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May 6, 2019

VIA E-MAIL (dsantana@santaclaraca.gov)

Deanna Santana, City Manager
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City of Santa Clara
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Re: Resolution Amending Silicon Valley Power Regulations Concerning
Interconnection # 19-329

On behalf of our client Bloom Energy (hereinafter “Bloom”) and its customers in Santa Clara, we submit the following comments concerning the City of Santa Clara’s proposed regulation that effectively prohibits future electric interconnection for Santa Clara (“City”) residents and businesses that elect to self-supply electricity on their own property using Bloom’s Energy Server fuel cell technology. As detailed below, the proposed regulation subjects the City to litigation risk on a number of fronts and should be amended or tabled.

As a preliminary matter, we wish to correct the record on misstatements made by City officials concerning Bloom’s Energy Server.

Specifically, City officials recently stated, “Natural gas fuels cells are 0% renewable.” This is a gross mischaracterization of Bloom’s Energy Server. Bloom’s Energy Server is capable of running on biogas. However, because available supplies of this feedstock are limited and very costly, only a few of Bloom’s customers are currently running on directed biogas. To promote the use of biogas, Bloom is actively pioneering new on-site biogas projects across the state while helping dairies, landfills, wastewater and agriculture clean up biomethane, a dangerous short-lived climate pollutant. In fact, Bloom was featured at the Governor’s 2018 Climate Change conference for its leadership on biomethane cleanup.

The City also states, “When Silicon Valley Power (SVP) content is compared to a natural gas fuel cell, the natural gas fuel cell will produce approximately 100% more GHG emissions than SVP during an annual time frame.” This is also false. In fact, Bloom Energy Servers generate 60% less greenhouse gas (CO₂) emissions than does an average gas-fired power plant,

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emissions reductions that have measured and reported by the State¹ Bloom Energy Servers are certified as meeting the emissions standards adopted by the State Air Resources Board's ("ARB") distributed generation certification program requirements under Section 94203 of Title 17 of the California Code of Regulations.² The Bloom Energy Servers are the cleanest way of converting gas to electricity because they generate energy through an electrochemical conversion that avoids combustion and therefore avoids the release of nitrogen oxides and sulfur oxides into the atmosphere. In stark contrast, Silicon Valley Power has three aging fossil gas-fired power plants that supply a whopping 64 percent of the electricity sold to customers. Each day, these plants spew tons of NO_x, SO_x and other pollutants into to the air at levels which are harmful to public health and lead to increased asthma rates in children.

As the two charts on the following pages demonstrate, Bloom Energy Servers displace this dirty SVP power.

¹See <http://www.cpuc.ca.gov/uploadedFiles/CPUC_Public_Website/Content/Utilities_and_Industries/Energy/Energy_Programs/Demand_Side_Management/Customer_Gen_and_Storage/2016-2017_Self-Generation_Incentive_Program_Impact_Evaluation.pdf>.

² See <https://www.arb.ca.gov/energy/dg/eo/dg044.pdf?_ga=2.184991465.1150545999.1556926018-1814429597.1371502238>.

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Table 1. Criteria Pollutant Emission Factor Comparison with Donald Von Raesfeld Power Plant

	CO	NOx	SOx	Net Generation²	CO	NOx	SOx
YEAR	tons	tons	tons	MWh	lbs/MWh	lbs/MWh	lbs/MWh
2017	17.33	17.23	1.87	642,620	0.054	0.054	0.006
2016	20.92	20.83	2.26	934,537	0.045	0.045	0.005
AVG	19.13	19.03	2.06	788,579	0.049	0.049	0.005
Bloom Energy Emission Factors³					0.034	0.0017	Neg
% Difference					-31%	-97%	-100%

Notes:

1 Criteria emissions data queried from the California Air Resources Board at:
<https://www.arb.ca.gov/app/emsinv/facinfo/facinfo.php>. Accessed: May 2019.

2 Net generation data queried from the U.S. Energy Information Administration at:
<https://www.eia.gov/electricity/data/browser/>. Accessed: May 2019.

3 Bloomenergy® Energy Server emission factors obtained from:
<https://bloomenergy.com/datasheets/energy-server-es5-300kw>. Accessed: May 2019.

