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**Comments on the Staff Workshop to Kickoff Development of the  
Community Energy Resilience Investment (CERI) Program**

*Additional submitted attachment is included below.*



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Alex Horangic and Kevin Uy  
California Energy Commission  
Docket Unit, MS-4  
Docket No. 22-ERDD-01  
1516 Ninth Street  
Sacramento, CA 95814-5512

**Subject: Comments on the Staff Workshop to Kickoff Development of the Community Energy Resilience Investment (CERI) Program**

Dear Alex Horangic and Kevin Uy,

Southern California Gas Company (SoCalGas) appreciates the opportunity to provide comments on the August 11 Workshop to develop the California Energy Commission's (CEC) Community Energy Resilience Investment (CERI) Program. Although in its early stages of development, the CERI Program will be a model for future programs oriented toward preventing outages and enhancing the resilience of California's electric grid. Demand-side resources, such as onsite distributed energy resources (DERs), including solar photovoltaics, fuel cells, linear generators, demand side management, and other DER technologies, are an integral part of a reliable and resilient energy system to help California reach carbon neutrality by 2045. Finding the optimal mix of program offerings for DER technologies will enable electricity to be reliable, resilient, safe, and decarbonized while reducing public health impacts. To that end, our comments focus on the following topic: **Taking a technology-neutral approach to developing the CERI Program is in the public interest because a diverse set of solutions will be necessary to address the unique needs of different communities.**

The CEC is the appointed lead agency in the State of California to apply for, receive, and administer State funding under Section 40101(d) of the Infrastructure Investment & Jobs Act (IIJA).<sup>1</sup> The initial stages of the CERI Program development include submission of an application to the United States Department of Energy (DOE) by September 30, 2022. Thus, we propose that the CEC's application include explicit language to allow for microgrids paired with a variety of DERs, such as fuel cells, to count for eligible projects under the Grid Resilience Formula Grant

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<sup>1</sup> See H.R. 3684 Infrastructure Investment and Jobs Act (IIJA), November 15, 2021. Available at: <https://www.congress.gov/bill/117th-congress/house-bill/3684/text>

Program. Additionally, the hardening of facilities and substations with storage, fuel cells, and linear generators could improve reliability and mitigate the need for electric distribution upgrades.

Fuel-cell microgrids and other technologies like linear generators have already supported the electric grid, while improving air quality. Currently, SoCalGas is powering its two largest Los Angeles facilities with Bloom Energy's AlwaysOn Microgrids to reduce air pollution, GHG emissions and electricity costs while increasing reliability and resiliency for the facilities.<sup>2</sup> Further, in 2019, SoCalGas partnered with Mainspring (formerly EtaGen) and the CEC to develop and deploy a near-zero emissions linear generator that can quickly alternate between traditional gas and renewable fuels to provide energy resiliency. Since then, Mainspring has garnered additional funding to scale up its operations across the country and expand to 30 grocery stores.<sup>3</sup>

Fuel cells, linear generators, and other gas fueled DERs can likewise be crucial for microgrid resiliency. Fuel cell-powered microgrids and linear generator technologies are a clean energy alternative for critical facilities like data centers, grocery stores, and hospitals with crucial energy loads that must be served on a 24/7 basis. Additionally, hydrogen can be utilized in various DER technologies and provide solutions to improve underprivileged communities' energy needs. According to the DOE, "Hydrogen is a clean fuel that, when consumed in a fuel cell, produces only water."<sup>4</sup> Hydrogen offers increasingly important capabilities to support a reliable and decarbonized integrated energy system.

It is in the public interest to prioritize and implement, to the extent possible, a CERI Program that allows all possible technological configurations as resiliency measures to protect the grid and protect California's most vulnerable communities from outages. Allowing resiliency measures that harness clean fuels, fuel cells, and linear generators, along with solar and storage, could benefit communities with unique needs as the program is structured.

## **Conclusion**

Grid reliability is key for the health and safety of vulnerable populations and for meeting the State's climate goals. The CERI Program can be critical in procuring a balanced portfolio of clean resources to harden the electric system. With the proper mix of DER deployment, the State can increase electric reliability during times of the day and seasons when the grid is the most stressed. Thank you for considering our comments.

Respectfully,

*/s/ Kevin Barker*

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<sup>2</sup> See SoCalGas Press Release. "SoCalGas Now Powering Two Los Angeles Facilities with Bloom Energy AlwaysON Microgrids." Available at <https://www.prnewswire.com/news-releases/socalgas-now-powering-two-los-angelesfacilities-with-bloom-energy-alwayson-microgrids-301095300.html>.

<sup>3</sup> See Green Tech Media (2021). "Mainspring Energy Lands \$150M Deal to Deploy Its Linear Generators with NextEra. Available at: <https://www.greentechmedia.com/articles/read/mainspring-energy-lands-linear-generators-to-roll-out-through-150m-deal-with-nextera>

<sup>4</sup> See DOE, "Hydrogen Fuel Basics." Available at: <https://www.energy.gov/eere/fuelcells/hydrogen-fuel-basics>