

July 24, 2013

Mark D. Marini, Secretary
Department of Public Utilities
One South Station – 5th Floor
Boston, MA 02110

RE: D.P.U. 12-76, Investigation by the Department of Public Utilities on its own Motion into Modernization of the Electric Grid

Dear Secretary Marini:

ClearEdge Power greatly appreciates the opportunity to comment on the “Report to the Department of Public Utilities from the Grid Modernization Steering Committee,” filed on July 2, 2013, in the Investigation by the Department of Public Utilities on its own Motion into Modernization of the Electric Grid, D.P.U. 12-76.

ClearEdge Power is a company headquartered in Sunnyvale, CA with manufacturing and office facilities in Hillsboro, OR and South Windsor, CT. ClearEdge Power is producing 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 are combustion free, meet the strictest air emissions requirements in the United States and have the capability to provide heat and power when the grid goes down. Our PureCell® systems bridge environmental goals established by policy makers with consumers’ need to save energy and money.

ClearEdge Power strongly supports the Department’s goals for a modernized grid. By including clean distributed generation, the Commonwealth will simultaneously achieve several other goals outlined by the Department, including but not limited to, enhanced reliability, development of a more efficient electric system and long-term reduction in energy costs. Given their inherent resilient, efficient and clean attributes, stationary fuel cells can be deployed in furtherance of the goals outlined with the report.

Cross cutting market segments in the Commonwealth, like data centers, hospitals, and universities and the like, can differ drastically in their energy needs. Fuel cell systems generate heat and power simultaneously at efficiencies approaching 90%, with net zero water consumption, providing energy solutions to a broad range of consumers. By increasing the operational efficiency of the grid and reducing the need for high emissions generating plants that run primarily during times of peak electricity demand, fuel cells significantly lower greenhouse gas emissions.

Additionally, fuel cell systems offer energy security by operating independent of or in parallel with the electric grid, making it a critical power backup during natural disasters, man-made emergencies and grid fluctuations. Fuel cell systems have kept the lights on

and heat available during multiple snowstorms, hurricanes and blackouts across the country.

In order to achieve the Department's goals and take advantage of the opportunities described in the report, ClearEdge Power recommends/urges the Department to follow the principles and recommendations in Chapter 5 of the Report supported by the Clean Energy Caucus. ClearEdge Power also endorses the Utility of the Future *comprehensive* regulatory framework described in Chapter 6 and the Clean Energy Caucus' business case approach to evaluating benefits and costs of grid modernization investments, described in Chapter 7.

ClearEdge Power urges the Department to act expeditiously to provide guidance "that will enable Massachusetts electric distribution companies and their customers to take advantage of grid modernization opportunities." Specifically, ClearEdge Power supports the recommendation of the Clean Energy Caucus, National Grid and the Department of Energy Resources that the Department provide this guidance by October 1, 2013, and "encourage utilities, in the context of their next base rate proceeding, to include a grid modernization investment proposal consistent with the Department's directives."

Thank you very much for the opportunity to comment on the "Report to the Department of Public Utilities from the Grid Modernization Steering Committee." ClearEdge Power applauds the Department's leadership in opening D.P.U. 12-76 to investigate how to proceed so that the Commonwealth can reap the benefits of grid modernization for its citizens, businesses and industries.

Sincerely,



Lisa C. Ward
Government Relations Manager
ClearEdge Power