



Renewable Gas Portfolio/Procurement Standards: State Leadership

**Today's webinar
will start at:
10 a.m. PT / 1 p.m. ET**



Webinar Series

Webinar Speakers:



Sen. Michael Dembrow

Oregon State Senate
District 23



Sen. Chris Hansen

Colorado State Senate
District 31



Rep. Mark McBride

Oklahoma State House
District 53



Sam Wade

Coalition for Renewable
Natural Gas



Nina Oliveira (Moderator)

Coalition for Renewable
Natural Gas



Renewable Gas Portfolio/Procurement Standards: State Leadership

Webinar Series

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Future Renewable Gas 360 Webinar Series Topics May Include:



**A Primer on
Gasification**



**Power-to-Gas (P2G) -
Status of U.S. Projects**



**How Renewable Gases Can
Help Municipalities Reduce
Their Carbon Footprint**



**Strategies to Mitigate Wild-
fires Using Forest Biomass
as a Feedstock for
Renewable Gas**

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Before we get started:

Q&A

Submit your questions to the host using the Q&A box in the upper right-hand corner.

Survey

A 30-second survey will pop-up at the end. We appreciate your feedback!

Presentations

A recording of today's webinar will be posted on the Renewable Gas 360 Webinar Series website and you will be emailed a link by early next week.

Technical Issues

Contact Benjamin Chan at:
benjamin.chan@gladstein.org
or 310-573-8545 for assistance.



Renewable Natural Gas Procurement: Legislative Update

Nina Oliveira

Director of State Government Affairs, Coalition for Renewable Natural Gas

Renewable Gas 360
September 27, 2021

ABOUT THE RNG COALITION

The leading advocacy and education voice for RNG in North America

The RNG Coalition advocates for sustainable development, deployment and utilization of renewable natural gas so that present and future generations will have access to domestic, renewable, clean fuel and energy

Utilities, developers, marketers, financiers, technology providers, consultants, and labor coming together

98%+ of the RNG supply in north America



RNG COALITION MEMBERS (NOT ALL PICTURED)