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Table 2. GHG Emission Factor Comparison with Donald Von Raesfeld Power Plant

	Reported Emissions¹	Net Generation²	Emission Factors
YEAR	MT CO₂e	MWh	lbs/MWh
2017	278,898	642,620	957
2016	400,837	934,537	946
AVG	339,867	788,579	950
Bloom Energy Emission Factor³			756
% Difference			-20%

Notes:

1 GHG emissions data queried from the California Air Resources Board at: <https://ww2.arb.ca.gov/mrr-data>. Accessed: May 2019.

2 Net generation data queried from the U.S. Energy Information Administration at: <https://www.eia.gov/electricity/data/browser/>. Accessed: May 2019.

3 Bloomenergy® Energy Server emission factors obtained from: <https://bloomenergy.com/datasheets/energy-server-es5-300kw>. Accessed: May 2019. Showing average of reported range.

Today, the Bloom Energy Server is the only “always on” baseload power solution available that can offer lower carbon emissions than can the grid, without emitting criteria air pollutants.

A. Bloom Energy has a Viable Antitrust Claim Against the City of Santa Clara because the City’s Conduct Violates Section 2 of the Sherman Act.

a. The City’s anticompetitive conduct violates section 2 of the Sherman Act.

The City’s conduct in enacting a de facto ban against Bloom’s Energy Servers constitutes illegal monopolization and attempted monopolization under Section 2 of the Sherman Act.³

³ 15 U.S.C.A. § 2.

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Should the City adopt the proposed regulation, Bloom will have no choice but to seek relief under the antitrust laws. Bloom can establish all elements of monopolization and attempted monopolization, and the City has no viable defense to these claims, as briefly detailed here.

i. *The relevant market*

The relevant product market that the City has monopolized, or is attempting to monopolize, is the provision of electric power to end-use residential, governmental, and business consumers.⁴ Where a functioning and healthy electric power market exists, competitors supply power to consumers through various sources, such as through the outright sale of power, or by the lease or sale of distributed systems. Bloom is one such competitor, with its Energy Server technology providing consumers the ability to generate their own electricity on their own property. Bloom's Energy Servers thus reduce consumers' need to buy power exclusively from SVP.

ii. *Antitrust injury to competition*

The “injured party [must] be a participant in the same market as the alleged malefactors.”⁵ Bloom offers Energy Servers that provide reliable, resilient, clean and affordable electricity to customers. Bloom's customers therefore have a decreased demand for SVP's electricity, because Bloom's customers are producing their own electricity on their own property. Bloom is competing with SVP and depriving it of business.

iii. *Anticompetitive conduct by the City*

Anticompetitive conduct can be shown through exclusionary or restrictive conduct, especially when such conduct forgoes short-term profits.⁶ SVP's conduct proves it is willing to forego short-term profits to achieve an anticompetitive end. In the short-term, it will lose some profits by cutting off self-generators who choose to continue producing their own electricity with

⁴ *Newcal Indus., Inc. v. Ikon Office Solution*, 513 F.3d 1038, 1044 (9th Cir. 2008) (enumerating requirements for the “relevant market”).

⁵ *Glen Holly Entm't, Inc. v. Tektronix Inc.*, 343 F.3d 1000, 1008 (9th Cir. 2003) (quoting *Am. Ad Mgmt, Inc. v. Gen. Telephone Co. of Cal.*, 190 F.3d 1051, 1054 (9th Cir. 1999)).

⁶ *Aspen Skiing Co. v. Aspen Highlands Skiing Corp.*, 472 U.S. 585, 595 (1985).

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fuel cells such as Bloom's. However, in the long-term, SVP will exclude and restrict competition by preventing customers in its service area from installing self-generation fuel cells by denying them access to SVP's power grid. Many potential self-generation customers, including those using or considering using Bloom products, will be dissuaded from doing so when faced with choosing only SVP-sourced power or only fuel cell-produced power.

b. Any potential "Parker" defense will be futile.

Undoubtedly, the City will raise a Parker immunity defense.⁷ Under Parker immunity, or the state action doctrine, a state government's conduct is exempted from liability under federal antitrust laws. However, such a defense here will be futile.

