

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Adopt
Biomethane Standards and Requirements,
Pipeline Open Access Rules, and Related
Enforcement Provisions

Rulemaking 13-02-008
(Filed February 13, 2013)

**REPLY COMMENTS OF THE GREEN HYDROGEN COALITION, THE NATIONAL
FUEL CELL RESEARCH CENTER, AND THE CALIFORNIA HYDROGEN BUSINESS
COUNCIL ON THE PROPOSED DECISION DIRECTING BIOMETHANE
REPORTING AND DIRECTING PILOT PROJECTS TO FURTHER EVALUATE AND
ESTABLISH PIPELINE INJECTION STANDARDS FOR RENEWABLE HYDROGEN**

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In accordance with the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”), the Green Hydrogen Coalition (“GHC”), the National Fuel Cell Research Center (“NFCRC”), and the California Hydrogen Business Council (“CHBC”) (together “Joint Parties”) hereby submit reply comments on the *Proposed Decision Directing Biomethane Reporting and Directing Pilot Projects to Further Evaluate and Establish Pipeline Injection Standards for Renewable Hydrogen* (“PD”), issued on November 10, 2022, by Commissioner Rechtschaffen.

I. INTRODUCTION.

The Joint Parties file these reply comments addressing the opening comments of other parties. While the opening comments address several questions in response to the ALJ Ruling, the Joint Parties focus here on issues relevant to the definition of hydrogen as well as the hydrogen blending pilot programs.

II. DISCUSSION.

a) The Joint Parties Encourage the Commission to Change the Nomenclature in this Proceeding From “Renewable Hydrogen” to “Clean Hydrogen.”

In our Opening Comments, we noted that the “renewable hydrogen” definition proposed in this PD is uniform with the proposed definition for “clean hydrogen” in the Angeles Link Memorandum Account Proceeding (A.22-02-007). We further stated that the term “clean hydrogen” better represents the proposed definition criteria in both PDs. Therefore, we ask that the Commission provide consistency between its proceedings and revise the nomenclature in this proceeding from “renewable hydrogen” to “clean hydrogen.”

After reviewing the opening Comments from other Parties to this proceeding, we believe this request has greater support. For example, Air Products contends that it would be better for the Commission to use the “clean hydrogen” definition proposed at the federal level on the basis that it is more accurate since it encompasses the correct assessment that hydrogen is a clean fuel as measured by hydrogen production’s carbon intensity.¹ Secondly, the Environmental Defense Fund similarly states that they encourage the use of “clean hydrogen” over “renewable hydrogen” so as to provide consistency across proceedings.² Thirdly, Pacific Gas and Electric Company (“PG&E”) stated that their preference is to use the term “clean hydrogen” instead of “renewable hydrogen” to allow all low carbon intensity production methods to succeed.³ As these examples demonstrate, there is support for employing a “clean hydrogen” definition.

Based on the agreement across many Parties in this proceeding, the Joint Parties ask the Commission to change the nomenclature in this proceeding from “renewable hydrogen” to “clean hydrogen.”

¹ [Air Products and Chemicals Comments](#) on The Proposed Decision, p. 4.

² [Environmental Defense Fund Comments](#) on The Proposed Decision, p. 13.

³ [Pacific Gas and Electric Company](#) on The Proposed Decision, p. 3.

b) The Joint Parties Encourage the Commission to Remain Consistent with the Federal 4kgCO₂e/kgH₂ Requirement and not Pose Hard Prohibitions in the Form of Secondary Inputs as this May Harm Progress toward State Environmental Goals.

First, we support the Commission's requirement that hydrogen must be produced from non-fossil fuel feedstock. However, we do not believe that outright prohibition of minor energy inputs to the lifecycle process supports the State's goals, provided that the well-to-gate lifecycle carbon intensity does not exceed 4kgCO₂e/kgH₂ produced. We commend PG&E for having a similar view as the Joint Parties that having additional requirements (*above what is required in the federal criteria*) will increase costs and could hurt market development, as well as their recommendation following the carbon intensity framework for eligibility.⁴

It is important to remember that there are many pathways to produce hydrogen from non-fossil fuel feedstocks, and all these pathways will require secondary energy and station power. Allowing projects to use some non-renewable inputs – so long as the cumulative amount still falls below the required 4kgCO₂e/kgH₂ produced – would enable project innovation and the realization of system-level benefits. Therefore, Joint Parties encourage the Commission to remain consistent with the Federal 4kgCO₂e/kgH₂ requirement for secondary inputs.

c) The Joint Parties Support the Utilities Recommendation to Address Pilot Programs Through Application 22-09-006.

The Joint Parties support the Utilities Opening Comments⁵ regarding pilot programs. Specifically, we support the Utilities request that any criteria that are not currently addressed in Application (A.) 22-09-006 be included in the application's respective proceeding via scoping memo or proposed decision and be removed from this Decision.⁶ If the provisions are not removed

⁴ [Pacific Gas and Electric Company](#) Comments on The Proposed Decision, p. 3.

⁵ [Southern California Gas Company \(SoCalGas\), San Diego Gas & Electric Company \(SDG&E\), and Southwest Gas Corporation \(Southwest Gas\) Joint Comments.](#)

⁶ Ibid, p. 4.

from this proceeding, we share the same concern as the Utilities that the pilot application timeline proposed in this PD would further delay the development and adoption of a hydrogen blending injection standard. For these reasons, we ask the Commission to remove the pilot programs from this PD and address this effort in A. 22-09-006.

III. CONCLUSION

The Joint Parties appreciate the opportunity to submit these reply comments and look forward to collaborating with the Commission and stakeholders in this proceeding.

Respectfully submitted,

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