ORANGE COUNTY BUSINESS COUNCIL

PROPOSING HYDROGREN BLENDING DEMONSTRATION PROJECT

CPUC HEARING A.22-06-009

WHEN: JULY 1ST, 2025 | 2:00PM & 6:00PM
(IN-PERSON ONLY)

WHERE: University High School Multipurpose Room
4771 Campus Drive, Irvine, CA 92612

WHAT: At the direction of the CPUC, the SoCalGas and UCI hydrogen blending demonstration project aims to develop a statewide standard for safely integrating renewable hydrogen into California's energy system. This project supports the state's climate goals by promoting energy diversification while leveraging existing infrastructure. It will provide valuable data to inform future regulatory decisions and help advance scalable clean energy solutions.

CONTACT:

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GENERAL TALKING POINTS

Supports Innovation While Protecting Existing Infrastructure

- This project leverages existing natural gas infrastructure—avoiding costly new construction and maximizing return on past investments.
- By utilizing the current workforce and delivery systems, the project preserves jobs and supports local economic activity.

Demonstrates Real-Word Commercial Feasibility

- UCI's Anteater Recreation Center provides a controlled, real-world setting to test hydrogen blending with light commercial equipment.
- Proving compatibility with existing appliances means businesses could adopt this clean fuel with minimal disruption or retrofit costs.

Accelerates Market Demand for Clean Hydrogen

- A successful demonstration at UCI helps establish California's hydrogen blending standard, building the foundation for a statewide hydrogen economy.
- Blending projects like this create early demand signals for clean hydrogen production, helping California companies scale up clean energy technologies faster.

Aligns with State Climate Goals—Without Mandates

- This project fulfills CPUC direction and is aligned with California's 2045 net-zero goals, offering a voluntary, market-based path to decarbonization rather than restrictive mandates.
- It contributes directly to GHG reduction on both the electric and gas grids, which supports businesses trying to meet Scope 1 and 2 emissions targets.

Safe, Proven, and Scalable

- Hydrogen blending has been safely implemented in Europe (up to 20%), Canada, Australia, and Hawaii. The UCI pilot draws from decades of international best practices.
- SoCalGas will use advanced safety protocols—including leak detection, education, and system assessments—prioritizing public safety and business continuity.

Supports Resiliency and Energy Diversity

- Blending hydrogen into natural gas offers a diverse and resilient energy mix, ensuring reliability during demand spikes, wildfires, or grid outages.
- This kind of energy diversification can help protect businesses from volatile fossil fuel markets and regulatory risks.

Orange County Leadership in Clean Tech

- Hosting this project at UCI puts Orange County at the forefront of energy innovation, creating opportunities for tech partnerships, workforce development, and regional investment in clean energy.

SAMPLE LETTER

ORANGE COUNTY BUSINESS COUNCIL

2 Park Plaza, Suite 100 | Irvine, CA 92614 | P 949.476.2242 | F 949.476.0443 | www.ocbc.org

June 23, 2025

The Honorable Alice Reynolds, President
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Subject: A.22-06-009 – Support for Hydrogen Blending Demonstration Projects

Dear President Reynolds:

On behalf of the Orange County Business Council (OCBC), I write in strong support of Application A.22-06-009 and the proposed hydrogen blending demonstration project by Southern California Gas Company (SoCalGas) in partnership with the University of California, Irvine (UCI). This effort reflects the kind of innovation that strengthens critical infrastructure, creates workforce development opportunities, and supports sustainable economic growth—core pillars of OCBC's mission in Orange County and the broader Southern California region.

The proposed project will safely blend up to 20% clean, renewable hydrogen into a portion of UCI's natural gas system, serving light commercial equipment at the Anteater Recreation Center. This real-world demonstration, conducted in a controlled and research-oriented setting, offers valuable data to inform the development of a statewide hydrogen blending standard—while showcasing how existing infrastructure can be adapted to meet California's climate and clean energy goals.

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This project would:

- **Modernize energy infrastructure** by utilizing existing assets rather than requiring costly new systems—improving resiliency and reducing emissions while maintaining service reliability.
- C**ontribute to workforce development**, leveraging UCI's academic strengths to create training and research opportunities in clean energy and hydrogen technologies.
- E**nhance Orange County's economic competitiveness** by demonstrating leadership in scalable, business-friendly climate solutions—encouraging further investment in innovation.
- I**mprove system resiliency**, providing diversified fuel options that support energy reliability for commercial, industrial, and institutional users.

Importantly, this demonstration aligns with Policy 3.41 of OCBC's Legislative Action Guide, which supports "appropriate policies including incentives to ensure economic volumes of renewable gas, including hydrogen and renewable diesel, remain accessible and that biogas can be put to beneficial use." This application embodies that policy by advancing the use of renewable hydrogen as a viable part of California's future energy mix. As California looks to reduce greenhouse gas emissions while maintaining affordability and reliability, demonstration projects like this offer an essential, cost-effective pathway forward. OCBC urges the

Commission to approve this application and continue supporting innovative public-private partnerships that balance economic vitality with environmental responsibility.

