

Comments on RNG Program Design & Pipeline Safety Standards

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RNG Program Structures

1. What level of guidance is needed from the Commission related to the following elements of E3SHB 1257, Sections 13 and 14:

- General program structure of each section (13 and 14)
- Eligibility of particular environmental attributes

It will be best if there is no distinction between RNG from food processing waste as there is with the federal RFS. This creates an arbitrary barrier by which adding small components of non-edible food-derived waste to a digester - thereby considerably boosting gas production - downgrades the overall value of the gas under the RFS program. It is recommended that the tariff be structured with the economics of developing such projects in mind, and no arbitrary distinction between feedstock imposed, or at least that attributes be designated based on the percent volume or mass of each feedstock digested at a given facility.

- Procedures to approve, bank, or transfer environmental attributes

How should that guidance be provided? For example, Policy Statement? Rule? Other?

5. What barriers are there, if any, to accessing and investing in the RNG market, and how can the Commission or regulated utilities address such barriers?

Layering with LCFS/RFS. If utilities seeking to develop RNG projects are authorized to sell the RNG direct to vehicle fuel consumers, and benefit from some portion of the LCFS and RFS incentives attached to the fuel, then RNG could well become the “lowest cost” option in this scenario, subsidizing non-vehicle end uses of the fuel. Mechanisms such as statewide banking of LCFS credits or RINs may assist in creating a more stable market in which utilities could participate. See the attached document.

6. Is there an adequate supply of RNG in the current market? Please describe the current market for RNG supply both in and outside Washington state.

Efforts are currently underway to tap into RNG at municipal wastewater plants down to the 1 million gallon per day level. There are also a number of sizeable industrial food processing wastewater plants developed or soon to be developed in the 500-700 scfm (400-600 Dth/day). This does not include dairy, landfill, or separated municipal organic waste.

Around one third of all waste that is currently sent to incinerator/landfill is organic, high-liquid waste which could instead be separated, co-digested for RNG at wastewater plants or dairies, and be subsequently composted or pyrolyzed to biochar.

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7. What is the range of price premiums for RNG and how it compares to prices for conventional natural gas in the current market?

RNG sells for \$15-20/Dth in the NW US voluntary market, at fixed 10-20 year pricing.

RNG Quality Standards

9. Should the Commission consider adopting uniform standards or provide general guidance for RNG quality? If so, what standards or guidance should the Commission adopt?

Any adopted standard should be no more strict than SoCal standards. For siloxanes, only grab samples rather than continuous monitoring should be required, and any non-detect measurements below 0.1 mg Si/m³ counted as 0 mg Si/m³ when adding together measurements for various constituents. Interpretation of SoCal standards stricter than SoCal have effectively prevented significant wastewater RNG projects from moving forward (one that has formerly injected RNG into the pipeline for around 30 years).

10. In advance of the workshop, please review the RNG standards recommended by the American Biogas Council (ABC), standards recently adopted by the California Public Utilities Commission, and the Northeast Gas Association Interconnect Guide for Renewable Natural Gas in New York State.