Political subdivisions of a state, including municipalities such as SVP, cannot assert state action immunity unless they meet the "clear articulation" prong of *California Retail Liquor Dealers Association v. Midcal Aluminum, Inc.*, 445 U.S. 97, 105 (1980).⁸ To pass the clear articulation test and therefore establish a viable state action immunity defense, a party's anticompetitive conduct must be a foreseeable and logically expected result of a state policy to displace competition that is (1) clearly articulated, (2) affirmatively expressed, and (3) made by the state itself.⁹ In determining whether the anticompetitive conduct was foreseeable, courts consider whether the suppression of competition was an inherent, logical, or ordinary result of the state policy, and if the state "clearly articulated and affirmatively expressed . . . [a] policy to displace competition."¹⁰

Here, no such state policy to displace competition exists, and therefore any attempts by SVP to assert a state action immunity defense will fail. On the contrary, as detailed below, there is a robust state policy regarding self-generation that actually promotes competition between established utilities and private self-generators. The state codified its public policy promoting competition by stating, "it is desirable and necessary to encourage private energy producers to

⁷ *Parker v. Brown*, 317 U.S. 341 (1943).

⁸ *City of Lafayette v. Louisiana Power & Light Co.*, 435 U.S. 389, 410 (1977).

⁹ *Town of Hallie v. City of Eau Claire*, 471 U.S. 34, 43 (1985).

¹⁰ *F.T.C. v. Phoebe Putney Health Sys.*, 568 U.S. 216, 226 (2013).

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competitively develop independent sources of natural gas and electric energy.”¹¹ With no viable state action immunity defense, Bloom will prevail on its Section 2 Sherman Act claims against the City.

B. The Proposed Regulation is a De Facto Ban on Bloom’s Energy Server Technology.

The proposed regulation amends the *Silicon Valley Power Rules and Regulations* to allow only “generating facilities that qualify as renewable electric generation facilities” to be connected to the distribution grid as Parallel Generation. The amendment requires that all customers seeking to operate in parallel provide proof of an “eligible certification that the facility is a qualifying renewable generation facility” from the California Energy Commission (“CEC”), unless that customer is installing a solar photovoltaic system. Such certification must be completed through the online application process on the CEC’s website and must be supplemented by an annual attestation demonstrating continued compliance with the CEC’s renewable certification status.

SVP’s requirement that Bloom customers acquire such renewable certification for interconnection serves as a de facto ban on Bloom’s technology, as it makes Bloom Energy Servers an infeasible choice for the majority of potential customers. There are two reasons this is true. First, the great majority of Bloom’s customers need to interconnect to the distribution system to receive standby power and to cover their electric load when it exceeds the electricity produced onsite by the Bloom Server. We note these customers currently pay SVP a hefty standby charge for that option. Other customers desire to use Bloom Energy Servers as an Always-On solution that powers the facility’s critical load but desire an interconnection agreement to utilize the distribution system as backup power or to export power if more is produced by the customer’s onsite generation than required.

Second, while this entire class of customers will require certification to obtain interconnection from SVP, it will be virtually impossible for any of Bloom’s customers to obtain the requisite CEC certification demanded by the City. This is because the CEC certification regulations require that applicants obtain their renewable gas from in-state sources, which are extremely scarce and very expensive, as discussed above. In fact, after seven years of regulatory infighting, California’s first in-state anaerobic digester biogas project was allowed to

¹¹ Cal. Pub. Util. Code § 2801.

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interconnect with an in-state gas transmission pipeline in October of 2018.¹² While more in-state biogas projects are under development, including some with Bloom’s help, virtually all the renewable natural gas used by California utilities and transportation fuel providers to meet their greenhouse gas reduction obligations currently comes from out-of-state sources. Santa Clara is aware of this fact and designed its regulation in a poorly conceived attempt to mask its real objective—to stop Bloom from adding additional customers in the SVP service territory.

Fortunately, courts are “not fooled” by legislative attempts to hide “outright bans” and have also “invalidated those measures.”¹³ Accordingly, Santa Clara faces legal risk if this de facto ban is adopted.

C. The City Lacks Authority under the California Constitution to Enact the Proposed Regulation.

The proposed regulation also exceeds SVP’s authority as a municipal utility. It is axiomatic that charter cities do not have the right to exclude other entities from selling or producing electricity in city boundaries.¹⁴ “Nothing in [the California Constitution] conveys an intention to grant a municipal corporation a right to sell all power consumed within its borders.”¹⁵ Furthermore, it is the policy of the state of California to encourage distributed generation, including natural-gas fueled options such as combined heat and power and fuel

¹² See <<https://www.waste360.com/fuel/waste-company-first-inject-biogas-california-pipeline>>.

