BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Gas Company (U 904 G), San Diego Gas & Electric Company (U 902 G), and Southwest Gas Corporation (U 905 G) to Establish Hydrogen Blending Demonstration Project

A. 22-09-006

RESPONSE OF THE GREEN HYDROGEN COALITION TO THE JOINT APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY (U 904 G), SAN DIEGO GAS & ELECTRIC COMPANY (U 902 G), AND SOUTHWEST GAS CORPORATION (U 905 G) TO ESTABLISH HYDROGEN BLENDING DEMONSTRATION PROJECTS

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Pursuant to the Commission's Rules of Practice and Procedure, Rule 11.6, the Green Hydrogen Coalition ("GHC")¹ hereby provides a late response to the Joint Application of Southern California Gas Company (U 904 G), San Diego Gas & Electric Company (U 902 G), and Southwest Gas Corporation (U 905 G) to Establish Hydrogen Blending Demonstration Projects ("Application"). The GHC's motion to file a late response² was approved by Administrative Law Judge, Zhen Zhang, via email to the Application's service list on Monday, December 19, 2022.

I. <u>INTRODUCTION</u>

GHC is a California educational 501(c)(3) non-profit organization. GHC was formed in 2019 to recognize the game-changing potential of "green hydrogen" to accelerate multi-sector decarbonization and combat climate change. GHC's mission is to facilitate policies and practices that advance green hydrogen production and use across all sectors of the economy to accelerate a carbon-free energy future and a just energy transition. Our sponsors include renewable energy

¹ See https://www.ghcoalition.org/

² See https://docs.cpuc.ca.gov/SearchRes.aspx?docformat=ALL&docid=500052742

users and developers, utilities, and other supporters of a reliable, affordable green hydrogen fuel economy for all.

Overall, the GHC supports this Application and believes it will advance California's understanding of how green hydrogen can accelerate decarbonization of the State's energy sector and other hard-to-electrify sectors. The GHC's support for this Application is predicated on the following points: (1) it aligns with the findings of the UC Riverside ("UCR") Hydrogen Blending Study, and (2) it follows the guidance of the Commission under Decision (D.) 21-07-005 to increase collaboration and address research concerns. In the following sections, we outline our rationale for encouraging the Commission to approve this Application.

II. RESPONSES OF THE GREEN HYDROGEN COALITION

A. The Application Aligns with the Recommendations from the Commission's Hydrogen Blending Impacts Study Performed by the University of California Riverside.

The GHC applauds this Application for its intent to create live hydrogen blending demonstration projects. We believe this Application aligns with the recent findings and recommendations from the Commission's *Hydrogen Blending Impacts Study* ("Study") performed by the University of California, Riverside ("UCR"). The Study recommends conducting hydrogen blending demonstrations between 5-20% in real-world scenarios and identifies them as an essential step toward establishing a California hydrogen blending standard. The GHC believes the Application follows this recommendation since the data from the demonstrations "will answer critical technical, operational, and safety questions that cannot be supported by literature reviews or bench research alone, and will be critical in helping determine the future California hydrogen

injection standard."³ The GHC is confident that the utilities are in the best position to fill these knowledge gaps since they can conduct the demonstrations under safe and controlled conditions, as recommended in the Study. The projects under the Application, which involve most of the utilities collaborating with a University of California institution, also directly fulfill the Study's recommendation that the utilities work closely with academia.⁴

The GHC believes the Application's alignment with the Study ensures it will answer critical issues, thereby paving the way for progress in the hydrogen market. Furthermore, the GHC is confident these demonstration projects – conducted under controlled conditions that reflect targeted, real-world scenarios and include the incorporation of academic expertise – are an essential logical next step towards developing a blending standard.

B. This Application Addresses the Commission's Concerns and Follows the Guidance Outlined in Decision (D.) 21-07-005.

The GHC further supports this Application since it addresses some of the research concerns and issues outlined previously by the Commission. In 2020 the utilities⁵ submitted an Application (A. 20-11-004) proposing changes to the Standard Renewable Gas Interconnection ("SRGI") Tariff, which included a discussion of a Preliminary Renewable Hydrogen Injection Standard.⁶ However, the 2020 application was dismissed by the Commission under Decision (D.) 21-07-005, which guided the utilities to "first improve collaboration with stakeholders including the California Energy Commission; University of California, Riverside; and parties in this proceeding," after

³ See <u>Joint Application of Southern California Gas Company (U 904 G), San Diego Gas & Electric Company (U 902 G), And Southwest Gas Corporation (U 905 G) To Establish Hydrogen Blending Demonstration Projects (A.22-09-006), p. 3.</u>

⁴ See UCR Hydrogen Blending Impacts Study, p. 6.

⁵ Note that the utilities in the 2020 application include PG&E, which is not a part of the current application.

⁶ See <u>Joint Application of Southern California Gas Company (U 904 G), San Diego Gas & Electric Company (U 902 G), Pacific Gas And Electric Company (U 39 G), And Southwest Gas Corporation (U 905 G) Regarding Hydrogen-Related Additions Or Revisions To The Standard Renewable Gas Interconnection Tariff (A.20-11-004), p. 2.</u>

which "a subsequent, complete application will permit more effective, efficient, and timely

progress towards achieving the safe and optimal use of renewable hydrogen." As specified by the

Commission, collaboration should ensure that any future application by the utilities "supplement

and complement [the UCR Study and the CEC Research] studies to leverage the results to obtain

the most cost-effective use of the state's research money." To this end, the utilities have explicitly

stated that they "have further collaborated with the CEC and UCR to avoid any potential

duplication of efforts and guide the Projects and costs." In this way, the current Application

appears to have followed the guidance of the Commission, thereby facilitating essential

collaboration and research coordination between the relevant parties.

Given the substantive collaboration that has occurred since the original application's dismissal

and the research conducted in the UCR Study, GHC requests that the Commission expedite the

approval process of this Application to begin the blending demonstrations.

III. <u>CONCLUSION</u>

The Green Hydrogen Coalition appreciates the opportunity to submit this late response and

looks forward to collaboration with the Commission and stakeholders on this Application.

Respectfully submitted,

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⁷ See CPUC <u>Decision Dismissing Application A.20-11-004</u>, p. 2.

⁸ Ibid, p. 23.

⁹ See *Joint Application (A.22-09-006)*, p. 2.

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