Thank you for your consideration.

Sincerely,

Amanda Walsh

Amanda Walsh
Vice President, Government Affairs
Orange County Business Council

FACT SHEETS

Hydrogen Blending

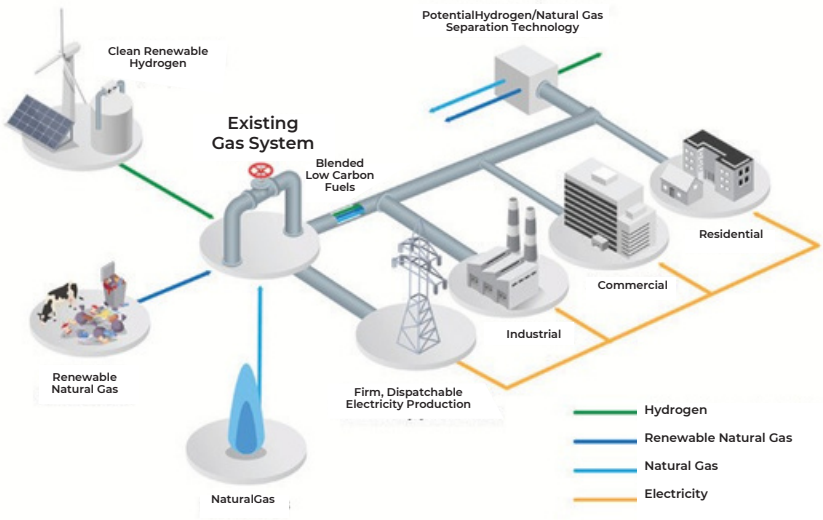
Establishing California's Hydrogen Blending Standard

Hydrogen blending has been identified by the State of California as a key component of its efforts to achieve net zero greenhouse gas emissions by 2045. By relying on decades of safe blending work across the globe, the development of a statewide hydrogen blending standard would accelerate the replacement of fossil fuels, reduce greenhouse gases, and help California build a cleaner, more resilient energy grid.

What is Hydrogen Blending?

Itistheprocess of blending hydrogen into natural gas and injecting it into the natural gas infrastructure.

How Hydrogen Blending Works



Benefits of Hydrogen Blending

Hydrogenblendinghas thepotentialtoexpedite the transition to a carbon-free energy future by:

- Leveraging the state's current infrastructure, skilled workforce and regulatory framework to deliver cleaner fuel to customers
- Reducing greenhouse gas emissions on both the electric and gas grids
- Allowing Californians to continue using existing appliances without modifications
- Serving as a low-cost hydrogen storage and transportation medium
- Providing system resiliency through energy diversity and redundancy

Hydrogen Blending is Proven and Safe

Hydrogen issafely andreliably utilized around the world and has been for decades in countries like Belgium, Canada, Denmark, France, Germany, Italy and the United Kingdom. Hawaii Gas has also been using hydrogen in its fuel mix for a half-century.

SoCalGas will employ extensive safety measures that include leak surveys and detection technology, safety assessments of hydrogen storage and components, end-use equipment surveys, education and training.