¹³ *Schuette v. Coal. to Defend Affirmative Action, Integration & Immigrant Rights & Fight for Equal. By Any Means Necessary (BAMN)*, 572 U.S. 291, 338 (2014) (discussing the attempts to enact and subsequent striking down of poll taxes); see also *Blue Circle Cement, Inc. v. Bd. of Cty. Comm’rs of Cty. of Rogers*, 27 F.3d 1499, 1508 (10th Cir. 1994) (“[O]rdinances that amount to an explicit or de facto total ban of an activity that is otherwise encouraged by RCRA will ordinarily be preempted by RCRA.”); *Ogden Env’tl. Servs. v. City of San Diego*, 687 F. Supp. 1436, 1446–47 (S.D. Cal. 1988) (a standardless permit scheme amounted to a de facto ban).

¹⁴ *City of Los Angeles v. Tesoro Refining & Marketing Co.*, 188 Cal. App. 4th 840, 847 (Sep. 22, 2010).

¹⁵ *Id.*

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cells.¹⁶ Where there is a doubt as to whether a policy is a municipal affair or matter of broader state concern, the issue “must be resolved in favor of the legislative authority of the state.”¹⁷

Santa Clara does not operate under the all the same regulatory constraints as a PUC-regulated public utility, but it is still bound by a common law duty to serve its customers.¹⁸ In denying interconnection to customers that chose to self-supply electricity from legal, fossil-fueled options, Santa Clara is abandoning this fundamental obligation, even as it seeks to unlawfully claim the right to control all sales and production of electricity inside its borders.

D. The City Lacks Authority to Enact the Proposed Legislation because it is Acting *Ultra Vires* under SB 100 and State RPS Laws.

SVP’s attempt to control who may produce power within its boundaries is also *ultra vires* under the California Public Utilities Code, which enumerates the powers afforded to municipal utilities, which include “the power to complete, reconstruct, extend, change, enlarge, and repair a public utility acquired, constructed, owned, or operated by a municipality.”¹⁹ The Code does not grant the City the authority to dictate what sorts of generation residents and businesses may use to supply their own power.

¹⁶ See Cal. Pub. Util. Code § 8360(c) (“It is the policy of the state to modernize the state’s electrical transmission and distribution system to maintain safe, reliable, efficient, and secure electrical service, with infrastructure that can meet future growth in demand and achieve all of the following, which together characterize a smart grid: (c) Deployment and integration of cost-effective **distributed** resources and **generation**, including renewable resources.”) (emphasis added); see also Cal. Pub. Util. Code § 8368-69 (Section 8360 *et. seq.* applies to local publicly owned electric utilities with more than 100,000 service connections, but the legislature may also subject those utilities with fewer than 100,000 connections to similar requirements.); see also SB 1339 (Chapter 566, Statutes of 2018) (“The Legislature finds and declares all of the following: (a) Many electricity customers are seeing the potential benefits of investing in their own distributed energy resources as part of microgrids, both to ensure their own level of reliability and to better manage their own usage. (b) Allowing the electricity customer to manage itself according to its needs, and then to act as an aggregated single entity to the distribution system operator, allows for a number of innovations and custom operations.”).

¹⁷ *Id.* at 848.

¹⁸ See generally, 12 McQuillin Mun. Corp. § 35:52 (3d ed.); 64 Am. Jur. 2d Public Utilities § 33.

¹⁹ Cal. Pub. Util. Code § 10003.

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Nor can the City cite SB 100 (Chapter 312, Statutes of 2018) as authority to enact a de facto ban on virtually all behind the meter generation except photovoltaic panels. While SB 100 requires SVP to reduce greenhouse gas emissions associated with electricity generation by increasing the amount of electricity they *procure* from renewable sources, it does not delegate to local publically owned utilities (“POU”) the authority to regulate greenhouse gas emissions of behind-the-meter, on-site electricity generation. Moreover, because SVP is not purchasing or procuring electricity from Bloom Energy Server customers, it has no contractual standing or state authority to insist that these resources attain certification from the CEC prior to interconnection. Furthermore, nothing in SB 100 or other bodies of state law mandating greenhouse gas reductions by local utilities permits compliance with state Renewable Portfolio Standards program (“RPS”) targets by claiming credit for greenhouse gas emissions that are hypothetically averted by restricting the use of fuel cells or other distributed generation technologies by its customers on private property. Therefore, the City cannot justify adoption of the proposed regulation as being authorized or compelled by SB 100 or any other provision of the state’s RPS program and is acting *ultra vires*.²⁰