Cynthia Obadia Consulting



EVERSHEDS SUTHERLAND



FORTISTAR



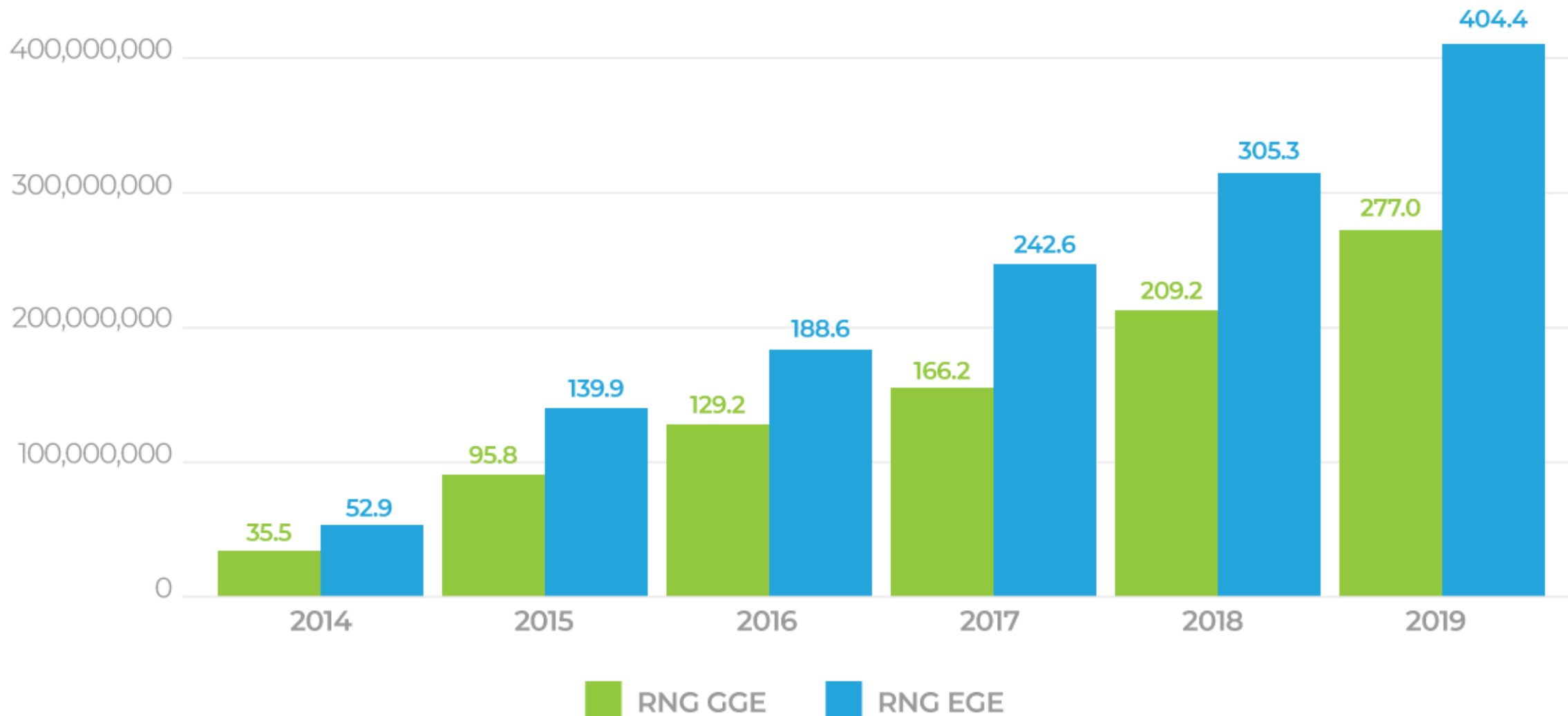
GENSCAPE



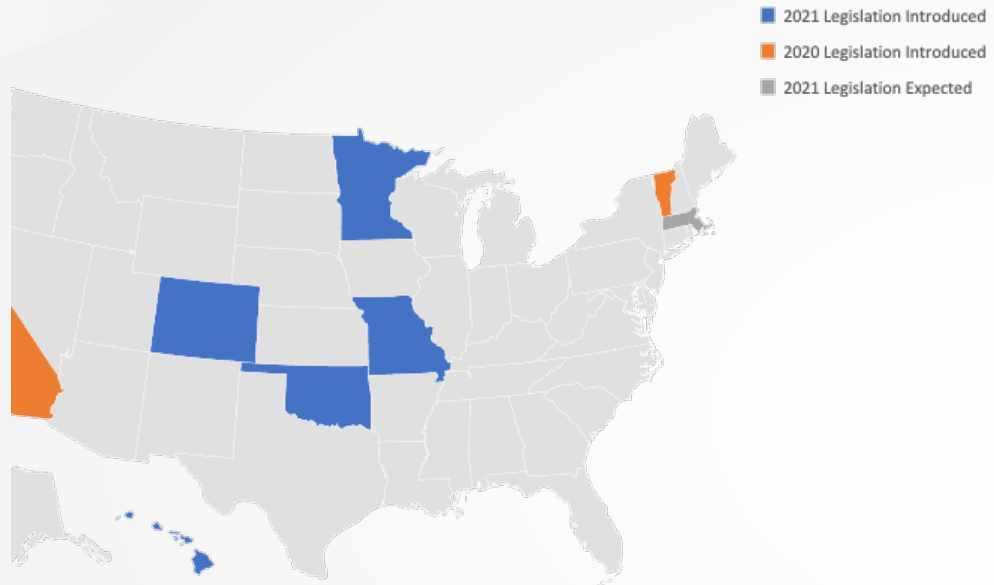
RNG COALITION MEMBERS (NOT ALL PICTURED)



U.S. TRANSPORTATION RNG PRODUCTION GROWTH (2014-2019)



