April 17, 2018

Dear Senator Hueso:

The California Hydrogen Business Council (CHBC) would like to express support for SB 1440 but seeks amendments to improve the bill to allow full support from our industry.

The CHBC is a California industry trade association with a mission to advance the commercialization of hydrogen in the energy sector, including transportation, goods movement, and stationary power systems to reduce emissions and dependence on oil.

For the past several years, the CHBC and its members have been working with various government agencies and other renewable gas market participants to expand market opportunities for existing and developing technologies for renewable gas, including renewable hydrogen. Your bill could continue that market development.

We request you to amend the current bill to be inclusive of a broad spectrum of renewable gas, as opposed to only biomethane, in keeping with the spirit of state law. SB 1383 guided the California Energy Commission, Public Utilities Commission and Air Resources Board to “consider additional policies to support the development and use in the state of renewable gas that reduce short-lived climate pollutants in the state.” The author’s intent was to include not only biomethane but also other renewable gases like renewable hydrogen.

In addition, we request you expand the procurement target for “renewable gas” from the 2020 goal of 32 billion cf by adding a goal of 100 billion cf by 2030 to allow for long-term investment and commitment to establish a market for renewables gases.
Finally, we request you replace the language of the statutory price cap with a direction for the PUC (in consultation with the Air Board) to implement price controls and allow market mechanisms to be applied.

We look forward to working with your office on the passage of SB 1440 once our proposed amendments are incorporated.

Sincerely,

Emanuel Wagner
Assistant Director
California Hydrogen Business Council

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