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Sierra Club Letter of Support for Compass Energy Storage Project

Additional submitted attachment is included below.



SIERRA CLUB
ANGELES CHAPTER

**Sierra Sage of South Orange
County**

P. O. Box 524
Lake Forest CA 92609

December 22, 2025

TO: California Energy Commission
715 P Street
Sacramento, CA 95814

David Hochschild, Chair
Siva Gunda, Vice Chair
Noemi Gallardo, Commissioner
Nancy Skinner, Commission
J. Andrew McAllister, PhD, Commissioner

RE: Sierra Club Letter of Support for Compass Energy Storage Project

Dear Chair Hochschild, Vice Chair Gunda, and Commissioners Gallardo, Skinner, McAllister:

Thank you for the opportunity to comment in support of the Compass Energy Storage project in San Juan Capistrano. I am writing to you on behalf of the Sierra Club, the nation's oldest and largest environmental grassroots organization, and our over 100,000 members in California to support the Compass Energy Storage project. The Sierra Club sees climate change as the existential threat of our time that calls for reducing carbon dioxide emissions wherever feasible.

The Need for Battery Storage on the California Grid

A recent report by Regenerate California (a coalition led by Sierra Club and California Environmental Justice Alliance) established that Battery energy storage systems (BESS) are “significantly more cost-effective and offer great potential to improve energy affordability for ratepayers through a transition to zero-carbon energy.”¹ Battery storage facilities are critical for displacing gas plants in California. By storing renewable energy during the day when it is plentiful and discharging this energy during peak demand, between approximately 4-9PM, batteries can reduce the need for polluting and expensive gas plants.

¹ CEERT and Regenerate California. (2025). *A BETTER DEAL FOR CALIFORNIANS: The Rise of Battery Storage Over Gas Generation*. <https://ceja.org/wp-content/uploads/2025/06/Gas-vs-BESS-Report.pdf>

BESS facilities are an integral part of California’s energy future, and such facilities are constructed at an increasing rate throughout the state. On November 13, 2025, Governor Newsom said that California has now built one-third of the energy storage capacity needed by 2045 to meet the state’s clean energy goals. He also said that “California is adding battery storage at a pace never seen before as we continue our work to build the grid of the future. The key to a cleaner, more reliable power grid is batteries – and no other jurisdiction on the planet, save China, comes even close to our rapid deployment.”² The Sierra Club understands the urgent need for additional BESS on the grid.

Addressing the Moss Landing Incident

Battery storage projects need to be developed to prevent and mitigate fire risks. Many opponents to BESS note concern about the fire risk and cite the Moss Landing 300-megawatt battery fire of January 16, 2025 as reason for their concern. This fire was a terrible, but also unique incident in the battery storage industry for several reasons that do not apply to the proposed San Juan Capistrano project.

There are two key differences between the Moss Landing and Compass Energy BESS projects that should be noted. First off, the technology used in Moss Landing was nickel manganese cobalt (NMC) batteries, which are more reactive than lithium iron phosphate (LFP) batteries which are used today and would be used in this proposed project.³ Additionally, the Moss Landing BESS facility was an indoor facility storing multiple battery modules, which is no longer a common practice. In contrast, the Compass Energy project would be outdoors and utilize individual containerized units with individual fire suppression and safety systems.⁴

Fire-related failures like Moss Landing are rare. The Energy Policy Research Institute (EPRI) found that utility-scale BESS failure rates—the overall rate of manufacturing, assembly, or other failure in BESS systems—dropped by 98% from 2018 to 2024.⁵ The American Clean Power Association also reports that operational BESS facilities in the United States have seen only 20 “fire-related” incidents in the last decade, despite BESS deployment increasing by 25,000% since 2018.⁶

² Governor of California. (2025, May 19). *Since Governor Newsom took office, California’s battery storage has increased 1,944% – and just achieved a major milestone.* <https://www.gov.ca.gov/2025/05/19/since-governor-newsom-took-office-californias-battery-storage-has-increased-1944-and-just-achieved-a-major-milestone/>

³ Hertz, J. (2025, January 30). *Moss Landing battery fire: Fallout & repercussions.* Battery Tech. <https://www.batterytechonline.com/stationary-batteries/moss-landing-battery-fire-fallout-repercussions>

⁴ Compass Energy Storage. (n.d.). *FAQ – Compass Energy Storage Common Questions Answered.* <https://compassenergystorage.com/faq/?#toggle-id-7>

⁵Electric Power Research Institute. (2024). *Insights from EPRI’s Battery Energy Storage Systems (BESS) Failure Incident Database: Analysis of Failure Root Cause.* <https://restservice.epri.com/publicdownload/000000003002030360/0/Produc>

⁶Martucci, B. (2025, January 21). *Moss Landing battery fire sparks calls to improve safety, ‘accountability’ for industry.* Utility Dive. <https://www.utilitydive.com/news/moss-landing-battery-fire-vistra/737837/>

Fire Safety Standards for BESS Projects

This project, along with any BESS project in California, will need to comply with strict fire safety standards. California has adopted the leading safety standard in the U.S., the National Fire Protection Association (NFPA) 855 Standard for the Installation of Stationary Energy Storage Systems.⁷ This NFPA 855 Standard provides the minimum requirements for mitigating BESS hazards. NFPA 855 is used as a reference for BESS best practices in and out of the United States. NFPA is the leading authority on fire, electrical, and building safety.

