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September 3, 2026

Notice of Preparation (NOP) of a Draft Environmental Impact Report (EIR) for the Vernon Backup Generating Facility (VBGF) (Proposed Project) (SCH No.: 2026080118)

South Coast Air Quality Management District (South Coast AQMD) staff appreciate the opportunity to comment on the above-referenced document. The following comments provide observations and may include recommendations on the analysis of potential air quality impacts from the Proposed Project that should be included in the Draft EIR. **Please transmit copy of the Initial Study and Draft EIR upon completion and public release directly to South Coast AQMD. In the transmittal, please also provide electronic versions of all appendices and technical documents related to the air quality, health risk, and greenhouse gas analyses in their original format (e.g., not in .pdf), including but not limited to emission calculation spreadsheets, air quality modeling files, and health risk assessment input and output files.**

Summary of Proposed Project

Based on the NOP and other information available from the California Energy Commission (CEC) docket,[1] the Vernon Backup Generating Facility (VBGF) is proposed as part of the Goodman Energy Park (GEP) Data Center in the city of Vernon. The VBGF and the GEP together constitute the "Proposed Project" for purpose of CEQA.[2] The GEP would consist of two data center buildings located at 3163 East Vernon Avenue (Building 1) and 3049 East Vernon Avenue (Building 2). The VBGF would be electrically isolated from the grid and provide backup electricity to the GEP when GEP's electricity from Vernon Public Utility is unavailable.

The VBGF would be constructed on 11.55 acres and would consist of 40 diesel-fired generators with a combined capacity of up to 99 megawatts (MW), with 38 units rated at three MW each to provide backup power to the GEP Data Center and two units rated at one MW each to provide electricity for the general office building during outages. Based on a review of aerial photographs, South Coast AQMD staff found that the nearest sensitive receptor, a residential area, is located

[1] GIC Vernon SPPE Application VBGF - Main Application, available at: https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=25-SPPE-01

[2] California Energy Commission, Notice of Preparation of a Draft Environmental Impact Report for the Vernon Backup Generating Facility, August 5, 2026, available at: https://files.ceqanet.lci.ca.gov/337823-1/attachment/hkFnMCsLkHND0lRl3S6Y460BsiVhimZu8qaDYfoicqA55Y_OpaEkhZP3_HBXK7H5ISBm9wUmYPvb-T6E0

approximately 0.84 mile to the southwest of the Proposed Project site.[3]The Proposed Project is located within two designated AB 617 communities: 1) East Los Angeles, Boyle Heights, and West Commerce; and 2) Southeast Los Angeles.[4]

Analysis of Air Quality and Greenhouse Gas Impacts

CEQA Guidelines Section 15082 (a)(1) requires a NOP to provide sufficient project and environmental information to allow responsible agencies to make a meaningful response, including information on a project's probable environmental effects. [CEQA Guidelines Section 15082 (a)(1)(C)].[5] The NOP identifies potentially significant air quality and greenhouse gas (GHG) impacts from the 40 diesel-fired backup generators and explains that the Lead Agency intends to rely on the South Coast AQMD Air Quality Significance Thresholds[6] for making this preliminary determination. The NOP also indicates that mitigation may be required. In addition, the NOP for the Proposed Project contains limited information regarding the assumptions that would be used to evaluate potential air quality, health risk, and GHG impacts in the EIR and whether these impacts would be significant. Therefore, the Lead Agency is recommended to conduct a detailed analysis in the EIR which considers all phases of the Proposed Project planning, construction, operation and implementation of both the VBGF and GEP Data Center.

The Lead Agency is recommended to rely on the guidance provided in the South Coast AQMD's CEQA Air Quality Handbook and website[7] when preparing the air quality and greenhouse gas analyses. It is also recommended that the Lead Agency use the California Air Pollution Control Officers Association's California Emissions Estimator Model (CalEEMod) [8] software, spreadsheet, and other calculation tools to quantify emissions of air pollutants for project construction and operational impacts.