PENDING RNG PROCUREMENT LEGISLATION



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SPEAKER INFO

Nina Oliveira

RNG Coalition, Director of State Government Affairs

nina@rngcoalition.com

916-550-3192

RNGCoalition.com



Renewable Gas Portfolio/Procurement Standards: State Leadership

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Sen. Michael Dembrow

Oregon State Senate

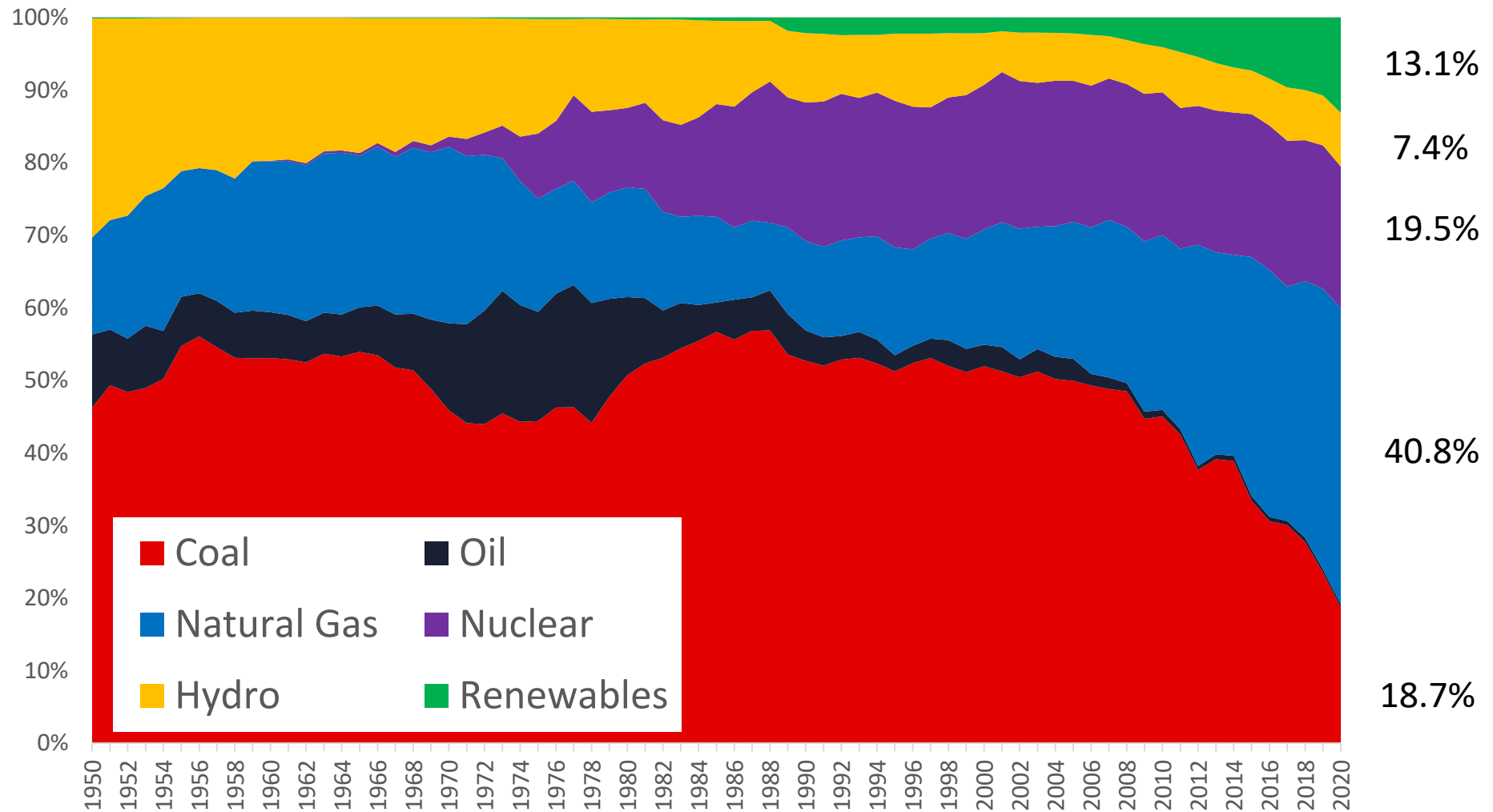
District 23

The background of the slide is a photograph of the Colorado State Capitol building in Denver. The building is a large, light-colored stone structure with a prominent central dome covered in gold leaf. The dome is topped with a statue. The building has many windows and classical architectural features. In front of the building, there are some trees and a statue on a pedestal. The sky is blue with some white clouds. The text is overlaid on the center of the image.

