October 2, 2020

Commission Staff
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

RE: RNG Coalition Comments in Response to NWGA Recommendations on Biomethane Quality Standards and Tracking and Verification of Renewable Natural Gas

To Whom It May Concern:

The Coalition for Renewable Natural Gas (RNG Coalition)[1] offers this informal comment letter in response to the North West Gas Association's (NWGA) recommendations[2] to the Washington Utilities and Transportation Commission (Commission) staff regarding the topics of Biomethane Quality Standards and Tracking and Verification of Renewable Natural Gas (RNG) Environmental Attributes. We're glad to see the Commission investigating these issues and look forward to the forthcoming Policy Statement on RNG.

Biomethane Quality Standards

RNG Coalition advocates for gas quality standards that are scientifically based and incorporate a thorough understanding of variations in RNG feedstock, production processes, and end-product constituents. If not properly designed, gas quality standards can be a hinderance to RNG project development. For example, gas quality standards for RNG should never be set more stringently than those in place for conventional natural gas.

Furthermore, while we understand and support the conceptual goal of developing uniform standards applicable to all RNG supply, to ensure there are not unintended barriers to RNG, we recommend allowing for maximum flexibility for collaboration between the project developer and pipeline utility on a project-by-project basis. This should include taking into consideration the pipeline capacity at the point of proposed interconnect, properly accounting for local dilution effects, and incorporating reduced testing for constituents that are unlikely to be present from certain feedstocks. With the above caveats, the RNG Coalition generally supports the gas quality standards in the NWGA Proposal as a good "first cut" that successfully builds off of existing precedents. We provide specific recommendations for targeted areas of improvement below.

It appears that the standards in the NWGA Proposal are largely derived from both California regulatory precedents and the work the Gas Technology Institute (GTI) conducted for the Northeast Gas Association (NEGA) in 2019.[3] These are reasonable starting points for any efforts to develop gas quality

[1] For more information see: http://www.rngcoalition.com/

[2] NWGA submitted this input informally to the Commission on July 22, 2020.

[3] The GTI/NEGA effort produced a report entitled *Interconnecting Guide for Renewable Natural Gas in New York* (GTI/NEGA Report). Available here: https://www.northeastgas.org/pdf/nga_gti_interconnect_0919.pdf

standards for various constituents of concern (COCs) related to RNG. RNG Coalition actively participated in these predecessor processes and appreciated the dialogue between RNG project developers and utilities in those forums.

While we do not support adoption of the gas quality standards from either California or GTI/NEGA documents "as is" in all regions (without any jurisdictional-specific independent reasoning or support), we acknowledge that NWGA has selected values within the ranges found to be acceptable in these other regions, and that these values largely represent reasonably-obtainable gas quality parameters.

However, the GTI/NEGA work also emphasized that their example standards should serve "as a starting place for discussions between the pipeline operator and the developer."[4] Further to that dialogue, the GTI/NEGA document contains many important recommendations that should be included in any RNG Policy Statement that the Commission establishes building on the NWGA Proposal.

Specifically, we recommend that:

- ***Lower Minimum Heating Value to 970 BTU/scf and Wobbe Number to 1270.*** The NWGA proposal selects a minimum heating value of 985 BTU/scf and a minimum Wobbe number of 1290, which is higher than the values recommended by the GTI/NEGA Report (970 and 1270, respectively).

  The California Council on Science and Technology (CCST) found that a minimum heating value of 970 BTU/scf should be acceptable (when the Wobbe minimum is ~1270) from both safety and equipment durability perspectives.[5] Using the input from CCST, the California Public Utilities Commission required Southern California Gas Company and San Diego Gas and Electric to institute minimum values of 970 and 1279 in California.[6] Further, nationally-accepted—Federal Energy Regulatory Commission (FERC) approved—standards for major US pipelines also often have lower values.[7]

  We are unaware of any reason why higher values for these factors would be necessitated in Washington, and *we recommend adopting the GTI/NEGA recommended values*.

- ***Increase the Allowable Level for Siloxanes to 0.5 mg Si/m³.*** We continue to believe that the 0.1 mg Si/m^3 siloxanes limit initially imposed in California and now included in the NWGA proposal is too stringent and unnecessarily increases RNG project costs. The CCST found that there is "not enough data at this time to produce reliable insight as to whether 0.1 mg Si/m^3 is too

[4] GTI/NEGA Report, page 14-15

[5] *Biomethane in California Common Carrier Pipelines: Assessing Heating Value and Maximum Siloxane Specifications,* California Council on Science and Technology (CCST Study), June 2018. See page 40. Available from: https://ccst.us/reports/biomethane-in-california-common-carrier-pipelines-assessing-heating-value-and-maximum-siloxane-specifications/

[6] See CPUC Decision 19-05-018. Available from: https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M292/K947/292947504.PDF

[7] https://docs.google.com/spreadsheets/d/1OaErwH5-8BXehuc0b_MK9B3ABhmQDOzpHeNvNVazLp8/edit?ts=5c6712a9#gid=0

stringent or not stringent enough to meet safety requirements."[8] In the absence of additional scientific information demonstrating that such a standard is in the public interest, the Commission should give weight to the legislative direction to that "renewable natural gas resources should be encouraged to support a smooth transition to a low carbon energy economy in Washington,"[9] and relax the standard to more reasonable levels—especially after a thorough literature review by credible experts did not detect any public safety issues.[10]