E. State Law Preempts the Proposed Regulation.

The City’s proposed action exceeds the City’s authority by attempting to regulate in an area dominated by California state law and delegated expressly to statewide agencies. While the City states that the purpose of the regulation is to “fully align” future self-generation with SB 100 (Chapter 312, Statutes of 2018), and other laws pertaining to greenhouse gas reductions by municipal utilities, those laws do not expressly or implicitly grant cities authority to regulate greenhouse gas emissions on private property. Instead, the California Legislature has commanded cities operating municipal utilities to reduce greenhouse gas emissions from electrical generation by increasing the amount of retail power procured from renewable sources by increasing the use of distributed generation and micro grids.

A court will find that local legislation is preempted where it enters an area that is “‘fully occupied’ by general law when the Legislature has expressly manifested its intent to ‘fully

²⁰ *Bragg v. City of Auburn*, 253 Cal. App. 2d 50, 54 (1967) (striking down a municipal ordinance because it was outside the scope of delegated state statutory authority); *Summit Media LLC v. City of Los Angeles*, 211 Cal. App. 4th 921, 933 (2012) (striking down a city’s settlement agreement that was “ultra vires or otherwise exceeded the scope of the city’s authority”).

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occupy’ the area, or when it has impliedly done so in light of one of the following indicia of intent: ‘(1) the subject matter has been so fully and completely covered by general law as to clearly indicate that it has become exclusively a matter of state concern; or (2) the subject matter has been partially covered by general law couched in such terms as to indicate clearly that a paramount state concern will not tolerate further or additional local action.’”²¹

It is abundantly clear that the California Legislature has fully or extensively occupied the area of greenhouse gas reduction by private businesses through its adoption of extensive laws and regulations touching every aspect of our economy. The California Legislature expressly delegated to the Air Resources Board (“ARB”)—and not to local governments—the authority to regulate greenhouse gas emissions from private industry.²² This statewide authority extends to designing measures to “meet the statewide emissions limits for greenhouse gases, including those pertaining to “energy related matters,” such as “electrical generation and the provision of reliable and affordable electrical service.”²³ Moreover, the Legislature requires ARB to coordinate its greenhouse gas emissions reduction activities with other statewide agencies to ensure that its reduction activities are “nonduplicative” and “can be implemented in an efficient and cost-effective manner.”²⁴

²¹ *City of Riverside v. Inland Empire Patients Health & Wellness Ctr., Inc.*, (2013) 56 Cal. 4th 729, 743, citing *Sherwin-Williams Co. v. City of L.A.*, (1993) 4 Cal. 4th 893, 898.

²² See AB 32 Part 1, Ch. 4, Sec. 38510 (“The State Air Resources Board is the state agency charged with monitoring and regulating sources of emissions of greenhouse gases that cause global warming in order to reduce emissions of greenhouse gases.”).

²³ AB 32, Part 1, Ch. 2, Sec. 38501(h). See also *id.* at Part 4, Sec. 38561(a) (“On or before January 1, 2009, the state board shall prepare and approve a scoping plan, as that term is understood by the state board, for achieving the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions from sources or categories of sources of greenhouse gases by 2020 under this division. The state board shall consult with all state agencies with jurisdiction over sources of greenhouse gases, including the Public Utilities Commission and the State Energy Resources Conservation and Development Commission, on all elements of its plan that pertain to energy related matters including, but not limited to, electrical generation, load based-standards or requirements, the provision of reliable and affordable electrical service, petroleum refining, and statewide fuel supplies to ensure the greenhouse gas emissions reduction activities to be adopted and implemented by the state board are complementary, nonduplicative, and can be implemented in an efficient and cost-effective manner.”).

²⁴ *Id.* at Part 4, Sec. 38561(a).

