

EXH. DJL-27X
DOCKETS NOS. UE-240004/UG-240005
2024 PSE GENERAL RATE CASE
WITNESS: DAVID J. LANDERS

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

DOCKET NOS. UE-240004 and UG-240005
(Consolidated)

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

**CROSS-EXAMINATION EXHIBIT OF DAVID J. LANDERS
ON BEHALF OF THE
JOINT ENVIRONMENTAL ADVOCATES**

**EXHIBIT DJL-27X (NONCONFIDENTIAL)
PSE Response to JEA's Data Request No. 77**

October 28, 2024

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-240004 & UG-240005
Puget Sound Energy
2024 General Rate Case**

JEA DATA REQUEST NO. 077:

Refer to DJL-10T, page 20 of 50, stating “In this multiyear rate plan, the Alternate Fuels Readiness program will place into service a small one-megawatt hydrogen electrolyzer to evaluate use of natural gas-hydrogen blends in fueling existing electrical generation plants for reduced carbon emissions and to produce hydrogen for delivery system pipeline blending evaluations.” Has PSE developed any plans or protocols to ensure that the hydrogen produced by its proposed electrolyzer satisfies the “three pillars” of green hydrogen, including additionality, hourly matching, and deliverability, as described in Evolved Energy Research, *45V Hydrogen Production Tax Credits: Three-Pillars Accounting Impact Analysis* (June 2023), <https://www.evolved.energy/post/45v-three-pillars-impact-analysis>, and similar reports? If so, please provide all documents in PSE’s possession describing these plans and protocols.

Response:

Puget Sound Energy (“PSE”) has not developed plans or protocols to ensure hydrogen produced by the electrolyzer in this pilot project satisfies the referenced “three pillars” of green hydrogen. The purpose of the electrolyzer pilot project is to provide foundational knowledge and experience in electrolyzer operations that prepare PSE to evaluate and support future applications for a range of energy operations, including power generation, natural gas blending, and industrial decarbonization.

It is the position of the Pacific Northwest Hydrogen Association, with which PSE is affiliated, that in the evaluation of hydrogen technologies, the “three pillars” are counterproductive in states with clean energy statutes such as Washington’s Clean Energy Transformation Act (“CETA”) and Climate Commitment Act (“CCA”), especially during the early phases of the hydrogen economy. Attachments A and B to PSE’s Response to JEA Data Request No. 077 include letters from the Pacific Northwest Hydrogen Association and regional hydrogen hub leaders to the U.S. Department of Treasury regarding complications associated with the “three pillar” approach.

As part of the proposed pilot project and process of learning about operational characteristics of electrolyzer operations, PSE expects to gain a deeper understanding of the power supply requirements and associated lifecycle emissions of electrolyzer operations.

**ATTACHMENTS A-B to PSE's Response
to
JEA Data Request No. 077**