DOCKETED	
Docket Number:	23-ERDD-05
Project Title:	Food Production Investment Program (FPIP)
TN #:	250144
Document Title:	SoCalGas Comments re Food Production Investment Program
Description:	N/A
Filer:	System
Organization:	SoCalGas
Submitter Role:	Public
Submission Date:	5/12/2023 4:40:04 PM
Docketed Date:	5/12/2023

Comment Received From: SoCalGas
Submitted On: 5/12/2023
Docket Number: 23-ERDD-05

SoCalGas Comments 5-12-2023 re Food Production Investment Program

Additional submitted attachment is included below.

Kevin Barker
Senior Manager
Energy and Environmental Policy
555 West 5th Street
Los Angeles, CA 90013
Tel: (916) 492-4252
KBarker@socalgas.com

May 12, 2023

Cyrus Ghandi
California Energy Commission
Docket Unit, MS-4
Docket No. 23-ERDD-05
715 P Street
Sacramento, CA 95814-5512

Subject: Comments on the Staff Workshop for the Food Production Investment Program

Dear Mr. Ghandi:

Southern California Gas Company (SoCalGas) appreciates the opportunity to provide comments on the Staff Workshop Discussion regarding the Food Production Investment Program (FPIP) held on April 18, 2023.

SoCalGas offers comments regarding FPIP eligibility for the CEC's consideration. SoCalGas is concerned that the FPIP's current focus on prioritizing nascent technologies, some of which may be insufficient at this stage for producer needs, may dilute the program's focus on emissions reduction and/or undermine the State's climate goals by inadvertently causing an increase in greenhouse gas (GHG) emissions, particularly in the near term. While it is advantageous to couple electrification with renewable generation and storage to reduce stress on the power grid, daily electricity demand cycles may cause spikes in those stresses at peak load times. In addition, transition costs and the potential for necessary load shedding may add significant economic stress to food production enterprises, a substantial portion of which are located in the very under-resourced communities that FPIP seeks to benefit.

We support expanding FPIP eligibility to include industrial heat pumps. However, CEC proposes to eliminate eligibility for boilers, economizers, evaporators, and drying equipment. This approach would overlook both the operational needs of customers reliant on the attributes of gas service as well as the potential opportunity for more readily available methods of energy efficiency. Indeed, food processors are subject to U.S. Department of Agriculture food safety rules, which guide the

heating and storage of foods as they move through processing and the sterilization of processing and storage equipment. By eliminating eligibility for this type of equipment, producers with the economic means to do so could resort to backup generation fueled by diesel in order to ensure continuous operation and produce a safe product. This approach could cause emission challenges that may be borne disproportionately by food processing workers and the communities surrounding the plants.

Requiring food processors to transition prematurely from thermal systems to electric systems, assuming those systems exist, could lead to cost-related price spikes, supply chain shortages, and ultimately business disruptions, food spoilage, food shortage and waste, and potentially job losses in underserved and other communities. Further, while the ability to adjust demand during peak-load events is important for electric grid stability, there is no guarantee that food ripeness and production safety needs will coincide well with the need to reduce energy demand at those particular times. In fact, the warmest periods of the year sometimes coincide with the timing when crops are harvested, which then requires timely processing.

In addition, SoCalGas recommends clarification to confirm the eligibility of combined heat and power (CHP) with carbon capture options.

Finally, including renewable natural gas (RNG) would provide immediate and substantial reductions in GHG emissions without adding the same risks to electric resiliency or food safety. We request additional clarification regarding the eligibility of the use of RNG and hydrogen, as well as regarding coupling thermal technologies with carbon capture, use and storage technologies.

Thank you for your consideration of our comments.

Respectfully,

/s/ Kevin Barker

Kevin Barker
Senior Manager
Energy and Environmental Policy