, we are soliciting your comments to help identify alternatives.

8. Surrounding Land Uses and Setting

The boundaries of the City of Santa Clara coincide with the municipal boundaries of San Jose to the north, east and south, and Sunnyvale and Cupertino to the west. The southern end of the San Francisco Bay is also just north of the City.

Silicon Valley Power furnishes electric services in accordance with the SVP Rules and Regulations and all other applicable City of Santa Clara resolutions and ordinances to any customer within the corporate limits of the City of Santa Clara, and to areas outside City limits as the City may designate.

9. Other Public Agencies Whose Approval Is Required

No other public agency action is required to implement the Santa Clara Renewable Parallel Generation Facilities Resolution. However, future development of electric generation facilities within the City may require approval of State, federal, and responsible trustee agencies that may rely on this EIR for information relative to their area of expertise and jurisdiction.

10. Potential Environmental Impacts to Be Considered

While the Draft EIR will address all impact areas included in Appendix G of the CEQA Guidelines, the primary topics of concern to be considered in the Draft EIR include:

- Air Quality and Public Health;
- Greenhouse Gas Emissions;
- Energy;
- Noise and Vibration; and
- Water Quality and Water Supply.

Pursuant to Section 15123(b)(2) of the CEQA Guidelines, an EIR shall identify areas of controversy known to the lead agency including issues raised by agencies and the public. This NOP will be distributed for a 30-day public review and comment period. Public comments may reflect concern and/or controversy over other environmental issues in addition to the potential environmental effects listed above.

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Figure 1. Project Location: Silicon Valley Power Service Territory