Part of the NFPA 855 requirements include UL 9540A.⁸ This standard requires tests for fire suppression and explosion control to ensure that BESS facilities can prevent battery explosions and the spread of battery fires between units, as well as, tests for whether a sample unit (a group of batteries housed together) of the battery system can experience thermal runaway, and whether a BESS facility's fire suppression system responds effectively.

In addition to the NFPA standards that every BESS facility must comply with, the California Public Utilities Commission and the California legislature have adopted new standards following the Moss Landing incident.

Senate Bill 283 (Laird) recently passed and was signed by the governor on October 6, 2025. This law requires local fire officials or the State Fire Marshal to conduct emergency response consultations with BESS developers and conduct safety inspections of BESS facilities, in addition to the NFPA requirements.⁹

Additionally, in March 2025, the State Fire Marshal incorporated the 2023 edition of NFPA 855, which will go into effect on January 1, 2026.¹⁰ The Fire Marshal also proposed early adoption of the 2026 update, which would require large-scale fire testing beyond the UL 9540A requirements and requires BESS developers to collaborate with local fire authorities when creating emergency response plans.

The California Public Utilities Commission also updated their BESS standards this year (2025 Updates to GO 167-C).¹¹ These updates added new safety standards for the maintenance and

⁷ National Fire Protection Association. (n.d.). *National Fire Protection Association*. National Institute of Justice. <https://nij.ojp.gov/nij-hosted-online-training-courses/laboratory-safety-programs/safety-requirements/national-fire-protection-association-nfpa>

⁸ NFPA 855 § 4.3 (NAT'L FIRE PROT. ASS'N 2023). *Id.* § 9.1.5.

⁹ California State Senate. (2025, October 8). *Governor Newsom signs legislation to enhance battery storage safety*. <https://sd17.senate.ca.gov/news/governor-newsom-signs-legislation-enhance-battery-storage-safety>

¹⁰ California Governor's Office of Business and Economic Development. (2025). *State Battery Storage Safety Collaborative*. <https://business.ca.gov/industries/climate-and-clean-energy/state-battery-storage-safety-collaborative/>

¹¹ California Public Utilities Commission. (2025, March 13). *CPUC sets new safety standards and enhances oversight of emergency plans for battery energy storage facilities*. <https://www.cpuc.ca.gov/news-and-updates/all-news/cpuc-sets-new-safety-standards-and-enhances-oversight-of-emergency-plans>

operation of battery energy storage systems, as required by SB 1383 and require battery storage facility owners to develop emergency response and emergency action plans, as required by SB 38. The updates also require reporting of safety incidents (fires, thermal runaways, failures) and sets technical logbook standards for battery storage systems. Additionally, this update gives the Safety & Enforcement Division (SED) of the CPUC enhanced powers to audit, inspect, and request information from BESS operators.

Finally, on December 4, 2025, Orange County Ordinance 25-017 went into effect establishing regulations for Battery Energy Storage System Facilities to ensure public safety and environmental protection.¹² Key provisions include site design standards, decommissioning plans, and performance measures. Facilities must obtain a Use Permit, comply with safety codes, and demonstrate economic benefits to the community. It is our understanding that the Compass Energy Project already meets all this ordinance's regulations.

Sierra Club strongly supports the recent updates to BESS safety standards. We want to ensure that BESS facilities are as safe as possible, and we know we also need to continue moving forward with the installation of BESS projects if we are going to be successful in a clean energy transition to address the climate crisis. BESS facilities can be built and overseen in a safe manner and because of this, we strongly support the Compass Energy Storage project to help California decarbonize its grid and to contribute to improved public health for our and future generations.

We hope that the California Energy Commission will approve this project with the best safety standards in mind. Thank you for your time and attention.

Sincerely,

Ed Maurer
Chair, Sierra Sage of South Orange County

¹² Orange County Board of Supervisors. (2025). *Ordinance No. 25-017: An ordinance of the County of Orange, State of California, adding section 7-9-122 and amending section 7-9-134.6 of the Codified Ordinances of the County of Orange* (Ordinance No. 25-017). Orange County Public Works.
<https://ocds.ocpublicworks.com/sites/ocpwoocds/files/2025-12/Ordinance%20No.%2025-017.pdf>