The GTI/NEGA Report recognized this fact and consequently recommends a max siloxanes spec of 0.5 mg Si/m³. Similarly, FERC recently approved a maximum siloxanes spec of 0.5 mg Si/m³ for Columbia Gas of Ohio (CGO).[11] *We recommend that Washington adopt this FERC-approved and GTI/NEGA recommended value.*

- ***Increase the Combined Oxygen and Maximum Total Interts level to 5%, Max Nitrogen to 4%, and Max Oxygen to 1%***. The Combined Oxygen and Maximum Total Inerts specification is more limiting than specs from most other jurisdictions and the O_2 spec itself is stringent enough that it will likely unnecessarily increase project costs.[12] The CGO approval imposes a 5% interts limit and sub-limits within this category of 4% nitrogen, 2% carbon dioxide and 1% oxygen. Following this example and providing greater flexibility on these COCs will allow project operators to best adjust their systems to ensure safe and reliable gas quality at lowest cost. *We recommend that Washington adopt the FERC-approved values from the CGO example.*
- ***Create a Project-Specific Exemption/Modification Process***. There should be a process to request a project-specific exception or modification to specific gas quality requirements so that utilities and project developers can work together to safely address project-specific issues.[13] We are happy to see that this concept already exists for nitrogen and/or total inert levels in the NWGA proposal. We recommend that the concept be extended to other COCs (including, at a minimum, Heating Value and Wobbe number).
- ***Properly Account for Blending.*** Blending strategies, or other potential mechanisms to eliminate impacts to downstream customers, should be allowed where and when they can be justified.[14]

[8] *CCST Study*. Page 57.

[9] See Sections 13 and 14 of E3SHB 1257 (Chapter 285, Laws of 2019).

[10] Nowhere in the CCST Report is there any reference to any negative effects observed due to siloxanes after the nearly 40 years of biomethane injection into common carrier pipelines across the United States.

[11] FERC Docket No. PR20-32. Gas Quality Tariff for NiSource's Columbia Gas of Ohio. Approved July 20, 2020.

[12] Again, compare to the list of approved standards for major US pipelines and the recent CGO approval.

[13] For example, the CPUC required a heating value exception process be provided by the California utilities. See CPUC Decision 19-05-018.

[14] For an example of such a pipeline blending exception process available in the Californian Standard Renewable Gas Interconnection Tariff, see page 29 of Attachment A of CPUC Decision (D.) 20-08-035. Also see GTI/NEGA Report, page 12.

We appreciate the following aspects of the NWGA proposal:

- ***Minimizes Unnecessary Testing for COCs that are Not Present.*** If a COC is not reasonably expected to be found[15] (because the RNG project solely uses a feedstock that does not produce the COC in the raw biogas) ongoing testing for that COC should not be required.[16] Limited initial testing can be done to confirm that the COC is not present as the project is first established, but ongoing testing for a COC that is never going to be present unnecessarily increases project cost. We appreciate that the NWGA proposal captures this approach in Table 2—building off of the California requirements—and correctly adjusts to remove periodic siloxanes testing requirements for dairy projects.

We request clarification about the following minor aspects of Table 2[17] from the NWGA proposal:

- The mercury value is quite low compared to values found in other jurisdictions. This is likely simply a typo, with the units being unintentionally written as micrograms (ug) instead of milligrams (mg).
- Footnote "f" in the "biologicals" line should instead point to the text currently found as footnote "c". Footnotes "d" and "e" are referenced but not visible in the "notes" section of the table.

Finally, we request that when the Policy Statement is released (and/or the proposal revised by NWGA) the Commission (and/or NGWA) fully explain the method used for selection of values if there is deviation from widely used precedents (Major US Pipelines, GTI/NEGA, California, etc.) and provide justifications for any changes or adjustments.

Tracking and Verification of Renewable Natural Gas Environmental Attributes

We support the use of a Renewable Thermal Certificate (RTCs) tracking system to track the chain of custody of the environmental attributes of RNG. The Midwest Renewable Energy Tracking System (M-RETS) is a member of the RNG Coalition and has developed an excellent registry system for tracking RNG RTCs. Use of this system will align well with industry best-practice and similar requirements imposed by neighboring jurisdictions.[18]

Given the legislative intent language found in E3SHB 1257, regarding the primary motivation for promoting RNG being greenhouse gas (GHG) reductions, we also support the Commission (or the Department of Ecology) providing guidance on how to report claims related to the GHG performance of RNG RTCs. This could be done by employing the established lifecycle accounting precedents set by

[15] Above background levels in flowing gas supplies at the point of interconnect.

[16] GTI/NEGA Report, page 13.

[17] For a direct comparison to the CA values, see Table 1 on page 23 of Attachment A of CPUC Decision 20-08-035. Available from: https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M346/K309/346309959.PDF

[18] For example, the Oregon Public Utilities Commission requires utilities to use M-RETS for RNG RTC tracking. See Oregon Administrative Rules Chapter 860, Division 150, Section 0050. Available here: https://secure.sos.state.or.us/oard/viewSingleRule.action?ruleVrsnRsn=271700

California and Oregon (as tracked through the M-RETS system) to demonstrate the greenhouse gas benefits of RNG RTC use.

Conclusion

RNG Coalition appreciates the opportunity to participate and provide informal comments on these issues. Our members look forward to investing in and constructing new RNG production facilities that create clean energy sector jobs and reduce greenhouse gas emissions in Washington. We thank the Commission for their leadership on this issue.

Sincerely,

/S/

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