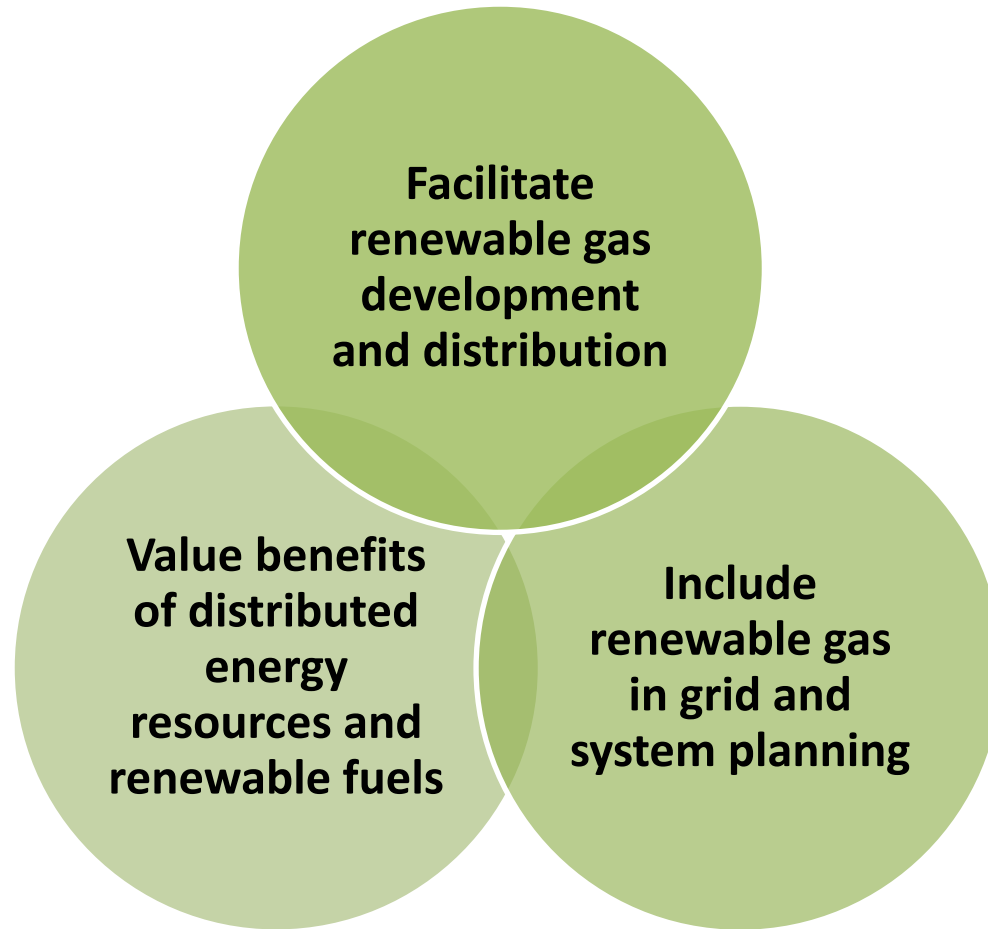


Policy to Enable Expansion of Renewable Fuel Cells and Microgrids Renewable Gas 360

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Policy Recommendations to Enable Renewable Fuel Cell Microgrids



Facilitate Renewable Gas Development and Distribution for Electricity Generation

Enable decentralization of the grid for increased resilience

- Design policy for the energy system – value desired outcomes, not specific technologies and fuels
- Base incentives on benefits the system provides to the grid and ratepayers
- Level the playing field: compensate renewable fuel for electricity generation
- Accelerate development of standards for renewable gas distribution and pipeline injection

Fully Value the Benefits of Fuel Cells and Renewable Fuels

Non-combustion should receive greater valuation than combustion

- Consider health and pollution impacts of combustion on local communities
- Value reduction of criteria air pollutants, short-lived climate pollutants and air toxics, in addition to greenhouse gas emissions
- Valuation methodologies exist
- AB 617 in California is unique

Distributed resources and microgrids create a new energy paradigm

- Value of providing resilience and backup power to the grid
- Avoided transmission and distribution costs
- Lower lifetime operation and maintenance costs
- Precedents are limited – create new policy frameworks and adjust compensation mechanisms where required

Include Renewable Gas in Grid and System Planning

Grid modernization and natural gas transition policy in California, Connecticut and New York

- Renewable fuels enable grid independence, long-duration resilience, reliability and seasonal storage, supporting decarbonization and supplementing electrification
- Share regional standards and definitions
- Enable conversion of power production plants and gas distribution system