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**Docket No 22-RENEW-01 BCE Comments on Proposed Draft
Program Guidelines for the Distributed Energy Backup Assets
Program**

Additional submitted attachment is included below.



Jeff Burke
Director Development,
Markets and Origination

400 East Van Buren Street, Suite 350
Phoenix, AZ 85004
(602) 250-2668

Submitted Via CEC [Efiling Page](#)

August 31, 2023

California Energy Commission
Docket 22-RENEW-01
715 P Street
Sacramento, California 95814

Re: Comments on Proposed Draft Program Guidelines for the Distributed Energy Backup Assets Program (Docket Number 22-RENEW-01)

Bright Canyon Energy (BCE) appreciates the opportunity to provide comments on the proposed draft guidelines for the California Energy Commission's (CEC) Distributed Energy Backup Assets (DEBA) Program. The Program is an important step in meeting California's need for a reliable, resilient, and clean electric grid. Further, BCE believes all resources options that enhance electric grid reliability should be considered including renewable fuels.

Electric reliability is critical to California, and the past few years have been extremely challenging as load growth and increasing weather and climate events have stressed the grid. Reliable resources need to be added to the grid rapidly to ensure critical electric service going forward. Additionally, resources that are capable of meeting peak energy demands in the evening and after sunset are increasingly required. The challenges California faces are pressing and require broad and timely solutions. Accordingly, we encourage the CEC and staff to include the items outlined below in the final DEBA program guidelines to promote a clean and reliable electric grid in a rapid and cost-effective manner.

Background on Bright Canyon Energy (BCE)

BCE is a developer, owner, and operator of electric infrastructure in the United States. The company creates sustainable energy solutions for customers, focusing on microgrids, clean energy, energy storage and electric transmission. In California, BCE is partnering with several military installations to develop mission critical microgrids that can meet California's reliability needs while simultaneously offering energy resilience to keep our country safe. Our projects are comprised of renewable energy resources and energy storage that can be phased into service to quickly meet California's reliability needs for summer peaking resources. The technology is proven and integrates solar, batteries and renewable fuels to provide long-duration peaking solutions as we transition to a zero-carbon future.

Renewable Fuel Use

In the proposed DEBA guidelines, diesel backup generators would be ineligible for funding even if the units use renewable fuel. If the goal of the CEC is to prohibit the use of regular diesel, that is understandable and has been addressed in other California generation programs. However, the agency should not prohibit the use of renewable fuel in these same units as the resource is one of few options customers have to meet long-duration, cost-effective resiliency requirements.

California needs a source of long-duration, reliable capacity to meet peak loads when renewables and storage resources are no longer available. The transition to clean energy must be expansive and supportive of generation and fuels that offer low emissions yet also provide a backstop to reliability on the most critical days of the year. If the CEC is concerned that the owners of the units could use regular diesel during the life of the units, there are ways to ensure that only renewable fuel is used in them, including requiring sworn affidavits, field inspections, etc.

Further, renewable fueled microgrids that have backup generation offer a unique ability to participate both as supply and demand side resources. They can be added to the grid rapidly and are extremely reliable. BCE's projects support mission critical infrastructure that is purposefully built to meet load requirements in challenging times, often for a minimum of two weeks. Microgrids with backup generation excel in situations that require long-duration reliability solutions.

We encourage you to include renewable fueled backup generation in the list of eligible projects.

Critical Infrastructure

The criteria for scoring project proposals includes a reference for resiliency co-benefits and lists critical infrastructure such as emergency services, healthcare facilities, and wastewater treatment. The list should include military infrastructure in California as they are often the regions backstop in precarious times. For example, BCE is completing a microgrid solution at Joint Forces Training Base – Los Alamitos, which is the emergency response hub in Southern California. Similarly, many military installations are critical to emergency response and continuity of services should California face natural disasters or other challenges.

BCE encourages the CEC to include military infrastructure in California specifically in this section so that it is clear these institutions are recognized for the dual benefits they provide to California and national interests.

In closing, BCE appreciates the inclusion of microgrids in the proposed DEBA guidelines but sees the need for a few more revisions that would allow the use of renewable fuel in backup generation. Additionally, critical military infrastructure should be explicitly recognized as in the scoring criteria for distributed generation as it can provide dual benefits for the state and our national interests.

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Many military installation microgrid projects are in advanced stages of development and could be moved to market quickly under the DEBA program. BCE appreciates the opportunity to participate in the development of the DEBA program and looks forward to the next steps.

Sincerely,
Bright Canyon Energy

/s/ Jeff Burke

Jeff Burke
Director Development, Markets and Origination

JB/kmg