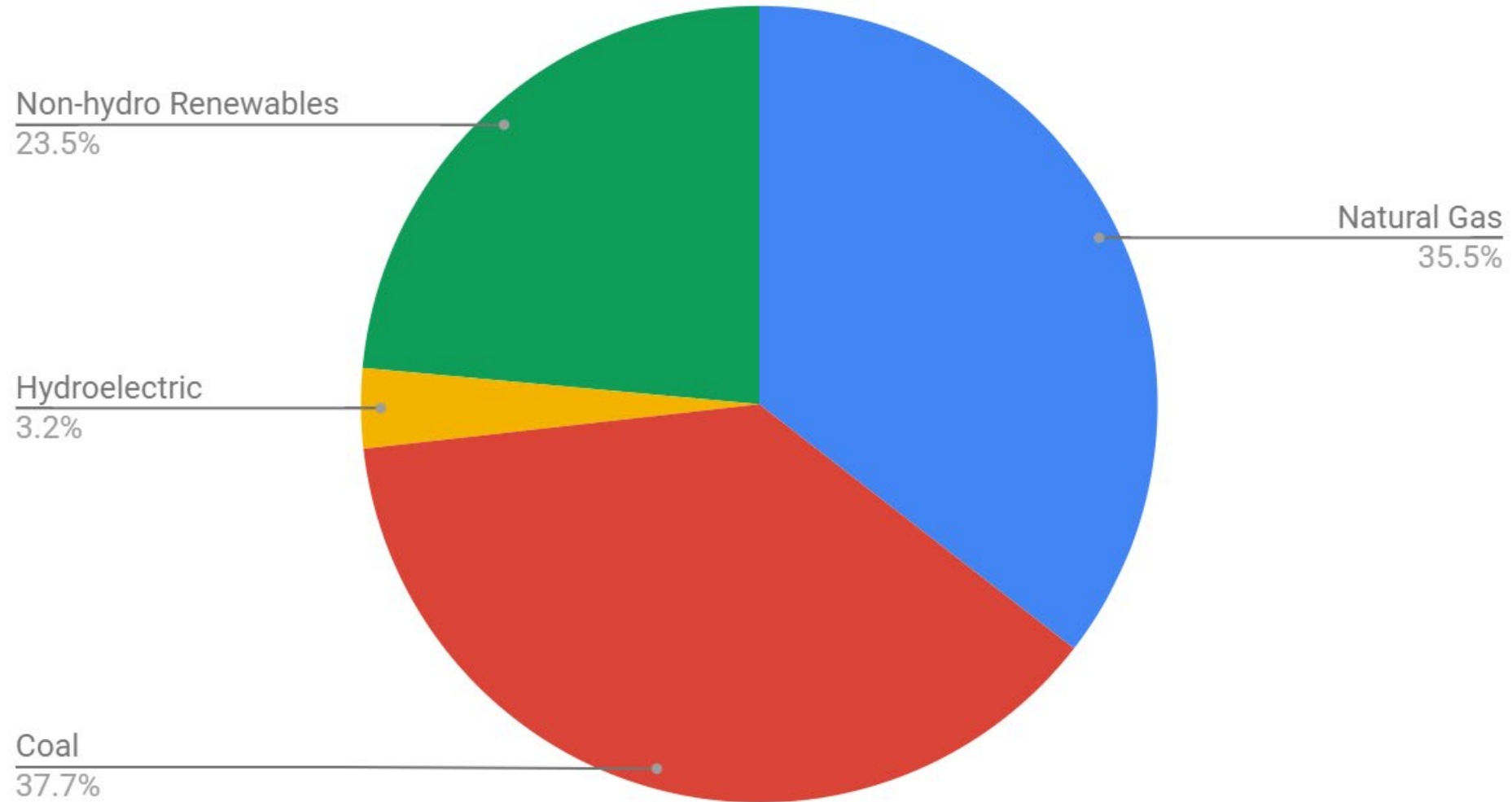
COLORADO NATURAL GAS LEGISLATION: TRENDS AND OPTIONS FOR THE FUTURE

SENATOR CHRIS HANSEN (D-DENVER; CO SENATE DISTRICT 31)

U.S. NET GENERATION BY MARKET SHARE (1950-2020)

