

**April 11, 2019**

City Hall  
1500 Warburton Ave  
Santa Clara, CA 95050

Dear Mayor Gillmor

We are writing to express our deep concern and dismay that the City of Santa Clara is considering a resolution that will worsen local air quality, jeopardize jobs and investment, and limit customer choice to access reliable, high quality, sustainable power.

Santa Clara is in the heart of Silicon Valley, a location where innovative companies like ours can help fuel the growth of the global economy. To be successful and compete, we require affordable, reliable, sustainable, high quality power. Even a momentary lapse in electrical power quality or delivery can result in the loss of tens-of-thousands of dollars—both for us and our customers. Unfortunately, the aging grid and the increasing severity of natural disasters mean that traditional forms of centralized power and delivery do not provide sufficient reliability or power quality for our needs. To provide but one example: Silicon Valley Power (SVP) reported dozens of electrical outages in the last year alone, including the most recent instance on April 1, 2019 when the power was out for over six hours due to balloons.<sup>1</sup> Restricting onsite power generation options further entrenches dirty diesel generators and inefficient UPS as the only option for backup power requirements. This need is exactly why leading companies and institutions are exploring alternatives and cannot be handcuffed when making choices of how to reliably power our facilities.

Furthermore, SVP owns three natural gas power plants, two of which are over 30 years old. These facilities total more than 200 MW and generate power by inefficiently burning gas.<sup>2</sup> Due to their combustion process, these facilities emit air pollutants such as NOx, SOx, and VOCs that form smog and worsen public health, including elevating asthma rates. If the City of Santa Clara is to impose a prescriptive renewable-only standard on certain distributed resources, it should do so consistently across its entire rate-payer portfolio rather than preventing clean, non-combustion solutions for Santa Clara entities that have unique needs while continuing to inefficiently burn gas at its own facilities. If SVP is not yet ready to retire its fleet of gas generators, the city resolution could instead allow Santa Clara entities interested in installing

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<sup>1</sup> <http://www.siliconvalleypower.com/svp-and-community/outages-and-alerts/outages/outage-history>

<sup>2</sup> <http://www.siliconvalleypower.com/Home/ShowDocument?id=5763>

<sup>3</sup> <http://www.siliconvalleypower.com/solar-and-green-power/santa-clara-green-power/santa-clara-green-power-faq#energycredit>

<sup>4</sup> <http://www.siliconvalleypower.com/solar-and-green-power/renewable-energy-faq#100>

distributed generation to buy affordable Renewable Energy Credits (RECs) to match SVP's emission factor, as this is how SVP achieves its carbon reduction goals today.<sup>3</sup>

As SVP rightfully states, "Most of our customers want us to serve them reliable power at the lowest cost available. Adding more renewables to the mix is more expensive, because renewables are very investment intensive. It is up to consumers to let it be known that they want better energy choices."<sup>4</sup> We are doing so with this letter. We are proud to be community leaders in the adoption of clean energy and we should continue to have the right to choose our own clean, resilient onsite power solutions for our facilities. We respectfully and firmly urge you to abandon this resolution in favor of an approach that will actually accomplish the goal: reliable, sustainable energy to power a prosperous Santa Clara. We look forward to collaborating with you to accomplish this goal.

Sincerely,

A handwritten signature in black ink that reads "Raouf Abdel". The signature is written in a cursive, slightly slanted style.

RAOUF ABDEL  
EVP Global Operations  
Equinix

Cc: Vice Mayor Mahan  
Councilmember Hardy  
Councilmember Watanabe  
Councilmember Chahal  
Councilmember O'Neill  
Councilmember Davis  
City Manager Deanna Santana  
Assistant City Manager and Interim Chief Electric Utility Officer Manuel Pineda

