

DOCKETED

Docket Number:	19-ERDD-01
Project Title:	Research Idea Exchange
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Document Title:	Presentation Staff Workshop Data-Driven Tool to Support Strategic and Equitable Natural Gas Decommissioning
Description:	Presentation slides of the Staff Workshop held on July 12, 2021 on Data-Driven Tool to Support Strategic and Equitable Natural Gas Decommissioning
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California Energy Commission

Data-Driven Tool to Support Strategic, Equitable Natural Gas Decommissioning

Request for Comments on Forthcoming Solicitation

Energy-Related Environmental Research
Energy Research & Development Division

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July 12, 2021





Housekeeping

- All participants muted on Zoom (until Q&A)
- Zoom recording
- Comments and questions
 - *Please use **"Q&A" feature for substantive comments** and questions.*
 - *Please reserve the "Chat" feature for technical issues, etc.*



Why We Are Seeking Your Input?

- In **Q4 2021**, we anticipate releasing a Grant Funding Opportunity (GFO) that would fund up to \$1.5M of research effort to provide the state with a data-driven tool to support a managed transition for California's retail natural gas system.
- CEC staff are seeking input from researchers, equity experts, industry leaders, investor-owned utilities (IOUs), and other interested stakeholders to provide refinements to help shape the GFO.
- Your input helps us craft a high-impact solicitation to support the state's ambitious climate goals.



Workshop Agenda

- Background on funding program and relevant efforts that will feed into the proposed research effort.
- Purpose and objectives of an anticipated solicitation, planned for release in Q4 2021.
- Seek input from stakeholders on specific discussion questions regarding proposed research.

Input from today's workshop plus public comments (oral and/or written comments) will help shape the Grant Funding Opportunity.



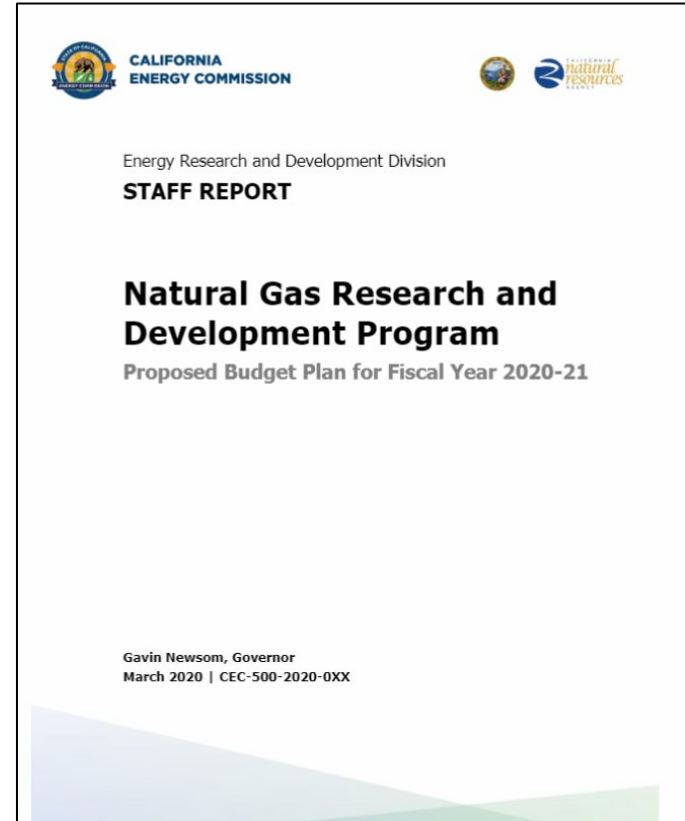
Natural Gas Research and Development Program

CEC's Natural Gas Research Program supports public interest R&D

FY 2020-2021 Natural Gas R&D Funding Plan includes a research initiative to:

- Build on prior findings that underscore the importance of a managed transition.
- Support development of a data-driven tool to foster strategic, equitable, cost-effective decommissioning (\$1.5M)

To access report: <https://www.energy.ca.gov/publications/2020/natural-gas-research-and-development-program-proposed-budget-plan-fiscal-year>





Broader Context for this Research

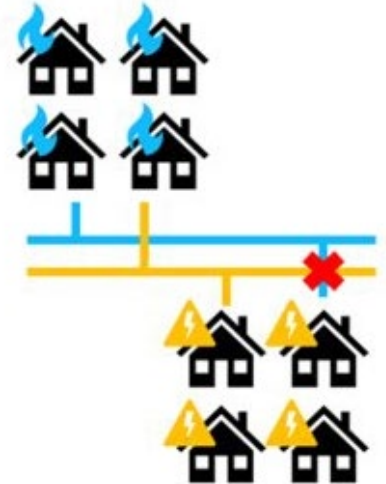
Dominant barriers to decommissioning are regulatory, economic, e.g.,

- obligation to serve,
- transition costs,
- funding mechanisms.