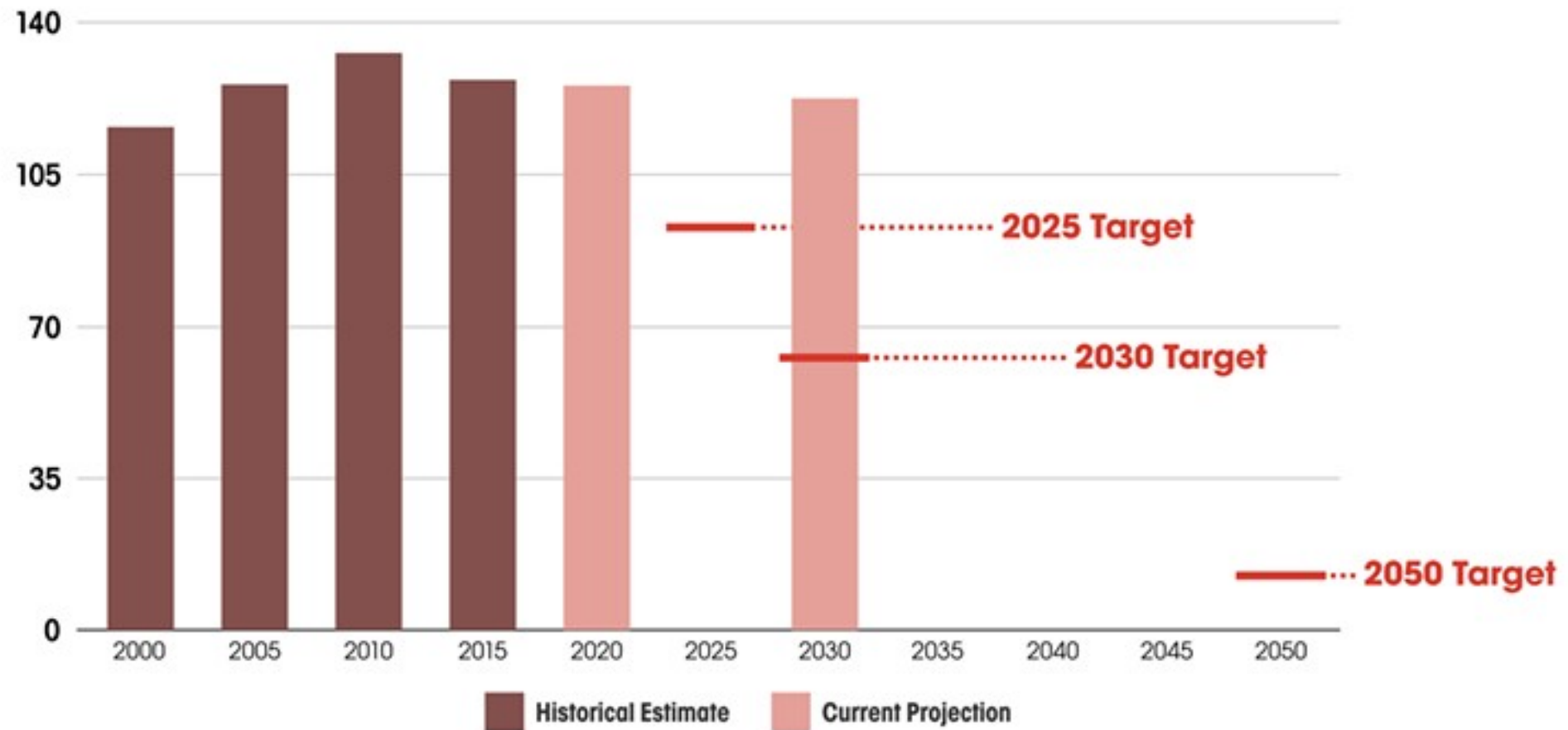


Colorado Net Electricity Generation by Source (Feb 2020)

