

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

Order Instituting Rulemaking to  
Continue Electric Integrated Resource  
Planning and Related Procurement  
Processes.

Rulemaking 20-05-003  
(Filed on May 7, 2020)

**COMMENTS OF THE GREEN HYDROGEN COALITION ON THE PROPOSED  
DECISION ORDERING SUPPLEMENTAL MID-TERM RELIABILITY  
PROCUREMENT (2026-2027) AND TRANSMITTING ELECTRIC RESOURCE  
PORTFOLIOS TO CALIFORNIA INDEPENDENT SYSTEM OPERATOR FOR 2023-  
2024 TRANSMISSION PLANNING PROCESS**

Nicholas Connell  
Policy Director  
**Green Hydrogen Coalition**  
10265 Rockingham Dr.  
Suite #100-4061  
Sacramento, CA 95827  
Telephone: (510) 665-7811  
Email: [nconnell@ghcoalition.org](mailto:nconnell@ghcoalition.org)

February 2, 2023

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

Order Instituting Rulemaking to  
Continue Electric Integrated Resource  
Planning and Related Procurement  
Processes.

Rulemaking 20-05-003  
(Filed on May 7, 2020)

**COMMENTS OF THE GREEN HYDROGEN COALITION ON THE PROPOSED  
DECISION ORDERING SUPPLEMENTAL MID-TERM RELIABILITY  
PROCUREMENT (2026-2027) AND TRANSMITTING ELECTRIC RESOURCE  
PORTFOLIOS TO CALIFORNIA INDEPENDENT SYSTEM OPERATOR FOR 2023-  
2024 TRANSMISSION PLANNING PROCESS**

In accordance with the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission” or “CPUC”), the Green Hydrogen Coalition (“GHC”) hereby submits these comments on the *Proposed Decision Ordering Supplemental Mid-Term Reliability Procurement (2026-2027) and Transmitting Electric Resource Portfolios to California Independent System Operator For 2023-2024 Transmission Planning Process* (“Proposed Decision” or “PD”),<sup>1</sup> issued by Administrative Law Judge (“ALJ”) Julie Fitch on January 13, 2023. These comments are being submitted in a timely fashion according to the schedule set by the Commission through the PD.

**I. INTRODUCTION.**

The GHC welcomes the opportunity to provide comments on the PD, which directs an additional 4 GW of net qualifying capacity (“NQC”) procurement during the 2026-2027 period and identifies the portfolios that are to be utilized in the California Independent System Operator’s (“CAISO”) Transmission Planning Process (“TPP”) for 2023-2024. In the PD, the Commission

---

<sup>1</sup> <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M501/K102/501102663.PDF>

mentions the following challenges California will face in its pursuit of decarbonization: the need for greater capacity at a faster pace<sup>2</sup> and the growing need for zero-carbon, firm capacity.<sup>3</sup> While GHC is supportive of the Commission’s determinations surrounding long lead time (“LLT”) resources, we are concerned that the Commission has once again declined to engage with the consideration of material improvements, retrofits, and other investments that enhance the capacity and/or the emission’s profile of existing thermal assets, such as investments that would allow for the use of renewable hydrogen-based fuel blends. With this perspective in mind, GHC’s comments can be summarized as follows:

- The postponement of LLT resource requirements from 2026 to 2028 is reasonable, but the Commission should also allow for these procurement needs to be met by 2030 if good faith efforts are demonstrated.
- In future procurement directives and frameworks, the Commission must not only acknowledge the importance of enhancements to existing thermal infrastructure and resources that improve capacity and/or emission’s profile while providing firm power but also include said resources as eligible for procurement.

**II. THE POSTPONEMENT OF LLT RESOURCE REQUIREMENTS FROM 2026 TO 2028 IS REASONABLE, BUT THE COMMISSION SHOULD ALSO ALLOW FOR THESE PROCUREMENT NEEDS TO BE MET BY 2030 IF GOOD FAITH EFFORTS ARE DEMONSTRATED.**

In the PD, the Commission amends the LLT requirement to allow any load serving entity (“LSE”) to show compliance with its LLT requirements at any time between 2026 and 2028, which effectively moves the 2 GW LLT requirement to 2028 instead of 2026.<sup>4</sup> The PD also notes that if

---

<sup>2</sup> PD at 23.

