

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA



**FILED**

07/25/22

Petition 22-06-012  
(Filed June 23, 2022)

12:07 PM

P2206012

Petition to Adopt, Amend, or Repeal a  
Regulation Pursuant to Pub. Util Code §  
1708.5.

**RESPONSE OF  
CENTER FOR ENERGY EFFICIENCY AND RENEWABLE TECHNOLOGIES TO  
PETITION OF BLOOM ENERGY CORPORATION FOR RULEMAKING TO ADOPT A  
DISTRIBUTED ENERGY RESOURCE RELIABILITY & RESILIENCE TARIFF TO  
ADDRESS URGENT AND NEAR-TERM GRID RELIABILITY NEEDS**

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For: CENTER FOR ENERGY EFFICIENCY AND RENEWABLE TECHNOLOGIES

July 25, 2022

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The Center for Energy Efficiency and Renewable Technologies (CEERT) respectfully files this Response to the Bloom Energy Corporation (Bloom) Petition for Rulemaking to Adopt a Distributed Energy Resource (DER) Reliability & Resilience Tariff to Address Urgent and Near-Term Grid Reliability Needs (Bloom Petition), filed at the California Public Utilities Commission (Commission) on June 23, 2022. This Response is timely filed and served pursuant to Rule 6.3(d) of the Commission’s Rules of Practice and Procedure.

**I.  
BACKGROUND**

CEERT is a nonprofit public-benefit organization founded in 1990 and based in Sacramento. CEERT is a partnership of major private-sector clean energy companies, environmental organizations, public health groups and environmental justice organizations. CEERT develops, advances, supports, and advocates for policies and decisions that promote global warming solutions and increased reliance on clean, renewable energy sources for California and the West. CEERT has been a long-time, active party in multiple proceedings before the Commission to advance those interests since its founding in 1990.

## II. RESPONSE TO BLOOM PETITION

CEERT has long advocated for moving away from reliance on fossil fuel generation, including the elimination of combustion of fossil fuels. California will not meet its clean energy goals if it does not move away from reliance on gas-fueled generation. In this regard, as CEERT has continuously asserted:

“Any capacity need must and can be filled cost-effectively by clean energy resources. Furthermore, a diverse set of clean resources must be relied upon to meet the State’s aggressive [greenhouse gas] targets.”<sup>1</sup>

CEERT, therefore, supports the rationale behind Bloom’s Petition and appreciates the focus on bringing resource diversity to the grid and helping California move away from reliance on gas-fired generation.<sup>2</sup> In turn, CEERT supports Bloom’s proposed tariff that would accomplish the following:

“As proposed, qualifying DERs would have to comply with the California Air Resource Board’s criteria air pollutant requirements as provided in the Distributed Generation Certification Program and have both the capability to operate on renewable fuels and a commitment by the DER customer to fully transition to such fuels consistent with SB 100’s timelines.”<sup>3</sup>

CEERT agrees with Bloom that quick action is needed to mitigate continuing grid reliability risk.<sup>4</sup> CEERT is also concerned that evaluation of the Energy Division’s recently issued White Paper on demand flexibility, which may be addressed in the Commission’s approved, but not yet mailed, Ordering Instituting Rulemaking (R.) 22-07-005, is likely not to lead to any immediate tariff changes that would accomplish the goals of Bloom’s proposal in the near term. Furthermore, CEERT appreciates that Bloom’s proposal to advance fuel cells and

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<sup>1</sup> CEERT Opening Comments on Administrative Law Judge’s Ruling Establishing Process for Finalizing Load Forecasts and Greenhouse Gas Emissions Benchmarks for 2022 Integrated Resource Plan (IRP) Filings, submitted in R.20-05-003 (IRP) on May 16, 2022, at p. 2.

<sup>2</sup> Bloom Petition, at p. 4.

<sup>3</sup> *Id.*

<sup>4</sup> *Id.*, at p. 5.

other DERs could be deployed, “instead of diesel and other highly-polluting backup generation, if customers received a credit for the value those DERs confer on the system.”<sup>5</sup> The need to actively encourage non-combustion resources that can provide local and system reliability is especially urgent in light of the Governor’s budget proposal for contingency supply reserve that includes using public funds to underwrite the operations of old dirty fossil fuel combustion plants and back-up generators, which could be avoided by deployment of high capacity factor DERs such as fuel cells.

While CEERT supports many aspects of Bloom’s proposal, CEERT is concerned that the proposed tariff may only be beneficial to fuel cells, as opposed to all DERs. One way to remedy that situation would be to limit the scope of this proceeding to adopting a tariff for fuel cells only, unless the tariff can be modified so that it will effectively capture the benefits of all clean DERs. CEERT would support modifying Bloom’s proposal to provide credit to customers who invest in clean DERs as opposed to investing in lower cost diesel. If the Commission adopts this Petition, the proceeding should be limited to fuel cells only or expanded to provide benefits to all clean DERs.

### **III. CONCLUSION**

CEERT appreciates the opportunity to submit this Response to Bloom’s Petition.

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<sup>5</sup> Bloom Petition, at p. 10.

Dated: July 25, 2022

Respectfully submitted,

/s/ V. JOHN WHITE

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