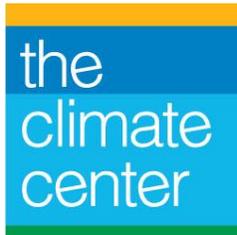


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Project Title:	Clean Hydrogen Program
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Document Title:	The Greenlining Institute et al Comments - Onsite Distributed Hydrogen Production and End Use Solicitation Concept
Description:	Comments from the Greenlining Institute, Center for Community Action and Environmental Justice, Sierra Club, the Center on Race, Poverty, & the Environment, the Climate Center, and Mothers Out Front Silicon Valley
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**Onsite Distributed Hydrogen Production and End Use Solicitation
Concept - EJ & Enviro Comments**

Additional submitted attachment is included below.



Energy Research and Development Division
 California Energy Commission
 715 P Street
 Sacramento, CA 95814

November 7th, 2023

Re: Draft Solicitation Concept for Distributed Clean Hydrogen Production with Onsite End Use

INTRODUCTION

On behalf of the Greenlining Institute, Center for Community Action and Environmental Justice, Sierra Club, the Center on Race, Poverty, & the Environment, the Climate Center, and Mothers Out Front Silicon Valley, we urge the CEC to adopt the recommendations below for the Clean Hydrogen Program’s solicitation for distributed clean hydrogen production with onsite end use (H2ONSITE).

People of color face disproportionate exposure to indoor¹ and outdoor² air pollutants, less access to renewable energy³, and higher energy burdens⁴. As California builds toward a clean energy transition, the California Energy Commission (CEC) must ensure that our new energy system accounts for the historical injustices and does not create new harms or perpetuate impacts of the fossil fuel system on low-income communities of color. As the CEC considers the role of hydrogen in decarbonizing California, **we urge you to invest only in sectors where hydrogen is the only feasible decarbonization solution with the necessary guardrails to ensure it is a viable emissions reduction solution and does not do further harm to the environment or communities.**

We urge the CEC to consider the concerns outlined below and adopt the recommendations in the final solicitation for on-site hydrogen production.

¹ [PM2.5 pollutants disproportionately and systemically affect people of color in the United States | Science Advances](#)

² [People of Color Breathe More Hazardous Air. The Sources Are Everywhere. - The New York Times](#)

³ [Energy justice towards racial justice](#)

⁴ [Energy Burden Research | ACEEE](#)

Recommendations

- **Specify ineligible end uses for the hydrogen**

The draft solicitation states a minimum requirement that projects “Ensure onsite end uses align with California’s carbon neutrality targets and reduce sector-wide emissions (e.g., avoiding any benefit to facilities that are associated with fossil fuels or high emissions or that contribute to high emissions)” but otherwise does not provide acceptable end uses. While there are concurrent efforts to study hydrogen and its deployment with SB 1075, many groups have raised concerns about funding hydrogen in sectors better served through electrification, like light-duty vehicles and residential heating.⁵ Among the most concerning is blending hydrogen in natural gas systems, which not only extends the lifetime of harmful gas systems that the state is looking to decommission⁶, but can actually increase NOx emissions⁷ causing adverse health impacts. **We recommend the CEC add to the list of minimum requirements that any projects looking to blend hydrogen in the gas system or power gas appliances in buildings will not be funded.**

- **Adopt the three pillars for renewable hydrogen production**

Ensuring hydrogen production is truly a climate solution goes beyond just specifying production from a renewable energy source. The three pillars of renewable hydrogen production include 1) new clean supply 2) hourly matching and 3) deliverability.⁸ The draft solicitation allows “a PPA with bundled Renewable Energy Credits (RECs) to source renewable energy in California”. The current language in the solicitation does not specify that the PPA includes the second and third pillars of hourly matching and deliverability in the same region as the hydrogen production. **We recommend the CEC adopt the three pillars for renewable hydrogen production for this solicitation. In alignment with the three pillars, we recommend the CEC either add language to the solicitation requiring hourly matching in the PPA or remove the language allowing a PPA with bundled RECs as an eligible path for renewable hydrogen production.**