<sup>3</sup> PD at 22-23.

<sup>4</sup> PD at 26.

the LLT resources come online in a year prior to 2028, then the individual LSE would still have a generic capacity procurement obligation in 2028.<sup>5</sup> Importantly, these resources – just like the 4 GW added by the PD – may be of any sort that would otherwise qualify under the generic category in D.21-06-035 (non-emitting, storage, and/or RPS eligible, but not fossil-fueled resources).<sup>6</sup>

GHC supports the Commission’s determination to delay the procurement requirements associated with LLT resources to June 1, 2028. The benefits of this postponement are twofold. First, the extension will allow for the benefits of the Inflation Reduction Act (“IRA”) to fully materialize, which would expand the set of solutions that buyers may consider and potentially decrease ratepayer costs. Second, this extension would provide developers with longer development times, which have a direct, positive impact on project costs and financing. After a series of expedited procurement orders, a modification like this is certainly in the interest of ratepayers.

While GHC supports the extension discussed above, we believe that the Commission could go a step further in supporting the development of these much needed clean, firm resources. Specifically, the GHC supports noting that, if procurement is delayed beyond this 2028 deadline, good faith efforts should be taken into consideration. Thus, GHC supports clarifying that, if good faith efforts<sup>7</sup> can be demonstrated, LLT resources should then be allowed to meet procurement requirements through 2030.

---

<sup>5</sup> *Ibid.*

<sup>6</sup> PD at 27.

<sup>7</sup> Defined in D.21-06-035, OP 5: “Evidence of a good faith effort shall include, but may not be limited to, at least two of the following: (a) Evidence of a solicitation; (b) Evidence of bids in a solicitation; (c) An executed contract; (d) Evidence of site control; (e) An interconnection agreement; and (f) A notice to proceed.”

**III. IN FUTURE PROCUREMENT DIRECTIVES AND FRAMEWORKS, THE COMMISSION MUST NOT ONLY ACKNOWLEDGE THE IMPORTANCE OF ENHANCEMENTS TO EXISTING THERMAL INFRASTRUCTURE AND RESOURCES THAT IMPROVE CAPACITY AND/OR EMISSION'S PROFILE WHILE PROVIDING FIRM POWER BUT ALSO INCLUDE SAID RESOURCES AS ELIGIBLE FOR PROCUREMENT.**

As mentioned above, the Commission indicates in this PD that eligibility for meeting the newly added generic capacity requirements shall be limited to those that would otherwise qualify under the generic category in D.21-06-035 (non-emitting, storage, and/or RPS eligible, but not fossil-fueled resources).<sup>8</sup>

The GHC is concerned that the Commission did not consider the eligibility of material improvements, retrofits, and other investments that enhance the capacity and/or the emission's profile of existing thermal assets, such as investments that would allow for the use of renewable hydrogen-based fuel blends.

While GHC is aware that the Commission is formulating a broader hydrogen policy through other proceedings, this omission continues to delay important analysis that must be undertaken to better understand what infrastructure should be retained and invested in to ensure a timely transition to a renewable hydrogen-based economy. As a result, GHC urges the Commission to not only acknowledge the importance of enhancements to existing thermal infrastructure and resources that improve capacity and/or emission's profile while providing firm power but also include said resources as eligible for procurement within future directives or programmatic procurement frameworks. The GHC urges the Commission to be clear that any enhancements to existing infrastructure that improve an asset's capacity and/or emissions profile should be considered as incremental procurement and be under the scope of "new resources" within future procurement directives and frameworks. GHC believes that this notion is critical to incentivizing

---

<sup>8</sup> *Ibid.*

the development of clean firm power and ultimately catalyzing the transition to a hydrogen-based economy.

**IV. CONCLUSION.**

GHC appreciates the opportunity to submit these comments to the PD and looks forward to working with the Commission and stakeholders in this proceeding.

Respectfully submitted,

**/s/ Nicholas Connell**

Nicholas Connell  
Policy Director  
Green Hydrogen Coalition  
Tel: 949-558-1305  
Email: [nconnell@ghcoalition.org](mailto:nconnell@ghcoalition.org)

February 2, 2023