

DOCKETED

Docket Number:	21-IEPR-05
Project Title:	Natural Gas Outlook and Assessments
TN #:	244041
Document Title:	NextEra Energy Resources Comments on CEC IPER Workshop
Description:	N/A
Filer:	System
Organization:	NextEra Energy
Submitter Role:	Public
Submission Date:	7/12/2022 1:32:25 PM
Docketed Date:	7/12/2022

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Submitted On: 7/12/2022
Docket Number: 21-IEPR-05*

NextEra Energy Resources Comments on CEC IPER Workshop

Additional submitted attachment is included below.



July 12, 2022

To: California Energy Commission (CEC)- Docket 21-IEPR-05
RE: Comments regarding IPER Commissioner Workshop on the Role of Hydrogen in California's Clean Energy Future

Thank you for the opportunity to provide comments on the California Energy Commission (CEC) Commissioner's Workshop on the Role of Hydrogen in California's Clean Energy Future. Helping to facilitate a new green hydrogen market would position California and the U.S. as an international leader in clean technology innovation, and we applaud the CEC's focus on this critical issue.

NextEra Energy Resources, LLC (NextEra Energy Resources) is California's largest renewable generation owner and operator and has been an electric generator in California since 1989. Our subsidiaries own and operate wind facilities, solar facilities, transmission assets, and battery energy storage systems in more than 20 counties across the state. We also have several projects in development, and currently have a total of approximately \$7.8 billion in capital investment in California. NextEra Energy recently announced our Real Zero goal to eliminate carbon emissions from our operations by no later than 2045. As part of our goal to reach Real Zero, we will work with companies outside the power sector to help lead the decarbonization of the U.S. economy, which includes electrolytic hydrogen production powered by renewables, also referred to as green hydrogen.

To meet California's greenhouse gas emissions ("GHG") reduction and renewable energy goals, the state will need to scale a range of new clean energy technologies across the economy, but especially in the transportation sector where GHG reductions have lagged. One such emerging technology is green hydrogen. Green hydrogen is made by using zero-emissions electricity to run an electrolyzer, which splits water into hydrogen and oxygen while producing no GHG emissions. We applaud the CEC's efforts to integrate green hydrogen into California's clean energy future, including the efforts to evaluate current programs and incentives. This is critical to advancing the use of green hydrogen in California.

As the CEC continues to evaluate programs and incentives for green hydrogen, we strongly urge the state to maintain consistent regulatory definitions through the already well-established rules governing the use of hydrogen for transportation. Specifically, we urge the state to maintain the use of "carbon intensity" quantifiable metrics as it broadens hydrogen regulations. Measurable, quantifiable metrics, as opposed to definitional, subjective metrics, are crucial for project design and engineering, to provide incentives to minimize carbon emissions, and for efficient regulation, compliance and measurement.

Maintaining consistency with the current Low Carbon Fuel Standard (LCFS) program at the California Air Resources Board (CARB) is critical for leveraging the private sector investment required to obtain federal funding, all resulting in a lower cost hydrogen product to California consumers. If project developers cannot count on consistency of the hydrogen regulation currently in place for transportation, the projects seeking funding, and the commercial relationship underpinning them, will be more challenged.



In addition, we support the CEC's commitment and progress towards Executive Order B-48-18, which sets the goals of achieving 200 hydrogen refueling stations by 2025. We would underscore the need for additional resources and grant funding for medium and heavy duty refueling infrastructure.

We look forward to working with the CEC on this important issue. Should you have any questions regarding our comments, please contact Cara Martinson, Sr. Director of Regulatory & Political Affairs at cara.martinson@nexteraenergy.com, or 916-267-5536.