- **Reject digester gas and biomass as eligible renewable energy resources**

The requirements for eligible renewable energy resources do not exclude digester gas or biomass, which are listed in the definition of the Public Resources Code⁹. There are great concerns from frontline communities that creating greater demand for digester gas from the dairy industry incentivizes groundwater and air pollution and its impacts on communities.¹⁰ Similarly, the biomass industry has a legacy of polluting low-income communities of color in the U.S.¹¹ and should not be encouraged in California.¹² **We recommend that the CEC explicitly exclude biomass and digester gas as eligible renewable energy resources for this solicitation.**

⁵ [EJ/Enviro Joint Comments - SB 1075 Report \(Sept. 5 Workshop\)](#)

⁶ [Staff Workshop on Strategic Pathways and Analytics for Tactical Decommissioning of Portions of Natural Gas Infrastructure](#)

⁷ [Emissions of NOx from blending of hydrogen and natural gas in space heating boilers | Elementa: Science of the Anthropocene | University of California Press](#)

⁸ [New Analysis: The 3 Pillars Will Support Large Hydrogen Deployment](#)

⁹ [California Code, Public Resources Code - PRC § 25741](#)

¹⁰ [Dairy Digesters: Not A Solution - Leadership Counsel for Justice & Accountability](#)

¹¹ [Siting of Wood Pellet Production Facilities in Environmental Justice Communities in the Southeastern United States](#)

¹² [Golden State Natural Resources' Biomass Boondoggle](#)

Responses to Questions

The following are responses to Questions 4, 5, and 7 asked in the Questions for Stakeholders section of the draft solicitation.

4. To ensure that funded projects and their impacts can inform future deployment of hydrogen in California, should the CEC consider additional performance metrics beyond those proposed for the M&V plan in Section IV?

- Community and workforce benefit metrics should be included such as number of local jobs created, number of MWDBE¹³ contractors, air quality, etc.
- The life cycle assessment (LCA) should include leakage projections, which if left out, can significantly misrepresent the climate impacts of a project.¹⁴

5. What type of technical assistance is needed to ensure equitable participation and project success, if any?

We appreciate that the draft solicitation included that the CEC will be reviewing proposals for community engagement plans and expected community benefits and impacts from the project. We recommend that the CEC further highlight the importance of this by including a community engagement plan in the minimum project requirements. Community engagement plans may include but are not limited to; hosting multiple community meetings during times of day accessible to the community, delivering information and educational materials in the predominant languages of the community other than English, creating a community advisory group with representatives from the impacted project area, partnering with community organizations in implementing the project based on their capacity and expertise, and compensating organizations for their involvement in the project. These efforts will require setting aside resources to adequately compensate involved groups and for necessary translation services. Additional resources could be needed for hiring trained facilitators to host public meetings or providing equity training or conflict resolution training for project staff.

There should also be assistance available for navigating community benefits agreements (CBAs) and project labor agreements (PLAs) if this is something desired by the community for the project to move forward.

7. Are there any concerns with this solicitation allowing the use of CCUS for a project to be carbon neutral? If so, why?

Yes, using CCUS for a hydrogen project is a great concern. Only hydrogen produced through renewable-powered electrolysis, and that adheres to all the aforementioned points, should be funded by the CEC; providing any funding towards maintaining fossil fuel infrastructure runs counter to California's climate goals. CCUS technology has proven many a time to be ineffective in actually reducing carbon emissions¹⁵, and does not mitigate other air pollutants from combustion that are harming communities¹⁶. **We strongly recommend that CEC not allow the use of CCUS in producing hydrogen (blue hydrogen) or to count towards minimizing carbon emissions from fuel or feedstock processes.**

¹³ [CERTIFICATIONS IN CALIFORNIA](#)

¹⁴ [Climate consequences of hydrogen emissions](#)

¹⁵ [Carbon capture remains a risky investment for achieving decarbonisation | IEEFA](#)

¹⁶ [Stanford study casts doubt on carbon capture](#)

Conclusion

Renewable hydrogen may have a role in decarbonizing certain limited sectors in California, but it's important to identify the right place to invest critical climate funding for hydrogen projects, as well as to establish parameters around its production, transport, storage, and ensure community leadership in decision-making with these projects. We urge the CEC to adopt our recommendations and welcome the opportunity to work with the CEC further to develop equity-centered hydrogen guardrails for the Clean Hydrogen Program.

Sincerely,

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