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SoCalGas Comments on the CEC Clean Transportation Program Investment Plan Update

Additional submitted attachment is included below.



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Commissioner Patricia Monahan California Energy Commission Docket Unit, MS-4 Docket No. 23-ALT-01 715 P Street Sacramento, CA 95814-5512

Subject: Comments on the Public Meeting of the Advisory Committee for the Clean Transportation Program Investment Plan

Dear Commissioner Monahan,

Southern California Gas Company (SoCalGas) appreciates the opportunity to provide comments on the California Energy Commission (CEC) April 27, 2023, Public Meeting of the Advisory Committee for the Clean Transportation Program (CTP) Investment Plan. It is important to renew funding for the CTP and particularly for the Medium-Duty/Heavy-Duty (MD/HD) Zero Emissions Vehicle (ZEV) Infrastructure¹ and Renewable Hydrogen Production, Hydrogen Refueling Stations, and Low Carbon Fuels programs. These programs are crucial to advance the State's clean transportation goals, as outlined in Executive Order (EO) B-48-18 and Senate Bill (SB) 643², and ultimately helping to decarbonize the transportation sector.

SoCalGas supports the California Air Resources Board's (CARB) recent adoption of the Advanced Clean Fleets rule which requires public and private fleets of MD/HD vehicles to begin transitioning toward zero emissions starting in 2024 with a goal of being 100 percent ZEVs by 2045³, where feasible.⁴ During CARB's April 28 public workshop for the rule adoption, various industry groups expressed concerns regarding the feasibility of the rule particularly with respect to infrastructure

¹ In the form of medium and heavy-duty fueling stations.

² SB 643 requires the CEC, in consultation with CARB and the California Public Utilities Commission (CPUC), to prepare a statewide assessment of the fuel cell electric vehicle fueling infrastructure and fuel production needed to support the adoption of zero emission trucks, buses, and off-road vehicles.

³ See Advanced Clean Fleets, CARB, available at: <u>https://ww2.arb.ca.gov/our-work/programs/advanced-clean-fleets</u>.

⁴ See Southern California Gas Company (SoCalGas) Newsroom, "SoCalGas Applauds California Air Resources Board's Advanced Clean Fleets Rule," May 2, 2023, available at: <u>https://newsroom.socalgas.com/press-release/socalgas-applauds-california-air-resources-boards-advanced-clean-fleets-rule</u>.

needs and the lack of financial support.⁵ Groups on both sides, such as South Coast Air Quality Management District (SCAQMD) which supported the rule, and State of Baja California which did not support the rule, highlighted their concerns with infrastructure delays in public comments. Thus, it is appropriate for the CEC to emphasize MD/HD ZEV infrastructure projects during this CTP Investment Plan. Furthermore, **SoCalGas recommends that MD/HD refueling focus primarily on renewable hydrogen and its supply and production considerations.**

The goods movement sector will benefit from hydrogen fueling infrastructure that can be installed and placed in commercial operation quickly. Furthermore, the faster refueling provided by hydrogen maximizes the amount of time long-haul and drayage trucks can be on-road transporting goods, and minimizes the time spent idling during refueling. Ports have high energy needs; thus, port electrification may encounter challenges with upgrades to the transmission and distribution electric grid. Clean fuels such as renewable natural gas (RNG) and renewable hydrogen will likely play a critical role in addressing these challenges and are key to the southern California Hydrogen Hub.

SoCalGas supports the CTP's continued funding of the Low Carbon Fuels program which supports the production of clean fuels, one of the most cost-effective and efficient ways to reduce greenhouse gas (GHG), nitrogen oxide (NOx), and diesel soot emissions. Wayne Nastri, Executive Director of SCAQMD, has stated that heavy-duty trucks fueled with RNG are commercially available today, can "provide substantial GHG emission reductions," and are "at least 90 percent cleaner than new diesel trucks on NOx and 100 percent cleaner on cancer-causing diesel particulate matter."⁶

Conclusion

SoCalGas appreciates the opportunity to comment in support of the CEC's continued efforts to advance clean transportation goals across the State. We recommend that incentives and innovative investment programs continue to be encouraged within the CTP Investment Plan. We look forward to working with the CEC Commissioners and staff to determine funding allocations that positively benefit the State. Thank you for your consideration of our comments.

Respectfully,

/s/ Matt Gregori

Matt Gregori Technology Development Manager

⁵ See CARB Board Meeting Agenda, April 27 and 28, 2023, available at: https://ww2.arb.ca.gov/ma042723?utm_medium=email&utm_source=govdelivery.

⁶ Nastri, Wayne. "Letter to Partners in Environmental Justice and Environmental Health" August 3, 2021.