The Lead Agency should identify any potential adverse air quality and greenhouse gas impacts that could occur from all phases of the Proposed Project and all emission sources related to the Proposed Project. Air quality and greenhouse gas impacts from both construction (including demolition, if any) and operations should be calculated. Construction-related air quality impacts typically include, but are not limited to, emissions from the use of heavy-duty equipment from grading, earth-loading/unloading, paving, architectural coatings, off-road mobile sources (e.g., heavy-duty construction equipment), and on-road mobile sources (e.g., construction worker vehicle trips, material transport trips, and hauling trips). Operation-related air quality and greenhouse gas impacts may include, but are not limited to, emissions from stationary sources (e.g., generators and air pollution control devices), area sources (e.g., solvents and coatings), and vehicular trips (e.g., on- and off-road tailpipe emissions and entrained dust) and any secondary emissions that may result from air pollution control equipment. Air quality and greenhouse gas impacts from indirect sources, such as sources that generate or attract vehicular trips, should also be included in the analysis. Furthermore, Lead Agency indicated in the NOP that the analysis will

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3 GIC Vernon SPPE Application VBGF - Main Application, p. 4.3-35.
4 *Ibid,* p. 2-7.
5 CEQA Guidelines Section 15082(a)(1)
6 South Coast AQMD, Air Quality Significance Thresholds, available at: https://www.aqmd.gov/docs/default source/ceqa/handbook/south-coast-aqmd-air-quality-significance-thresholds.pdf
7 South Coast AQMD's CEQA Air Quality Handbook and other resources for preparing air quality analyses can be found at: http://www.aqmd.gov/home/rules-compliance/ceqa/air-quality-analysis-handbook.
8 CalEEMod is available free of charge at: www.caleemod.com.

rely on the South Coast AQMD Air Quality Significance Thresholds. In the event that there are emissions from the overlapping construction and operational activities, these emissions should be combined and compared to the South Coast AQMD Air Quality Significance Thresholds for *operation* to determine the level of significance.

The South Coast AQMD also adopted localized significance thresholds (LST).[9] While the LST methodology provides screening tables for evaluating localized air quality impacts from typical small projects, the screening tables should not be relied upon for any project: 1) occupying a site larger than five acres; 2) requiring more than one shift; 3) with emissions that are distinctly non-uniform across the site; or 4) with features subject to the other limitations described in Table 3-2 of the South Coast AQMD LST methodology. Instead of the screening tables, a site-specific localized significance analysis should be conducted. Since the Proposed Project would involve multiple, large stationary combustion sources, including 40 diesel-fired backup generators that would operate on a site spanning approximately 11.55 acres, the LST screening tables should not be used for evaluating localized impacts. Instead, the Draft EIR should include a site-specific localized air quality analysis using air dispersion modeling and specifically address overlapping plumes during simultaneous operation of multiple diesel-fueled engines and their net effect on air quality, particularly for nitrogen dioxide (NO2).

This supporting information should provide sufficient detail regarding construction and operation activities, in order for South Coast AQMD to meaningfully evaluate the Draft EIR, upon its release.

Modeling Protocol for Air Quality Analysis

Due to the proposed operation of 40 diesel-fired engines, the high existing background concentrations, and the nonattainment status of the South Coast Air Basin, the air quality analysis should include site-specific dispersion modeling to evaluate the potential air quality and health impacts associated with the Proposed Project. The EIR should provide a detailed description of the modeling methodology, assumptions, inputs, and results sufficient to demonstrate that the potential impacts from the proposed diesel-fired engines have been adequately evaluated.

Prior to conducting a detailed modeling in the EIR, the Lead Agency is recommended to prepare and submit for South Coast AQMD review a detailed modeling protocol which contains the elements described on South Coast AQMD's webpage at https://www.aqmd.gov/home/air-quality/meteorological-data/modeling-guidance. At a minimum, modeling protocol should contain the following elements:

- Use the South Coast AQMD-prepared meteorological data and pollutant background concentrations from the Central Los Angeles (CELA) site;
- Use the latest version of the AERMOD modeling system and its pre-processors;
- Run the model using regulatory default options;
- Include nearby buildings and consider downwash; and

[9] South Coast AQMD, Guidance for Performing a Localized Air Quality Analysis, available at: http://www.aqmd.gov/home/regulations/ceqa/air-quality-analysis-handbook/localized-significance-thresholds

- Use either the Ambient Ratio Method 2 (ARM2) as Tier 2 approach or Tier 3 approach for NOx-to-NO2 conversion method and provide justification if using in-stack ratios that are different from the defaults.