Up to **20%** underway in Europe

Up to **15%** in Hawaii

Up to **5%** underway in continental United States

5% underway in Canada

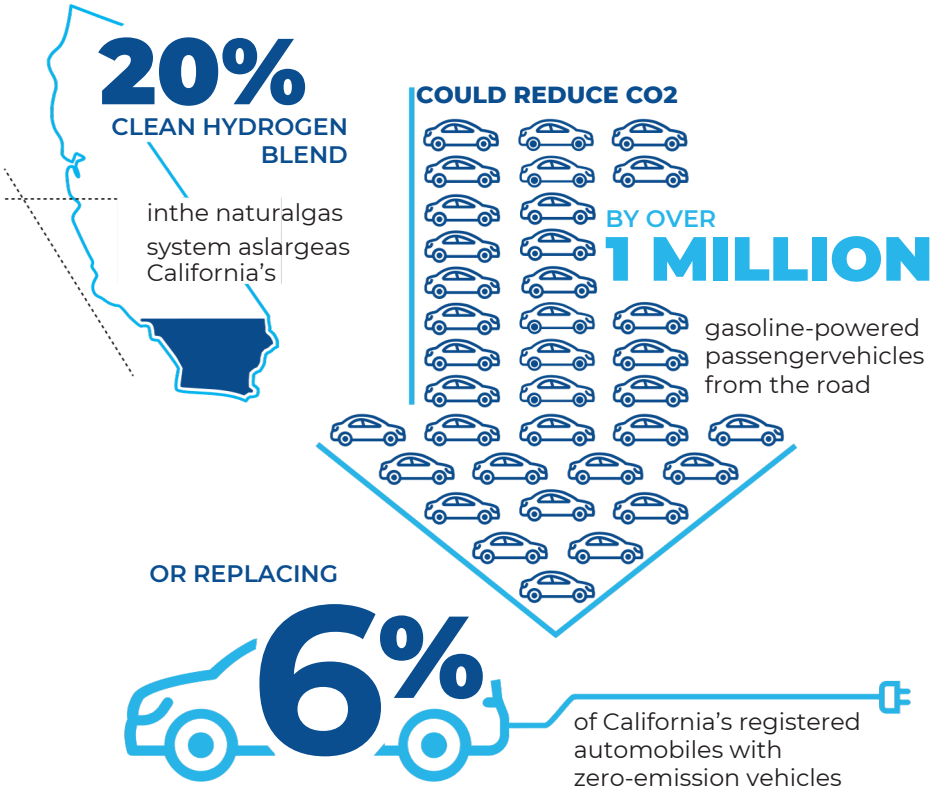
Up to **10%** underway in Aurtralia

Alignment with California's Clean Energy Goals

Hydrogen blending in California has the potential to be the fastest way to create the first significant demand for the production of hydrogen at scale –a key step toward the state's efforts to create the **"Hydrogen Economy of the Future."**

" ...hydrogen blending can be an important decarbonization transportation sectors..."

- California Public Utilities Commission



Partnering with Investor-Owned Utilities

At the direction of the California Public Utilities Commission, SoCalGas and three other California utilities have proposed hydrogen blending demonstrations to learn more about the efficiency of blending, the potential reductions of greenhouse gas emissions and how blends perform from an energy perspective. These demonstrations are important in establishing a **statewide hydrogen blending standard**.

Orange Cove

- Hydrogen blend would serve approximately 10,000 residents, along with commercial customers in the City of Orange Cove.
- Project will start with small concentrations of 0.1% gradually increasing up to 5%.
- Active blending expected to last approximately 18 months in the City.

UC Irvine

- Project will be located at the Anteater Recreation Center on the UC Irvine campus.
- Hydrogen blend will serve light commercial equipment.
- Will begin demonstrating a 5% blend, gradually increasing up to 20%.
- Active blending expected to last approximately two years on the campus.
- SoCalGas and UC Irvine conducted its first successful blending demonstration on campus in 2016.

Hydrogen Home

- Generating clean renewable hydrogen on-site.
- Blending up to 20% clean renewable hydrogen with natural gas.
- Fully functional since January 2023, this 1,920 sq ft home has 6 natural gas appliances.
- Appliances were not modified to receive and use the 20% clean renewable hydrogen blended gas.

University of California, Irvine
Developing A Clean Fuels Network

SoCalGas

Hydrogen Blending is Key to California's Clean Energy Goals

At the direction of the California Public Utilities Commission, SoCalGas is proposing a local demonstration project that could safely blend up to 20% clean renewable hydrogen into the natural gas system in an isolated portion of the University of California, Irvine (UCI) campus.

To support California's climate goals, SoCalGas is proposing a hydrogen blending demonstration project at UCI's Anteater Recreation Center (ARC). This project will blend clean renewable hydrogen into a portion of UCI's natural gas system and offer a real-world environment to better understand how clean hydrogen and natural gas can be safely delivered to customers in the future. This is part of a broader effort by California and utilities to develop a standard for safe hydrogen blending, which could reduce greenhouse gas emissions. The data gathered from this demonstration can also help assess how to speed the development and deployment of related advanced technologies key to the state's climate goals.

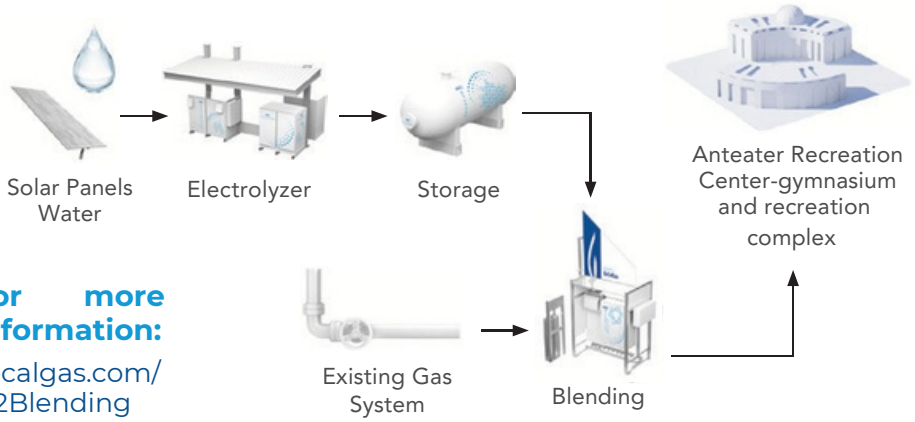
What is Hydrogen Blending?

Itis theprocess ofblendinghydrogenintonatural gas and injecting it into the natural gas infrastructure.

Proposed Project Overview:

- Project will begin demonstrating a 5% blend, gradually increasing up to 20% into SoCalGas's infrastructure that will serve the ARC at UCI.
- The hydrogen blend will be used for light commercial equipment.
- Active blending expected to last approximately two years on the campus.

How Hydrogen Blending Will Work on Campus



For more information:

socalgas.com/H2Blending

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