Bloom energy

March 9, 2026

Rajinder Sahota
Deputy Executive Officer
Climate Change and Research
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: Comments on the Proposed Amendments to the Regulation for the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms

Dear Ms. Sahota,

Bloom Energy Corporation (Bloom) appreciates the opportunity to submit comments in response to the Proposed Amendments to the Regulation for the California Cap on Greenhouse Gas Emissions posted January 20, 2026 (the "Amendments"). Acknowledging the complexity and far-reaching nature of the program, we thank the California Air Resources Board (CARB) for its leadership over the years, balancing a broad range of interests and stakeholders. The Amendments reflect commendable thought leadership.

Bloom is a California-based manufacturer of solid oxide fuel cell (SOFC) technology that utilizes an electrochemical process to generate power without combustion. Bloom's SOFC Energy Servers are designed in a modular, fault-tolerant format that is fuel agnostic and provides mission critical reliability with no downtime for maintenance. Globally, the average availability of Bloom's fleet is 99.997%. The company has installed over 1000 of its SOFC systems for customers in thirteen U.S. states, as well as in Japan, South Korea, India, Italy and Germany. Bloom's California installed base is one of its largest. Running on any fuel (*e.g.*, natural gas, biogas, hydrogen), Bloom's technology provides substantial greenhouse gas (GHG), criteria pollutant, and water benefits via a platform that has proven resilient through outages caused by hurricanes, winter storms, forest fires, and other extreme weather and natural disasters. From 2018-2024, Bloom's fleet avoided 5,452 hours of customer downtime during a total of 3,592 grid outages.

In-state Distributed Energy Resources (DERs), including and especially fuel cell Electric Generating Units (EGUs), can reduce load on the electricity system and provide needed capacity in a grid-constrained environment. In addition to avoiding the line losses and other risks created by transmission, DERs can simultaneously power critical facilities and the communities they support through short-duration peak events and public safety power shut-off (PSPS) events, while avoiding the too common use of back-up diesel generators.

Given the near-term local air quality, water and GHG emission benefits that can be derived from fuel cell technology that is also exceptionally reliable and resilient, Bloom appreciates CARB's proposed

implementation of commitments in Resolution 18-51, and more specifically the following language:

> BE IT FURTHER RESOLVED that the Executive Officer will return to the Board with proposed amendments to exempt through 2030 fuel cells connected to existing natural gas infrastructure where there are demonstrated local air quality benefits. The Executive Officer will evaluate and propose any necessary transition assistance for fuel cells that meet these requirements and incur a compliance obligation for emissions years 2018 through 2020.

The exemption contained at Section 95812(c)(1)(A) of the Amendments is consistent with Resolution 18-51 and ensures that fuel cell resources emitting more than 25,000 MT CO2e, but also providing significant emission benefits during the 2025-2030 timeframe, are appropriately rewarded for the benefits that they have – and will continue to – provide during that period.[1] As we get closer to 2030, Bloom encourages CARB to continually assess the landscape (including the availability of renewable fuels and sustainability of grid resources) to determine whether fuel cell EGUs continue to provide benefits and, therefore, the exemption period should be extended.

Notwithstanding all the deliberate work that is reflected in the Amendments, Bloom continues to be concerned about the lack of clarity on obligations for sequestered or utilized carbon dioxide. Section 95852.3 renders it clear that there is an intention to come up with a quantification methodology for determining what portion of sequestered or utilized carbon dioxide is excepted from compliance. Nonetheless, it also renders it clear that the methodology is yet to be determined and must be incorporated into the Cap-and-Invest Regulation before it can be used to reduce a CO_2 supplier's compliance obligation. Until and unless that methodology is certain, no meaningful sequestration or utilization project will be able to get to Final Investment Decision (FID) in California. As such, and in the interest of getting these significant reductions in the near term, we encourage CARB to develop and approve this methodology as soon as possible.

Thank you again for your important work and thought leadership in this space. Should you have any questions about these comments or wish to discuss these or any other issues in further detail, please do not hesitate to reach out to me directly.

Best Regards,

Marisa Blackshire

Marisa Blackshire
Vice President, Environment and Regulatory Law

[1] Bloom notes the following language on p. 77 of the ISOR, "Emissions associated with natural gas use at these facilities would be covered emissions for the upstream natural gas suppliers, which will pass through compliance costs for these emissions to customers not directly covered by the Program." GHG emissions from fuel cells running on natural gas are all attributable to natural gas usage. If the intent is to exempt fuel cells running on natural gas because of the local air quality and GHG emission benefits that they continue to provide versus the grid, additional clarity is needed to address the applicability of the GHG adder in the context of fuel cell projects.

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