For questions regarding the modeling protocol, please contact Ranil Dhammapala, Ph.D., Senior Meteorologist, via email at RDhammapala@aqmd.gov or by phone at (909) 760-8385.

Health Risk Assessment

Given the number of newly proposed stationary sources, the Draft EIR should include a detailed Health Risk Assessment (HRA) for toxic air contaminants (TACs) associated with construction and operation of the Proposed Project using the most current applicable South Coast AQMD and OEHHA risk assessment guidance and methodologies.[10]. In particular, the HRA should evaluate diesel particulate matter (DPM) and other TACs that will be emitted by the 40 diesel-fueled backup generators, construction equipment, and project-related truck and vehicle activity The analysis should also evaluate varying operating scenarios that could result in the highest health risks, including but not limited to maintenance and readiness testing, operation during a power outage, startup and shutdown, and any applicable low-load operating conditions, and clearly identify assumptions regarding the annual hours of operation, testing frequency, load conditions, emission factors, emission control performance, and receptor exposure duration.

South Coast AQMD's Multiple Air Toxics Exposure Study V (MATES V) data indicate an existing background cancer risk of approximately 641 per million in the vicinity of the Proposed Project.[11] The Draft EIR should disclose this existing background risk and consider the potential for the Proposed Project to contribute and worsen the existing and cumulative health risks in the surrounding area. Because the Proposed Project is located in an area that includes AB 617-designated communities, the Draft EIR should also disclose the Proposed Project's relationship to these communities and evaluate the potential for the Proposed Project to contribute additional air pollution and health-risk burdens in the surrounding communities.

Mitigation Measures

In the event that the Proposed Project results in significant adverse air quality, health risk, or greenhouse gas impacts, CEQA requires that all feasible mitigation measures that go beyond what is required by law be utilized to minimize these impacts. Mitigation measures should be specific, enforceable, and supported by substantial evidence. Any impacts resulting from mitigation measures must also be analyzed.

Given that the Proposed Project would include a substantial number of stationary emission sources, the Lead Agency should evaluate feasible project design and operational measures to minimize emissions and potential health risk impacts to nearby sensitive receptors. To the extent feasible, the project should be designed and configured to maximize the distance between stationary emission sources and sensitive receptors, including through the placement and orientation of

[10] South Coast AQMD, Guidance for Performing a Mobile Source Health Risk Assessment, available at: https://www.aqmd.gov/home/rules-compliance/ceqa/air-quality-analysis-handbook/mobile-source-toxics-analysis

[11] South Coast AQMD, MATES Data Visualization, available at: https://experience.arcgis.com/experience/79d3b6304912414bb21ebdde80100b23/page/Main-Page?views=Cancer-Risk%2CClick-tabs-for-other-data#data_s=id%3AdataSource_105-a5ba9580e3aa43508a793fac819a5a4d%3A50

emission-generating equipment and operational areas. The Lead Agency should also evaluate whether stationary sources can be located or configured in portions of the project site that would provide the greatest feasible separation from sensitive receptors. The EIR should identify and evaluate these measures and incorporate them as enforceable mitigation measures where feasible.

The EIR should also evaluate feasible measures to reduce exposure to TACs, including maximizing the separation between emission sources and sensitive receptors, using lower-emitting equipment where feasible, reducing operating hours, and implementing enforceable emission controls and mitigation measures.

Several resources to assist the Lead Agency with identifying potential mitigation measures for the Proposed Project include South Coast AQMD's CEQA Air Quality Handbook,[12] South Coast AQMD's Mitigation Monitoring and Reporting Plan for the 2022 Air Quality Management Plan,[13] and Southern California Association of Government's Mitigation Monitoring and Reporting Plan for the 2020-2045 Regional Transportation Plan/Sustainable Communities Strategy.[14]

Alternative Ways to Provide Backup Generation and Reliability

The VBGF, which is intended to provide backup electricity to the GEP Data Center when electricity from the Vernon Public Utility is unavailable, proposes to install and operate 40 diesel-fired generators with a combined rated capacity of up to 99 MW, which is the maximum load on a worst-case day.