These issues are not the direct focus of the proposed solicitation but are acknowledged as critical issues to consider.

Purpose of Forthcoming Solicitation

- Enhance capacity of state agencies for strategic planning by providing detailed understanding of the gas system.
- Inform a managed transition, collaborating with investor-owned utilities, communities, and other stakeholders.
- Support cost-effective, equitable, safe transition of the retail gas distribution system in a low-carbon future.



Source: E3, The Challenge of Retail Gas in California's Low-Carbon Future



Specific Objectives

1. Provides systematic framework for identifying promising sites for decommissioning.
2. Screens for promising sites for decommissioning as a first step for prioritizing more targeted analyses of the technical feasibility.
3. Evaluates key criteria for site identification of decommissioning.
4. Leverages data on infrastructure characteristics and conditions that are relevant to inform decommissioning options and impacts.
5. Explores how different site identification criteria, time horizons and regulations assumptions may suggest different sites and scale of opportunity.



Example Criteria and Outputs

- Condition and characteristics of infrastructure
- Planned maintenance and safety investments
- Customers served (number and type)
- Gas throughput
- Cost of transitioning

- Criteria derived from early pilots and research.



Relevant (CEC) Research Efforts

- Pilot projects:
 - *Strategic Pathways and Analytics for Tactical Decommissioning of Portions of Natural Gas Infrastructure in Southern California*, with RAND Corporation, PIR-20-008
 - *Strategic Pathways and Analytics for Tactical Decommissioning of Portions of Natural Gas Infrastructure in Northern California*, with Energy and Environmental Economics, Inc (E3), PIR-20-009
 - <https://www.energy.ca.gov/files/june-9-2021-business-meeting-packets>
- Follow-on proposed FY 2021-2022 initiative will focus on location-specific analysis to support long-term gas planning.



Coordination with Other Data Collection Activities

- Hydraulic models and data collected via Title 20 regulations
- Gas utility demand and rate forecasting data collected via 2021 Integrated Energy Policy Report (IEPR) proceeding
 - <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=21-IEPR-03>
- IEPR Natural Gas Infrastructure Workshop - May 2021
 - <https://www.energy.ca.gov/event/meeting/2021-05/iepr-commissioner-workshop-natural-gas-infrastructure>
- CPUC's Long-Term Gas Planning Rulemaking (R. 20-01-007)
 - <https://www.cpuc.ca.gov/gasplanningoir/>



Comments and Questions

Three ways to provide feedback or ask questions:

1. Use the raise hand function in Zoom:

- ▶ Zoom Phone controls:
 - ▶ *6 - Toggle mute/unmute.
 - ▶ *9 - Raise hand.
- ▶ Please introduce yourself by stating your name and affiliation.

2. Type comments and questions in the Q&A function on Zoom:

- ▶ Please provide name and affiliation.

3. Submit written comments & questions to the docket:

1. Via e-mail to docket@energy.ca.gov by no later than **July 26, 2021, 5 p.m. PDT.**

- Include docket number 19-ERDD-01 and "Staff Workshop on Data Driven Tool" in the subject line

2. Directly to docket:

<https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=19-ERDD-01>

- Include "Staff Workshop on Data Driven Tool" in the subject line



Discussion Questions

1. What would improve the scope and/or focus of this effort?
 - a. Which criteria would be helpful to identify promising sites for decommissioning?
 - b. Which tool outputs would contribute to gas system planning and related decarbonization efforts?
2. Are there other relevant efforts (pilots, projects, data-sets, data analysis, etc.) that could be leveraged?
3. How can the data-driven tool best complement other data collection and analysis efforts?



Thank You!

- **Please submit written comments & questions:**

- Via e-mail to docket@energy.ca.gov by no later than **July 26, 2021, 5:00 p.m. PDT**.
 - Include docket number 19-ERDD-01 and "Staff Workshop on Data Driven Tool" in subject line
- Directly to docket:
<https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=19-ERDD-01>
 - Include "Staff Workshop on Data Driven Tool" in the subject line
- Or by paper copy to the Docket Unit: California Energy Commission || Docket Unit, MS-4 || Re: Docket No. 19-ERDD-01 || 1516 Ninth Street || Sacramento, CA 95814-5512

- **Visit website to view the workshop notice, presentation, and recording** (*forthcoming*):

<https://www.energy.ca.gov/event/workshop/2021-07/staff-workshop-data-driven-tool-support-strategic-and-equitable-natural-gas>