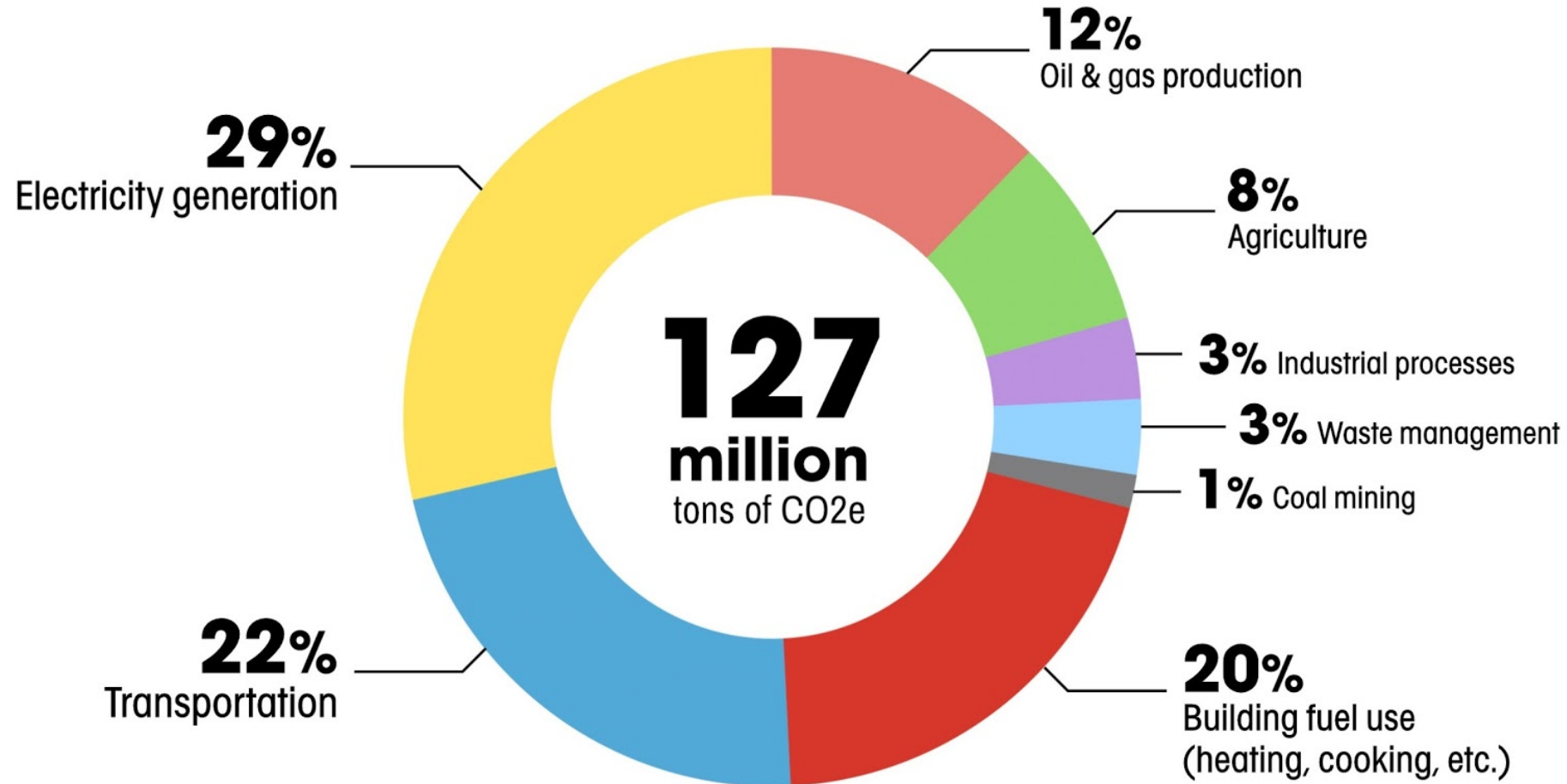


Colorado's Greenhouse Gas Emissions vs. Climate Action Plan Targets

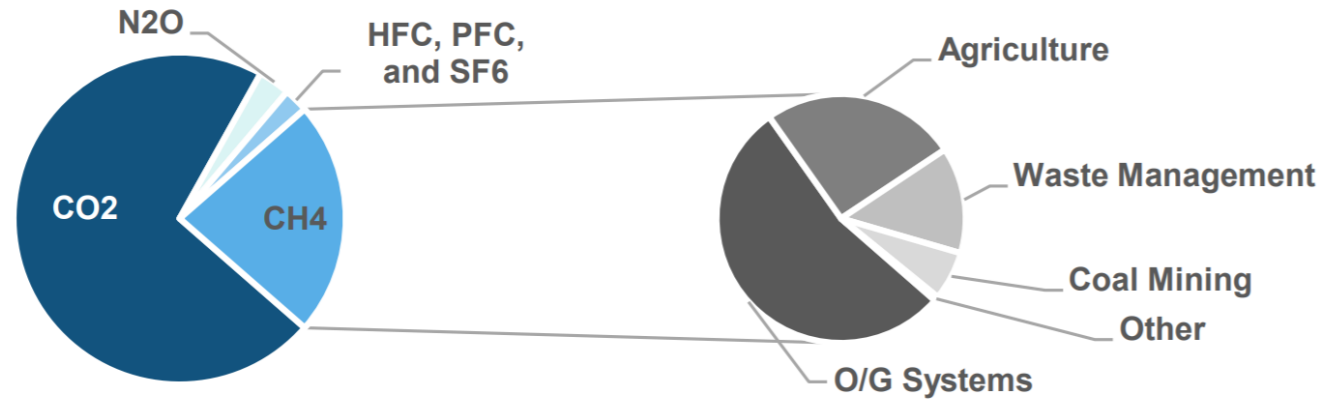
Millions of Metric Tons of CO₂-Equivalent (MMTCO₂e)



Sources of Colorado's Greenhouse Gas Emissions, 2015



Colorado's 2015 Methane Emissions by Source



Sector	Source	2015 Methane Emissions (MMT CO ₂ e)
Agriculture	Enteric Fermentation*	6.19
	Manure Management	1.20
	Agricultural Residue Burning	0.00
Waste Management	Landfills	3.52
	Wastewater Treatment Plants	0.51
Coal Mining	Coal Mining	1.85
Oil and Gas Systems	Oil and Gas Systems	15.62

Source: Colorado Department of Public Health and Environment

* Enteric fermentation is the microbial fermentation process during digestion in ruminant animals (e.g., cattle) that produces methane as a byproduct. This methane is either exhaled or belched by the animal.

In 2019, SB19-181 strengthened AQCC's ability to regulate and curb methane emissions

Requires the AQCC to:

- Review leak detection and repair rules
 - Consider more stringent provisions, including semi-annual leak detection and repair inspections at all well production facilities
- Adopt rules to minimize methane, hydrocarbons, volatile organic compounds, and nitrogen oxides emissions from oil and natural gas

Requires oil and gas companies to:

- Install methane emissions monitors at facilities with large emissions potential, at multi-well facilities, and at facilities in close proximity to occupied dwellings

SB21-xxx: An opportunity for significant greenhouse gas reductions via GHG performance standard

This bill establishes a phased in greenhouse gas performance standard for natural gas local distribution companies (LDCs) of:

- at least 5% emissions reduction by January 1, 2025;
- at least 10% emissions reduction by January 1, 2030;
- at least 15% emissions reduction by January 1, 2035 and every year thereafter

Eligible resources to accomplish the performance standard include:

- Renewable Natural Gas
- Emissions offsets that can include coal mine methane, forestry, and agriculture
- Leak detection and repair of the LDC
- MSW methane, wastewater biogas, MSW and tire pyrolysis

The bill also establishes different criteria for large and small investor owned natural gas utilities & provides guidance for municipally owned natural gas utilities

Potential GHG emissions savings under SB21-xxx

Portfolio Targets under SB20-150	Quantity of Natural Gas displaced by RNG Million cubic feet	Potential GHG Savings from Displaced Geologic Natural Gas Metric tons of CO2e	Potential GHG Savings from Avoided Methane Emissions Metric tons of CO2e
5%	6,727	0.4 million	up to 3.4 million
10%	13,453	0.7 million	up to 6.8 million
15%	20,180	1.1 million	up to 10.2 million

Potential Displacement of Natural Gas by RNG for large and small utilities

Natural Gas Utility	Number of Meters	2018 Natural Gas Sales Million cubic feet	Quantity of Natural Gas Displaced by RNG under Large Utility Targets Million cubic feet		
			5%	10%	15%
PSCo (Xcel Enegy)	1,329,848	134,534	6,727	13,453	20,180
Black Hills Colorado Gas	84,586	9,180	459	918	1,377
Black Hills Gas Distribution	99,764	1,732	87	173	260
Colorado Natural Gas	21,831	1,790	90	179	269
Atmos Energy	114,866	4,086	204	409	613

Source: Public Utilities Commission.