The Draft EIR should explain why the configuration of 40 backup generators is necessary to satisfy the Proposed Project's basic objective of providing backup power to the GEP Data Center. In the event of a power outage, the Vernon Public Utility has its own backup power supply. The Lead Agency is recommended to provide more information about the utility's back up power capabilities and what, if any relationship exist to the Proposed Project and the 40 backup generators.[15] In particular, the Draft EIR should describe the Vernon Public Utility's existing backup power capabilities, including the type and capacity of its backup generation, the portion of the GEP Data Center's anticipated electrical demand that could be served by the utility's backup power supply during an outage, and the circumstances under which the utility's backup power would be available. The Draft EIR should also identify whether the GEP Data Center has an agreement or other arrangement with the Vernon Public Utility regarding voluntary or mandatory load reduction or other measures during periods of peak demand or system constraints, and explain how such measures would affect the amount of backup generation required at the GEP Data Center. The analysis should identify the GEP Data Center's anticipated electrical demand and the amount of demand that must be satisfied by the backup generators when the Vernon Public Utility service is unavailable. The analysis should also specify which portion of the 40 backup generators would be required to operate during a power outage and which portion is intended to provide redundancy or contingency capacity.

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[12] South Coast AQMD, CEQA Air Quality Handbook, available at:https://www.aqmd.gov/home/rules-compliance/ceqa/air-quality-analysis-handbook

[13] South Coast AQMD, Mitigation, Monitoring, and Reporting Plan for 2022 Air Quality Management Plan, available at: https://www.aqmd.gov/home/research/documents-reports/lead-agency-scaqmd-projects/south-coast-aqmd-projects---year-2022.

[14] Southern California Association of Governments, 2020-2045 RTP/SCS, available at: https://scag.ca.gov/connect-socal

[15] GIC Vernon SPPE Application VBGF - Main Application, p. 8.

When a project will result in significant adverse environmental impacts, which the NOP indicates is the case with the Proposed Project, CEQA Guidelines Section 15126.6 requires the EIR to evaluate a reasonable range of alternatives capable of attaining most of the project's basic objectives while avoiding or substantially lessening one or more significant environmental effects. As such, the Lead Agency is recommended to conduct an alternatives analysis that considers other types of equipment capable of satisfying the Proposed Project's basic objective of providing backup power to the GEP Data Center with fewer adverse air quality and GHG impacts.

Prior to conducting an alternatives analysis in the EIR, the NOP states that the applicant considered but rejected natural gas-fueled equipment for backup power generation due to concerns that natural gas may be difficult to supply or transfer during a power outage without providing any analysis or evidence that natural gas-fueled equipment is infeasible.[16] Existing natural gas transmission and distribution infrastructure generally provides a highly reliable fuel supply. Moreover, natural gas engines are capable of providing backup power with fewer or no adverse air quality and GHG impacts when compared to 40 diesel-fired backup engines. For example, a natural gas engine equipped with appropriate emission controls that is capable of achieving a NOx emission rate of 0.03 grams per kilowatt-hour (g/kW-hr) would emit approximately 96 percent fewer NOx emissions than a Tier 4 Final diesel engine emitting NOx at a rate of 0.7 g/kW-hr.

Further, any concerns about adequate natural gas service, pressure, capacity, and reliability during a power outage would be best addressed by the natural gas provider and it is not clear from the documentation in the CEC docket that these concerns were supported by the natural gas provider. Therefore, the Lead Agency is recommended to fully evaluate natural gas-fueled backup generation as one of the project alternatives and should seek input from the natural provider to address the concerns relative to natural gas availability during a power outage. The Draft EIR should also evaluate whether the applicant's concerns could be addressed through a backup or redundant natural-gas supply line, backup fuel, or other measures to ensure a reliable fuel supply during a power outage. The analysis should compare these alternatives against the Proposed Project based on reliability, duration, emissions, fuel use, environmental impacts, and feasibility.

In addition, the Lead Agency is recommended to analyze feasible project alternatives which consider whether a different equipment mix that relies on other types of technologies such as linear generators, solar/battery arrays, or fuel cells could achieve most of the Proposed Project's objectives while substantially reducing or avoiding the significant air quality and GHG impacts, as well as reducing or avoiding any significant adverse impacts for other environmental topic areas. Lastly, for the benefit of minimizing impacts to air quality and GHG emissions, the Lead Agency is recommended to analyze a reduced capacity alternative with fewer or no diesel-fired backup generators in combination with other types of cleaner technologies.

