

DOCKETED	
Docket Number:	21-RPS-02
Project Title:	Renewables Portfolio Standard 10th Edition Guidebook Update
TN #:	259859
Document Title:	Southern California Gas Company - SoCalGas Comments on Proposed Scope of RPS Eligibility Guidebook
Description:	N/A
Filer:	System
Organization:	Southern California Gas Company
Submitter Role:	Public
Submission Date:	11/1/2024 3:11:43 PM
Docketed Date:	11/1/2024

*Comment Received From: Southern California Gas Company
Submitted On: 11/1/2024
Docket Number: 21-RPS-02*

SoCalGas Comments on Proposed Scope of RPS Eligibility Guidebook

Additional submitted attachment is included below.



Kevin Barker
Senior Manager
Energy and Environmental Policy
555 West 5th Street
Los Angeles, CA 90013
Tel: (916) 492-4252
KBarker@socalgas.com

November 1, 2024

Elizabeth Huber
Siting, Transmission and Environmental Protection Division
California Energy Commission
Docket Unit, MS-4
Docket No. 21-RPS-02
715 P Street
Sacramento, CA 95814-5512

Subject: Comments on the Proposed Scope of Renewable Portfolio Standard Eligibility Guidebook, Tenth Edition

Dear Ms. Huber,

Southern California Gas Company (SoCalGas) appreciates the opportunity to provide comments on the California Energy Commission (CEC)’s Proposed Scope of Renewable Portfolio Standard (RPS) Eligibility Guidebook, Tenth Edition.¹ Our comments focus on the following topics:

- 1) SoCalGas recommends that the CEC retain provisions in the RPS Eligibility Guidebook that clarify power generation from fuel cells using renewable hydrogen fuel is an eligible resource.**

Assembly Bill (AB) 1921² was amended in the Assembly with the intention of adding linear generators as an explicitly permitted RPS-eligible resource, thereby expanding rather than limiting RPS-eligible resources.³ Nothing in any of the bill analyses indicates that the legislature intended to restrict the existing eligibility of fuel cells. The language in AB 1921, “linear generators using fuels described in this paragraph that otherwise meet the requirements of this subdivision,” was

¹ Notice and Request for Comment on Proposed Scope for the Draft RPS Eligibility Guidebook, 10th Edition, CEC, October 18, 2024, available at:

<https://efiling.energy.ca.gov/GetDocument.aspx?tn=259593&DocumentContentId=95731>.

² AB 1921: Energy: renewable electrical generation facilities: definition, September 25, 2024, available at:

https://leginfo.legislature.ca.gov/faces/billCompareClient.xhtml?bill_id=202320240AB1921&showamends=false.

³ The April 3, 2024, Assembly Utilities and Energy Committee analysis clarifies this point on pages 3-4, noting the author’s intent to clarify existing RPS-eligibility, but not expand to new fuel types and further acknowledging the CEC’s inclusion of hydrogen used in fuel cells without explicit statutory inclusion.

intended to make sure the legislature was not extending RPS-eligibility to linear generators using fuels not already allowed under the RPS. It was not intended to limit the fuels or technologies that were already eligible, such as power generation from fuel cells using renewable hydrogen made using RPS-eligible feedstocks.⁴

The CEC’s published proposed scope of the RPS Eligibility Guidebook, Tenth Edition, however, appears to interpret AB 1921 as disallowing fuel cells operating on renewable hydrogen as an RPS-eligible resource.⁵ SoCalGas recommends the RPS Eligibility Guidebook, Tenth Edition, clarify that power generation from fuel cells using hydrogen derived from RPS-eligible resources remains an RPS-eligible resource.

Indeed, Assembly Appropriations analysis – made after the Assembly’s amendment – recognizes that power generation from fuel cells using hydrogen derived from a non-fossil-based fuel or feedstock is already an eligible resource based on the CEC interpretation, and that renewable hydrogen fuel does not need to be explicitly called out in AB 1921 bill language to be considered an eligible resource. The analysis states, “The Energy Commission contends a linear generator using renewable fuel seems already to qualify as an RPS-eligible electricity generating facility.”⁶ It also states, “A technology does not need to be specifically listed in the RPS statute for it to be eligible for RPS.”⁷

The RPS Eligibility Guidebook, Ninth Edition, provides for the inclusion of fuel cells using an RPS-eligible renewable energy resource, qualifying hydrogen gas, or both.⁸ Specifically, the Guidebook clarifies that qualifying hydrogen gas is based on the requirement that the hydrogen be derived from “a non-fossil-based fuel or feedstock through a process powered using an eligible renewable energy resource.”⁹

Accordingly, SoCalGas recommends the CEC retain the existing eligibility of fuel cells using an RPS-eligible renewable energy resource or qualifying hydrogen gas derived from non-fossil-based fuel or feedstock.

⁴ The October 31, 2024, letter from Assemblymember Diane Papan, author of AB 1921, to CEC Siting, Transmission and Environmental Protection Director Elizabeth Huber—submitted to the CEC’s 21-RPS-02 docket— provides further clarification on the author’s intent.

⁵ *Ibid.*, CEC Notice.

⁶ Assembly Committee on Appropriations, AB 1921 (Papan) As Amended April 8, 2024, p.2, available at: <https://trackbill.com/s3/bills/CA/2023/AB/1921/analyses/assembly-appropriations.pdf>

⁷ *Ibid.*

⁸ California Energy Commission’s “Renewables Portfolio Standard Eligibility, Ninth Edition (Revised), Commission Guidebook” at page 13.

⁹ *Ibid.*

2) SoCalGas requests clarification on the requirements to be reviewed for biomass conversion technologies.

SoCalGas requests that the CEC provide additional details regarding the specific requirements it plans to review concerning biomass conversion technologies, such as pyrolysis and gasification, to enable the public to provide detailed feedback on the proposed scope of the RPS Eligibility Guidebook, Tenth Edition. SoCalGas also requests more information on the policy drivers, if any, that are prompting these proposed changes. Because the RPS has allowed biomass conversion as an eligible feedstock since RPS legislation was first enacted in 2002,¹⁰ and current legislation is not requesting a revision of these rules, the public would benefit from a clearer understanding of the rationale behind these proposed considerations.

Conclusion

Insofar as the State aims to achieve its Senate Bill (SB) 100 goal of 100 percent clean electricity by 2045, it is in the public interest for RPS eligibility guidelines to be clear and easy to understand for project developers and the markets. SoCalGas recommends the CEC use its review of the RPS Eligibility Guidebook as an opportunity to provide clarity to the public on fuels and technologies that are considered eligible resources. As the CEC considers updates to the RPS Eligibility Guidebook, careful consideration should be given to ensure that the revisions establish clear market signals to facilitate investment in clean, firm and dispatchable resources that will be needed to support electric grid reliability and resilience. SoCalGas looks forward to continuing to engage with the CEC and stakeholders on this important proceeding. Thank you for your consideration of our comments.

Respectfully,

/s/ Kevin Barker

Kevin Barker
Senior Manager
Energy and Environmental Policy

¹⁰ RPS Eligibility Guidebook, CEC, April 2006, p.7, available at:
<https://www.energy.ca.gov/sites/default/files/2021-07/CEC-300-2006-007-F.pdf>.