

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

Order Instituting Rulemaking to Modernize the Electric Grid for a High Distributed Energy Resources Future.

Rulemaking 21-06-017 (Filed June 24, 2021)

# OPENING COMMENTS OF THE CALIFORNIA HYDROGEN BUSINESS COUNCIL ON THE PROPOSED DECISION OF THE ORDER INSTITUTING RULEMAKING TO MODERNIZE THE ELECTRIC GRID FOR A HIGH DISTRIBUTED ENERGY RESOURCES FUTURE

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### I. INTRODUCTION

The California Hydrogen Business Council (CHBC)<sup>1</sup> appreciates the opportunity to provide opening comments on the Proposed Decision (PD) of the Order Instituting Rulemaking (OIR) to Modernize the Electric Grid for a High Distributed Energy Resources Future. The CHBC respectfully submits the following comments.

#### II. DISCUSSION

The CHBC supports preparing the electric grid for a high number of distributed energy resources (DER) by including clean (existing and emerging) technologies that will assist in decarbonizing and providing added resiliency to the electric grid. We specifically seek the consideration of hydrogen, fuel cell, and hydrogen storage technology, as required by SB 1369

<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>

(Skinner),<sup>2</sup> which can play an important role in modernizing the California electric grid.

The CHBC strongly recommends the inclusion of hydrogen and fuel cell technology in this OIR to help the state meet its 100 percent clean energy goals, support distribution planning, support widespread and cost-effective transportation electrification (TE) using (grid generated) hydrogen, and optimize grid infrastructure investments by facilitating community input about planned developments, DER siting plans, and overall grid resiliency needs. As noted in this OIR, California can expect a high penetration DER future due to the electrification of the transportation, residential, commercial sectors as the state battles the effects of climate change and works to transition our economy to 100 percent clean energy.

The CHBC supports the OIR's consideration and inclusion of community engagement with distribution planning and investigating IOUs, distribution operators, and DER stakeholder roles and responsibilities that enable swift evolution of grid capabilities and operations to integrate DERs to meet the state's 100 percent clean energy goals.

The CHBC respectfully recommends the preliminary scope be inclusive of clean DERs, like fuel cells, and that it expressly incorporate quantifying the value to the grid of electrolytic hydrogen production and its use in terms of decarbonization potential, demand response, reduced renewable energy curtailments, and transportation electrification using fuel cell electric vehicles (FCEVs). The state's goal of achieving a 100 percent clean energy grid could be achieved far more cost-effectively with the inclusion of electrolytic hydrogen. We encourage the Commission to explore these benefits further in this proceeding and work with stakeholders to quantify them. Further, hydrogen fuel cell DERs can and should play a role in this regard which we recommend the Commission incorporate into this proceeding.

TE and the state's planning of these grid requirements extend beyond the role of BEVs and their charging requirements. Grid-produced electrolytic hydrogen will be a source of clean hydrogen fuel for the transportation market and planning for those resources relative to the impact and benefits these producers can provide the grid should be included in this OIR. The

<sup>&</sup>lt;sup>2</sup> Cal. Pub Util Code section 400-400.3.

CHBC respectfully recommends including fuel cell electric vehicles (FCEVs) that run on renewable hydrogen in the preliminary scoping and forecasting. Ensuring all technologies capable of decarbonizing the grid are incorporated in the OIR, will bring the state closer to its clean energy goals.

#### III. CONCLUSION

The CHBC is working to support California's clean energy goals and to bring about innovation in clean energy systems through the commercialization of hydrogen and fuel cell technology and the creation of good paying jobs in California. The CHBC appreciates the Commission considering these opening comments on the OIR and looks forward to engaging in the rulemaking process.

Dated: August 16, 2021

Respectfully submitted,

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**Policy Director** 

California Hydrogen Business Council