

March 4, 2014

California Energy Commission
Docket Office
1516 Ninth Street
Sacramento, CA 95814

RE: Docket No. 14-IEP-1
In the matter of Preparation of the 2014 Integrated Energy Policy Report Update

Comments of ClearEdge Power, LLC on the
Draft 2014 Integrated Energy Policy Report Update Scoping Order

ClearEdge Power, LLC is a Sunnyvale, CA-based fuel cell manufacturer with facilities in Hillsboro, OR and South Windsor, CT. ClearEdge manufactures fuel cell systems for distributed energy generation that scale from 5kW to multiple megawatts. Through the use of combined heat and power, our ultra-clean and quiet stationary fuel cells produce power without combustion and meet the strictest air emissions requirements in the United States. Our PureCell® fuel cell systems can help meet the state's environmental and climate change goals while providing economic benefits to consumers. When interconnected to operate independently of the grid, our fuel cells also can provide reliable and resilient heat and power for our customers in the event of grid outages.

We appreciate the efforts of the Commissioners and staff in the development of the biennial Integrated Energy Policy Report and the Updates provided in intervening years. While we understand the intent of this year's Update is to focus on transportation, we fully support inclusion of topics 3 and 4 listed in the Update Scoping Order, namely Energy Efficiency in Existing Buildings and an Electricity Update, and suggest they be a significant focus as well.

As the Commission develops the Update, we respectfully request that full consideration be given to the importance of installing clean resources that can provide continuous, reliable power. California's loading order places renewables *and distributed generation* immediately after efficiency and demand response as preferred resources. Clean distributed generation can help California meet its climate change and environmental goals as well as help address resource adequacy concerns. When used for heat and power, ClearEdge fuel cells can reach near 90% efficiency while controlling energy costs. We believe combining extension of the Self-Generation Incentive Program with outreach and education can help the state achieve the goals of Assembly Bill 758 and the Commission's action plan for comprehensive efficiency programs in existing buildings.

The electricity update is an important planning tool and, here as well, we encourage inclusion of clean distributed generation. Infrastructure planning, particularly in Southern California due to the closing of the San Onofre Nuclear Generating Station and the phase-out of once-through cooling in power plants, should prioritize resources that can be located on-site or close to load. Fuel cells require no water, have low emissions and a minimal footprint. While they are most often thought of as being used on-site and behind the utility meter, they can and are used on the utility side of the meter as well. Their placement at utility substations or in strategic locations in support of the grid should be part of the Update's exploration of how to best meet the resource adequacy and reliability challenges now facing the state.

The Update is an important opportunity to provide the most current information on progress in meeting state goals as well as remaining challenges. Therefore, we believe the Commission should expand Topics 3 and 4 to the extent necessary to ensure the document is comprehensive and forward looking. For example, fuel cells should be explored within the section on mechanisms for achieving widespread adoption of energy-saving technologies in buildings. Furthermore, in addition to exploring the use of fuel cells as behind-the-meter resources capable of reducing stress on the grid and providing economical, safe and reliable on-site generation, we also ask that the Update explore the use of fuel cells on the utility side of the meter to help meet resource adequacy and grid support, particularly in Southern California.

Respectfully Submitted,

A handwritten signature in blue ink, reading "Katrina M. Fritz". The signature is fluid and cursive, with the first name "Katrina" being more prominent than the last name "Fritz".

Katrina Fritz
Vice President, External Affairs and Corporate Strategy