Note: Atmos Energy retail sales based on 2020 gas cost recovery filings.

Contact Information



Representative Chris Hansen

Colorado State Senate, District 31

Chris.Hansen.Senate@state.co.us

(303) 866-4861



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Rep. Mark McBride

Oklahoma State House

District 53



Renewable Natural Gas Procurement: Regulatory Update

Sam Wade

Director of State Regulatory Affairs Coalition for Renewable Natural Gas

Renewable Gas 360 Webinar

January 27, 2021

WHY SHOULD REGULATORS CONSIDER RENEWABLE GAS PROCUREMENT PROGRAMS?

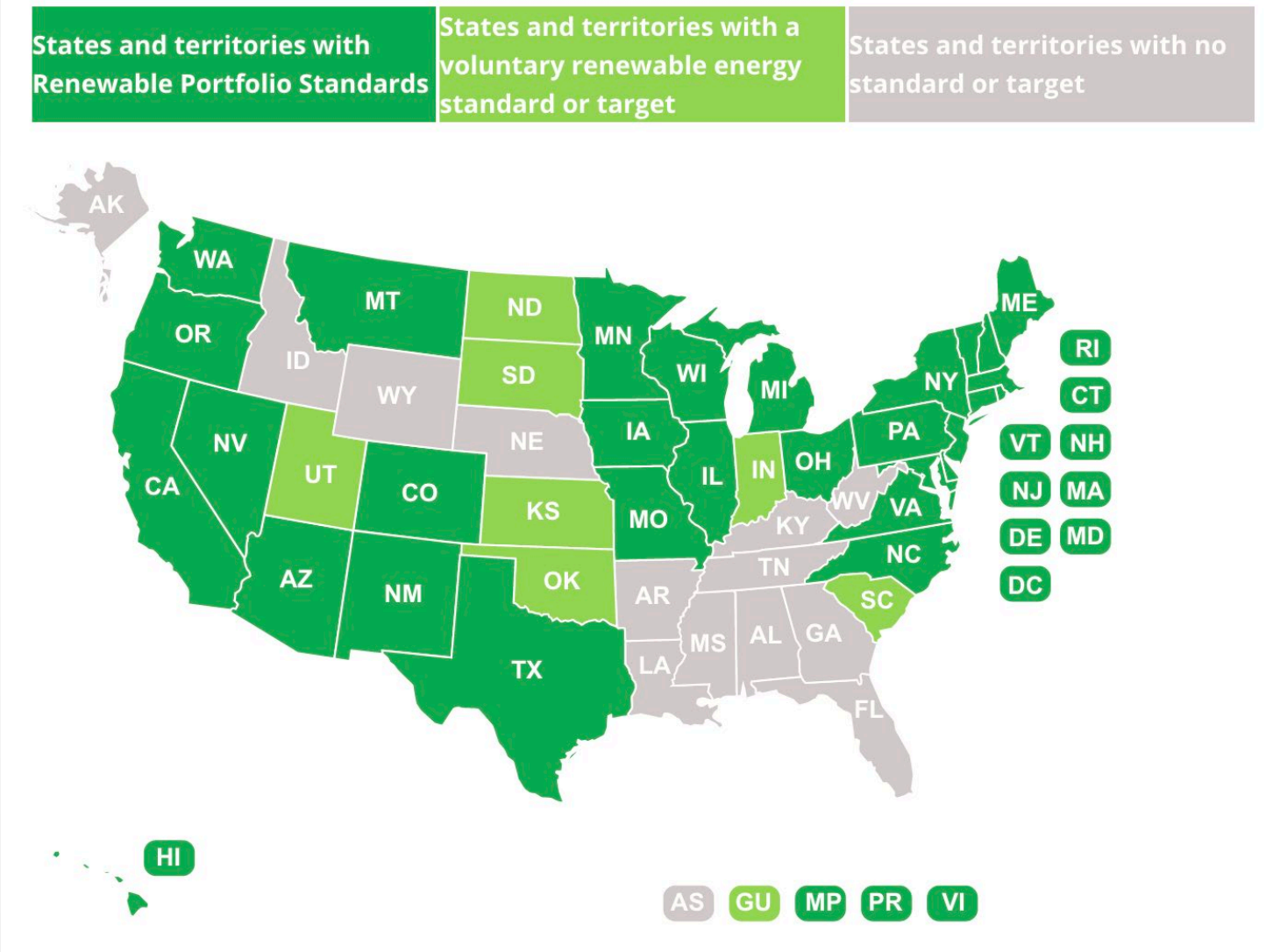
- Policy directly impacts or relates to criteria
- Policy indirectly impacts or relates to criteria

