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## RE: 2021 IEPR-05 - Renewable Natural Gas

The California Hydrogen Business Council (CHBC)<sup>1</sup> appreciates the opportunity to respond to the IEPR Commissioner Workshop on Renewable Natural Gas. The CHBC respectfully submits the following comments.

Renewable natural gas is a key component to capturing harmful methane emissions and repurposing it into renewable gas for the electricity and transportation sectors. However, as noted in the workshop presentation, distribution and use of natural gas contributes 12 percent of GHG emissions in the state of California and the use of fossil natural gas will need to decrease within the next 30 years for California to reach its stated SB 100 (De León) goals. Therefore, the CHBC respectfully recommends the 2021 IEPR include policy recommendations for two renewable gas cases: 1) a high case hydrogen/natural gas blend; and, 2) further research and validation of synthetic renewable methane for use in the gas distribution system. Together these cases will better quantify the capability renewable hydrogen holds to decarbonize the pipeline distribution system and improve the resiliency of energy delivery to both consumers and commercial enterprises.

Hydrogen/natural gas blending integrates percentages of hydrogen into the existing natural gas distribution system to reduce the carbon intensity of the methane traveling within the pipelines. California has existing natural gas pipeline infrastructure that could utilize a hydrogen/natural gas blend to reduce

<sup>&</sup>lt;sup>1</sup> 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 of the individual CHBC member companies. CHBC Members are listed here: <a href="https://www.californiahydrogen.org/aboutus/chbc-members/">https://www.californiahydrogen.org/aboutus/chbc-members/</a>

methane emissions. California utility, SoCal Gas, is preparing to blend up to 20 percent renewable hydrogen into the natural gas pipeline system<sup>2</sup> and the US Department of Energy has stated a 15 percent hydrogen/natural gas blend is possible today with minimal modifications to the pipelines.<sup>3</sup> Further, the CPUC recently stated in the Alternate Proposed Decision of the R.20-05-003 proceeding "Finding of Fact" that a "fossil fuel using at least a 30 percent green hydrogen blend reduces GHG emissions."<sup>4</sup> The CHBC agrees that a hydrogen/natural gas blend does indeed reduce GHG emissions<sup>5</sup> and recommends incorporating a high hydrogen/natural gas blend case into the 2021 IEPR Natural Gas Assessments and Outlook.

The CHBC would also point out that renewable synthetic methane holds great potential to decarbonize the gas pipeline system and based on its carbon intensity (CI) score could be a significant contributor to California's decarbonization goals. Synthetic methane produced from low CI renewable hydrogen and sustainable resources such as wood, waste wood, cellulose among other feedstocks offers potential for decarbonizing some, or all, of the state's gas pipeline distribution system. While considered a longer-term play in terms of a decarbonization strategy, California will need all the tools at its disposal to achieve its aggressive decarbonization goals.

Although continued use of renewable natural gas is necessary to transitioning the state to decarbonized power and transportation systems, the state must identify and include other renewable resources, like hydrogen and synthetic methane in the 2021 IEPR that are necessary to bring California to zero GHG emissions by 2045. The CHBC looks forward to the 2021 IEPR that is inclusive of all decarbonized technologies necessary for meeting the state's decarbonization goals.

<sup>&</sup>lt;sup>2</sup> https://www.utilitydive.com/news/socalgas-announces-net-zero-emission-goal-by-2045-but-some-stakeholders-re/597232/.

<sup>&</sup>lt;sup>3</sup> https://www.energy.gov/eere/fuelcells/hydrogen-pipelines.

<sup>&</sup>lt;sup>4</sup> R.20-05-003, apd AT PG. 81.

<sup>&</sup>lt;sup>5</sup> https://www.fchea.org/in-transition/2021/3/8/hydrogen-blending.

Respectfully Submitted,

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