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# California Hydrogen Business Council Comments on Workshop on Natural Gas Infrastructure June 2, 2021

California Energy Commission
Docket No. 21-IEPR-05

## I. Introduction

The California Hydrogen Business Council (CHBC)[1] appreciates the opportunity to share comments on the May 20, 2021 California Energy Commission (CEC) workshop titled, *Natural Gas Infrastructure*. The CHBC is encouraged by the discussion on including renewable hydrogen in CEC's plans to decarbonize California's existing pipeline distribution system to support California's decarbonization goals. We offer a few comments below in support of those plans.

## II. Comment Summary:

a. The CHBC supports utilizing California's existing pipeline distribution infrastructure to transition the state to decarbonized energy systems.

b. The CHBC supports research, demonstration projects, system modeling, and technical analyses by the CEC, the pipeline distribution utilities, and other stakeholders to ensure the transition to decarbonized pipelines is informed and inclusive of the newest technologies and best practices.

c. The CHBC strongly supports the CEC's inclusion of pipeline safety and integrity in its plan to transition the state to decarbonized pipeline systems.

## III. Comments

a. **The CHBC supports utilizing California's existing pipeline distribution infrastructure to transition the state to decarbonized energy systems**.

[1] The CHBC is comprised of over 120 companies and agencies involved in the business of hydrogen. Our mission is to advance the commercialization of hydrogen in the energy sector, including transportation, goods movement, and stationary power systems to reduce emissions and help the state meet its decarbonization goals**. The views expressed in these comments are those of the CHBC, and do not necessarily reflect the views of all the individual CHBC member companies.** CHBC Members are listed here: https://www.californiahydrogen.org/aboutus/chbc-members/

To be successful in reaching California's stated decarbonization goals in a timely and cost-effective manner, California must incorporate existing pipeline distribution infrastructure into its planning and modeling. The gas system is needed to maintain electric system reliability as more renewable resources are added and as more end uses are electrified. The CHBC appreciates the CEC's recognition that to achieve the energy sector's decarbonization goals, all renewable energy resources must be available including hydrogen. The CHBC recommends that the CEC go a step further and add green hydrogen to the list of eligible resources under California's Renewable Portfolio Standard (RPS). RPS eligibility would support production and use of green hydrogen as a critical decarbonization technology, displacing the use of natural gas in electricity generation. The CEC workshop noted pipeline distribution systems can be decarbonized with renewable fuels, including renewable hydrogen. Doing so results in cost savings to the state and ratepayers[2]. The CHBC is encouraged by the partnership of California's gas utilities and the CEC in presenting this information in the workshop.

Another component that should be considered in the energy transition is the use of potentially under-utilized pipelines that could support interconnections of renewable gases, such as hydrogen. The analysis and system models should weigh the value of either keeping pipelines in service or investing in system improvements to accept zero-carbon and net negative carbon gas sources to meet climate goals, verses the cost savings and emission reductions of decommissioning the pipeline and opting to electrify the customers currently served. When pipelines are decommissioned or eliminated, opportunities to interconnect zero-carbon fuels that can help provide clean-firm electric generation are decreased.

**b. The CHBC supports research, demonstration projects, system modeling, and technical analyses by the CEC, the pipeline distribution utilities, and other stakeholders to ensure the transition to decarbonized pipelines is informed and inclusive of the newest technologies and best practices.**

Demonstration projects, research, and analysis are all necessary to create a sustainable and decarbonized energy system for all of California. The CHBC supports research to transition our state's pipeline distribution system to decarbonized fuels, thereby providing solutions to key sectors, including industries with high thermal loads and process heat requirements, heavy duty transportation, and electricity generation. Decarbonization pathways that include hydrogen blending and dedicated

[2] International Energy Agency, "The Future of Hydrogen," June 2019. Available at: https://www.iea.org/reports/the-future-of-hydrogen

hydrogen pipelines should be studied in both laboratory and real-world settings. The research projects and demonstrations mentioned in the CEC workshop are critical to finding long-term solutions to a decarbonized energy system. The CHBC supports the efforts mentioned in the workshop with an emphasis on all projects that include renewable hydrogen.

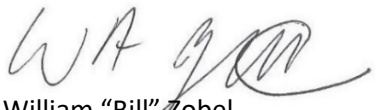
**c. The CHBC strongly supports the CEC's inclusion of safety and pipeline integrity in its plan to transition the state to decarbonized pipeline systems.**

To ensure the transition to a decarbonized pipeline system is sustainable and long-term, the CEC must include all necessary safety measures to keep our communities protected and build trust in zero-carbon fuels, including hydrogen, and long duration energy storage systems. The CHBC supports the CEC's dedication of funds for research and development of safety and integrity measures through an equity lens that considers low-income and marginalized communities that live near existing industrial facilities and goods movement corridors. The CHBC applauds the CEC's efforts to be proactive in these areas.

## IV. Conclusion

The Natural Gas Infrastructure workshop was very encouraging, and the CHBC is appreciative of the opportunity to engage in the discussion on transitioning our existing pipeline infrastructure to decarbonized renewable fuels like hydrogen. The CHBC supports the CEC's efforts towards a safe, sustainable, low-cost, science-based, and equitable pipeline distribution system transition plan and looks forward to supporting these efforts in the near term.

Sincerely,



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