Finally, because the Proposed Project is characterized as a backup electricity generating system for the GEP Data Center, the Draft EIR should clearly distinguish between operating during a power outage versus conducting routine testing and maintenance and identify enforceable limits on the frequency, duration, load level, and circumstances under which the backup generators are

[16] *Ibid*. p. 195.

intended to operate. The alternatives analysis should consider whether these operational limitations, together with a reduced-capacity or alternative-fuel configuration, could substantially lessen the project's environmental impacts while still achieving most of the project's basic objectives. Of the alternatives to be analyzed in the EIR, the Lead Agency will also need to identify which alternative is environmentally superior when compared to the Proposed Project.

Responsible Agency and South Coast AQMD Permits

CEQA Guidelines Section 15096 sets forth specific procedures for a Responsible Agency, including making a decision on the adequacy of the CEQA document for use as part of the process for conducting a review of the Proposed Project and issuing discretionary approvals. Moreover, it is important to note that if a Responsible Agency determines that a CEQA document is not adequate to rely upon for its discretionary approvals, the Responsible Agency must take further actions listed in CEQA Guidelines Section 15096(e), which could have the effect of delaying the implementation of the Proposed Project. In its role as CEQA Responsible Agency, the South Coast AQMD is obligated to ensure that the CEQA document prepared for this Proposed Project contains a sufficient project description and analysis to be relied upon in order to issue any discretionary approvals that may be needed for air permits.

For these reasons, the Draft EIR should include a discussion about any and all new stationary and portable equipment requiring South Coast AQMD air permits, provide the evaluation of their air quality and greenhouse gas impacts, and identify South Coast AQMD as a Responsible Agency for the Proposed Project as this information will be relied upon as the basis for the permit conditions and emission limits for the air permit(s). Please contact South Coast AQMD's Engineering and Permitting staff at (909) 396-2556 for questions regarding what types of equipment would require air permits. For general information about air permits, please visit https://www.aqmd.gov/home/permits.

Information on the CERP for the Designated AB 617 ELABHWC Community

The Proposed Project area, which is heavily impacted by air pollution generated from existing sources such as heavy-duty diesel trucks, warehouses, and railroad activities, includes the AB 617-designated ELABHWC community. An AB 617-designated community requires South Coast AQMD to work with a Community Steering Committee (CSC) to develop a Community Emissions Reduction Plan (CERP) that identifies air quality priorities and actions to reduce air pollution in the community. The South Coast AQMD's Governing Board adopted the AB 617 ELABHWC Community CERP on September 6, 2019.[17] The Draft EIR for the Proposed Project serves as the first-tier, programmatic level environmental analysis that can provide guidance to subsequent, project-level environmental analyses. Therefore, the Lead Agency is recommended to review the actions included in Chapter 5 of the adopted CERP and coordinate with South Coast AQMD's AB 617 staff to explore whether additional mitigation measures can be identified and implemented at the Proposed Project.

Request For Scoping

[17] South Coast AQMD, September 2019. Assembly Bill 617 East Los Angeles, Boyle Heights, West Commerce Community Emissions Reduction Plan, available at: http://www.aqmd.gov/docs/default-source/ab-617-ab-134/steering-committees/east-la/cerp/carb-submittal/final-cerp.pdf

Since the issuance of a NOP indicates intent to prepare a Draft EIR that will analyze the potentially significant adverse environmental impacts for one or more environmental topic areas, the Lead Agency is recommended to conduct an early public consultation such as a scoping in accordance with CEQA Guidelines Section 15083 so as to identify the range of actions, alternatives, mitigation measures, and significant effects to be analyzed in depth and eliminate detailed study issues found not to be important.

South Coast AQMD staff are available to work with the Lead Agency to ensure that impacts to air quality, GHG emissions, and health risk from the Proposed Project are accurately evaluated and mitigated to the greatest extent possible. Please contact Sahar Ghadimi, Ph.D., Air Quality Specialist, at sghadimi@aqmd.gov or me at SWang1@aqmd.gov should you have any questions.

Sincerely,

Sam Wang

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Planning, Rule Development & Implementation

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LAC260805-05
Control Number