

**DOCKETED**

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**Pacific Environment Comments - Distributed Clean Hydrogen  
Production With Onsite End Use Draft Solicitation Concept**

*Additional submitted attachment is included below.*



October 25, 2023

California Energy Commission  
Docket No. 22-ERDD-03  
715 P Street  
Sacramento, California 95814

**RE: Distributed Clean Hydrogen Production with Onsite End Use**

To Whom It May Concern:

Pacific Environment appreciates the opportunity to submit comments on the California Energy Commission's (CEC) Draft Solicitation Concept for Distributed Clean Hydrogen Production with Onsite End Use (Draft Solicitation).

Pacific Environment is an environmental non-profit headquartered in San Francisco dedicated to protecting communities and the environment around the Pacific Rim. We work to get ships off fossil fuels and have consultative status at the International Maritime Organization, the United Nations entity that sets global shipping laws.

Green hydrogen will be a key energy source to decarbonize certain applications like shipping but should not be used in residential or commercial buildings or for light-or medium-duty vehicles. To that end, Pacific Environment supports the Draft Solicitation's emphasis on hydrogen use in hard-to-electrify sectors such as aviation and shipping. We also support the requirements to implement hydrogen safety measures and to execute a community engagement plan and report on the proposed project's community benefits and impacts. This is critical to ensure the production and use of hydrogen benefits community and environmental health in California.

When drafting the final solicitation concept, we urge the CEC to incorporate the following priorities:

- **Community voice and governance:** Frontline, historically oppressed EJ working-class communities of color who have borne the brunt of industrial pollution must have a substantial and meaningful role in governance and oversight of California's green hydrogen development to ensure community and air quality benefits are maximized, while risks to public health and safety are minimized.
- **Production:** Hydrogen production should be from green, electrolytic hydrogen production using new or excess renewable electricity (wind, solar, geothermal). Bioenergy feedstocks, including dairy biomethane, must be excluded. **We also urge the CEC to not allow CCUS that perpetuates fossil fuel use and instead require that projects use absolute zero-carbon renewable energy sources.**
- **Transportation and Storage:** All pipelines and storage should be designed to safely deliver 100% hydrogen, no blending with fossil gas. Hydrogen pipelines, storage, and end use should be located sagely away from neighborhoods and all pipeline buildouts must involve vigorous,



community-inclusive hydrogen leakage monitoring provisions consistent with the best emerging science and guidelines to avoid hydrogen leakage.

- **End uses:** Hydrogen should only be directed to truly hard-to-electrify applications such as shipping and aviation and to replace fossil fuel-derived hydrogen required for chemical processes that cannot be phased out. Shipping is an energy-intensive sector with limitations in the use of battery technology to power ocean-going vessels. Therefore, shipping is one end use that should be targeted with the production of green hydrogen. When used in a fuel cell, green hydrogen can power a vessel with zero emissions of greenhouse gases or criteria pollutants. When electrification is possible, it must be prioritized. In no instance should hydrogen be blended with fossil gas for end uses or used in residential or commercial buildings or for light- or medium-duty vehicles. Strict controls to avoid air pollution must be required. No projects that seek exemptions from air permit requirements should be allowed, and hydrogen use cannot increase local air pollution.

Regarding the question of allowing the use of CCUS for a project to be carbon neutral: While it is technically possible to directly capture carbon from the air (and water) and combine it with green hydrogen to make hydrocarbon fuels that are “carbon neutral,” this process adds a whole extra cost base onto just green hydrogen and forces the industry to wait for two industrial processes to be scaled up instead of one. We therefore do not support the use of CCUS in the grant solicitation.

Thank you for the opportunity to provide comments on this Draft Solicitation. We look forward to seeing the final solicitation and continuing to engage with the CEC’s Clean Hydrogen Program.

Sincerely,

A handwritten signature in black ink that reads "Jayne Stevenson".

Jayne Stevenson  
Climate Policy Associate