DOCKETED	
Docket Number:	22-OII-02
Project Title:	Gas Decarbonization
TN #:	243597
Document Title:	Enchanted Rock Comments to #22-OII-02
Description:	N/A
Filer:	System
Organization:	Enchanted Rock, LLC
Submitter Role:	Public
Submission Date:	6/17/2022 4:54:32 PM
Docketed Date:	6/17/2022

Comment Received From: Daniel Drazan

Submitted On: 6/17/2022 Docket Number: 22-OII-02

Enchanted Rock Comments to #22-OII-02

Additional submitted attachment is included below.

Docket No. 22-OII-02

Project Title: Gas Decarbonization

Workshop to Launch Gas Decarbonization Proceeding

Comments from Enchanted Rock, LLC., for Docket No. 22-OII-02

Enchanted Rock is a microgrid developer, owner, and operator with California contracts for 60MW of resiliency capacity. Our standard California solution includes:

- generation units that meet ultra-low California Air Resources Board
 Distributed Generation emissions levels, the cleanest reciprocating engine standard in the US;
- use of renewable natural gas to provide zero carbon operation for both resiliency and grid services.

Our portfolio also includes over 200 MW of capacity under construction in California, Illinois, Virginia, Pennsylvania, and New Jersey, and over 550 MW of dispatchable generation capacity deployed in Texas, Mississippi, and Louisiana. Our assets have protected critical services and facilities serving communities, including grocery stores, hospitals, nursing homes, water facilities, universities, and government facilities. When our customers are using utility power, our assets operate to provide valuable services to the grid with a fast start, dispatchable array of distributed assets, fueled by underground low-pressure pipeline natural gas.

We commend both the California Public Utilities Commission (CPUC) and the California Energy Commission (CEC) for undertaking this proceeding to responsibly and effectively decarbonize natural gas used throughout California. Climate change is one of the most serious challenges confronting California. How the CPUC and/or CEC address greenhouse gas emissions reduction goals while also recognizing that natural and renewable natural gas (RNG) can contribute toward this transition will shape the future of the State's economy and environment.

Enchanted Rock's Recommendations:

Recognition that large amounts of renewable and other low-carbon fuels will be required to meet State's decarbonization goals/targets.¹

- CPUC and/or CEC advance policies and procedures that recognize that renewable natural gas can improve overall energy system resilience, and accelerate emissions reductions. This is particularly so when RNG is used in back-up generators to support critical infrastructure and the distribution grid overall.
- CPUC and/or CEC promote policies that recognize the ability of the natural gas infrastructure to transport and deliver large amounts of energy to meet seasonal and peak day energy use, and predicted capacity shortfalls.

Discussion

RNG can provide a pivotal role in the State's decarbonization efforts because it:2

- offers low-carbon to negative greenhouse gas emissions that will be essential to the gas sector's and the State's transition to cleaner resources;
- provides large technical potential to significantly reduce emissions, and supports immediate deployment as production continues to grow rapidly. Argonne National Laboratory estimated that 157 RNG production facilities would be operating in the U.S. by 2020, a 78% increase from 2019, according to study done by the

¹ See Pathways to Deep Decarbonization in CA

² For additional information on the value of RNG and supply considerations, see <u>Pathways to Deep Decarbonization</u> in CA, and <u>American Gas Association Net-Zero Pathways Report</u>

American Gas Association, see <u>American Gas Association Net-Zero Pathways</u>
Report

The gas infrastructure can deliver large amounts of clean energy to meet seasonal and peak energy demand, thereby helping California provide reliable and resilient electricity.

- Goals/targets to electrify the transportation and building sectors can place significant stresses on the distribution grid, including higher peak demand and less predictable usage. Natural gas must be included in planning to meet the firm, dispatchable energy needs of the highly electrified future.
- Renewable energy sources like solar and wind can make important contributions to the State's energy mix. However, their technical limitations do not allow them displace natural gas for significant durations of time, especially during peak load demands or capacity shortfalls.
- Back-up generation that is certified under CARB's Distributed Generation standard and is fueled by renewable natural gas should be deployed broadly to mitigate predictable grid outage risks, natural and man-made disasters, capacity shortfalls, and other events.

CONCLUSION

We are committed to supporting your efforts to responsibly and effectively decarbonize natural gas used throughout California. Thank you for your consideration.

By:

Joel Yu
Vice President, Policy
Enchanted Rock, LLC
1113 Vine St, Suite 101
Houston, TX 77002
jyu@enchantedrock.com