GUIDING QUESTIONS	EVALUATION CRITERIA	CLIMATE AND ENERGY MANDATES					DIRECT PUBLIC FINANCE		ENABLING POLICIES				
		CLEAN FUELS STD. (VOLUMETRIC)	CLEAN FUELS STD. (CARBON-WEIGHTED)	RENEWABLE GAS STD. (VOLUMETRIC)	RPS CARVE-OUT (VOLUMETRIC)	THERMAL RPS CARVE-OUT (VOLUMETRIC)	GENERAL GRANT FUNDING	TAX INCENTIVES	PUBLIC PROCUREMENT	FOOD WASTE REGULATION	WATERSHED REGULATION	PERMITTING AND SITING RULES	INTERCONNECTION AND GAS QUALITY RULES
WHICH BARRIERS TO ADDRESS?	Improve project economics (cost)	●	●	●	●	●	●	●	●			●	○
	Reduce regulatory uncertainty (risk)											●	●
	Reduce price uncertainty (risk)											○	○
	Improve feedstock availability (scale)									●	○		
WHICH SECTOR TO DECARBONIZE?	Electricity				●		○	○				○	○
	Vehicle fuels	●	●				○	○	●			○	○
	Stationary fuels (thermal)			●		●	○	○	●			○	○
WHO PAYS?	Government funding						●	●	●				
	Producer/Consumer funding	●	●	●	●	●							
HOW IS RNG VALUED?	By quantity (volumetric)	●		●	●	●							
	Relative GHG impacts by feedstock		●										
TARGET SUPPLY OR DEMAND?	In-state supply/infrastructure						●	●		●	○	●	○
	In-state fuel demand	●	●	●	●	●			●				
IS COMPETITION ALLOWED?	Technology-neutral	●	●			●	●	●	●				
	Explicit mandate for RNG			●	●								

RENEWABLE GAS PROCUREMENT PROGRAMS – THE BASICS

- The principles behind RNG procurement programs are directly analogous to renewable portfolio standards for electricity providers:
 - Replace the sources of gas procured by the utility with renewable sources
 - Require RNG be delivered and measured against some benchmark:
 - Greenhouse gas (GHG) based reduction target
 - Volumetric target
 - Targets can be fixed (x% by year y) or flexible (based on prudence/ratepayer cost tests)
 - Any above-market procurement costs for RNG can be recovered from either:
 - All gas customers, or
 - Only specific categories of customers (e.g., those that choose to opt-in and buy RNG)
- **All RNG programs reduce GHGs, enhance energy reliability and resilience, and achieve sustainable economic growth**

38 STATES HAVE RENEWABLE PORTFOLIO STANDARDS FOR POWER, SHOULDN'T RENEWABLE GAS BE NEXT?



Graphic Source: National Conference of State Legislators <https://www.ncsl.org/research/energy/renewable-portfolio-standards.aspx>

RNG PROCUREMENT PROGRAMS ARE EXPANDING QUICKLY

BC GHG Reduction Regulation

- Allows utilities to procure RNG for up to 5% of 2015 demand from all customers
- Caps such procurement at a fixed ceiling price
- Fortis BC also offers an opt-in product for customers that want more RNG

OR SB 98 (2019)

- Implemented by OR PUC in 2020
- Northwest Natural beginning to procure
- Soft target of up to 30% RNG by 2045

CA SB 1440 (2018)

- Requires CPUC consideration of RNG procurement for all customers
- Implementation whitepaper expected from CPUC in early 2021
- SoCalGas/SDG&E opt-in program approved in December 2020

WA HB 1257 (2019)

- Requires opt-in RNG programs be offered
- Streamlines rate recovery for utilities who choose to undertake procurement for all customers
- WA UTC Finalized Policy Statement in Dec 2020

NV SB 154 (2019)

- Fully implemented by NV PUC in 2020
- Soft target of up to 3% RNG by 2035

■ In Place (All Customers)

■ In Place (Opt-in Customers)

■ In Place (All Customers and Opt-in)

■ Leg Passed, Regulatory Development Underway (All Customers and Opt-in)

Opt-in Programs

- Pre-date US programs targeting all customers
- Utilities usually receive PUC approval but does not require legislation
- Proven track record of environmental benefits at reasonable costs for those that want RNG

SPEAKER INFO

Sam Wade

RNG Coalition, Director of State Regulatory Affairs

sam@rngcoalition.com

530-219-3887

RNGCoalition.com

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Questions & Answers

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removing the fossil from the fuel

RENEWABLE GAS 360

Webinar Series

Join Us Again in February!

Renewable Propane Production Pathways



Wednesday, February 17 at 10 a.m. PT

Co-hosted by the Propane Education & Research Council

Thank You!

What did you think of the webinar? Please fill out our 30 second survey.

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