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Although the Legislature intended for local government entities to be involved in helping achieve state targets for reducing greenhouse gas emissions, this coordination is largely limited to developing zoning plans to meet ARB's emissions reductions targets. In addition, and contrary to the City's position, the renewable energy goals set forth in the state's RPS Program and implemented in the California Public Utilities Code do not authorize localities to refuse the self-generation of energy on private property in order to achieve compliance. Instead, the RPS Program requires retail energy sellers and local publicly owned electric utilities to procure a minimum quantity of electricity products from eligible renewable energy resources to achieve a certain percentage of retail sales. This legislative mandate does not require—and does not permit—localities to restrict self-generation of energy on purely private property. Therefore, state law preempts Santa Clara's proposed regulation.

F. The Proposed Regulation is Contrary to Long-Established California Policy and Law.

The City's proposed de facto ban on on-site generation that is not photovoltaic is also contrary to the policy of the State of California. It has been the policy of the state of California for more than forty years to "to encourage" private electricity generation.²⁵ Private, distributed generation includes natural gas-fired generation, such as combined heat and power and natural gas fuel cells. In fact, the California Public Utilities Commission has expressly found that these gas-fired options may reduce greenhouse gas emissions and has encouraged the public utilities under its jurisdiction to include these options in their Distribution Resources Plans.²⁶

More recently, the Legislature enacted a law authored by Sen. Henry Stern (Chapter 566, Statutes of 2018) that requires SVP and other municipal utilities to develop and make available a standardized process for the interconnection of distributed energy resources that meets emissions standards adopted by the ARB's distributed generation certification program.²⁷ As noted above, Bloom Energy Servers are certified by the ARB pursuant to this program and thus are covered under the mandate of the law. Accordingly, enacting this de facto ban on Bloom Energy Servers

²⁵ Cal. Pub. Util. Code. § 2801.

²⁶ See Guidance for Public Utilities Code Section 769, CPUC No. R.14-08-013 (Aug. 14, 2014).

²⁷ See Cal. Pub. Util. Code § 8370.

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appears to contravene state law by creating additional barriers to interconnection for distributed generation.

G. The Proposed Regulation is Void for Vagueness.

The City's proposed amendment also misapplies the CEC renewable certification process by forcing a non-binary certification process into a binary interconnection framework. The CEC's eligibility rules allow for RPS certification of a portion of a facility when that generator uses multiple energy inputs, some of which are eligible renewable energy resources and some of which are not.²⁸ However, although the CEC recognizes that "renewable" can be a matter of degrees, the City demands absolutes, because it assumes a generator is either connected in parallel or not connected at all.

As noted above, Bloom Energy Servers are not, as the City falsely claims, "0% renewable." They can operate on renewable biogas, playing a valuable role in the destruction of methane, a potent greenhouse gas. However, the current CEC rules require that, to qualify as renewable, a fuel cell must run on biogas procured within California. Bloom is at the forefront of efforts to clean up and collect bio methane, but today only a few of Bloom's California customers are able to run the Bloom Energy Server on biogas given its scarcity within the State.

Although some of Bloom's Energy Servers are eligible for partial RPS certification and will become increasingly so in the future as new sources of biogas become available, the proposed regulation treats an RPS certification as an all-or-nothing proposition. The proposed SVP regulation provides no guidance to customers who wish to own and operate generators that may be only be RPS certifiable in part (which include not only fuel cells, but also biodiesel, biomass, hydroelectric and solid waste conversion) as to whether they will be able to get back up power from SVP. This lack of guidance may in fact render the proposed amendment void for vagueness.²⁹

Even if it does not, the resulting regulatory uncertainty, combined with the necessity of interconnection for most customers, functionally bans any technology that cannot be certified as

²⁸ See California Energy Commission, Renewables Portfolio Standard Eligibility 9th ed. at 29-33 (2017).

²⁹ *Zubarau v. City of Palmdale*, 192 Cal. App. 4th 289, 308 (2011) (striking down an ordinance lacking compliance guidance as void for vagueness).

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100% renewable, including biomass, biodiesel, microturbines, combined heat and power and Bloom Energy Servers.

Finally, any attempt by the City to apply the resolution retroactively to Bloom customers who have previously filed applications for interconnection would be actionable as contractual interference under Article I, Section 10 of the United States Constitution.

For all the reasons cited herein, Bloom demands that the City table the resolution to amend the SVP Regulations. Bloom is prepared to exercise all legal rights pursuant to state and federal law should the City elect to proceed with adoption.

This letter is not meant to be a full and complete assertion of the rights of Bloom or its customers, all of which are reserved.

Sincerely,

Dario J. Frommer