December 20, 2018

Mr. Daniel Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

RE: Petition by CenterPoint Energy to Introduce a Renewable Natural Gas Pilot Program Docket No. G-008/M-18-547

Dear Mr. Wolf,

The Coalition for Renewable Natural Gas (RNG Coalition) offers this letter in strong support of CenterPoint Energy's petition to introduce a five-year Renewable Natural Gas (RNG) Pilot Program (Pilot). If approved, the Pilot will create a voluntary green tariff offering that allows the utility's customers to, for an additional fee, choose to replace all or a portion of their conventional natural gas consumption with renewable natural gas (RNG, Biomethane or upgraded Biogas) derived from organic waste.

The RNG Coalition is a non-profit organization that represents and provides public policy advocacy and education on behalf of the renewable natural gas industry in North America. Our more than 160 members represent each sector of the industry and produce more than 90% of the RNG in the United States and Canada. These members include RNG developers, banks, investment firms, financiers, engineers, organized labor, law firms, technology and service providers, equipment manufacturers, gas and power marketers, transporters, fueling stations, fleets, transportation companies, consultants, municipalities, universities, investor-owned and public utilities. Together, we advocate for increased development, deployment and utilization of renewable natural gas so present and future generations will have access to domestic, renewable, clean fuel and energy. The RNG Coalition supports the increased development, deployment and utilization of RNG regardless of the feedstock, indiscriminate of the competing technologies used to upgrade raw biogas to RNG, for all sustainable end-use applications.

The RNG industry is nascent relative to other renewables industries, but has shown extraordinary growth that has been driven by policies designed to promote environmental and economic goals including but not limited to clean air, effective

waste management, job development, energy independence, and resource diversity. The first RNG production facility in North America was developed in 1982 at the Fresh Kills Landfill on Staten Island, New York. That project continues to produce RNG that has been successfully transported via National Grid's existing natural gas infrastructure to their customers for nearly 40 years. Between 1982 and 2011, 30 RNG projects were developed – most of which were incentivized by various state's Renewable Portfolio Standard Programs (RPS) and underwritten by the monetization of Renewable Energy Credits (RECs) that RNG-sourced electricity generated under such programs. Since 2011, more than 58 RNG projects have been developed – and more than 50 new RNG projects are under construction or have completed significant development. In contrast, most of these projects were incentivized by the federal Renewable Fuel Standard Program (RFS) and underwritten by the monetization of Renewable Identification Numbers (RINs) that RNG-sourced transportation fuel generates under this program.

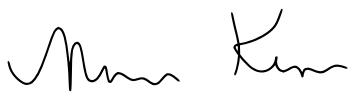
As a policy driver designed to stimulate a market for RNG produced for gas utility customers, we believe that the Pilot represents a ground-breaking program with the potential to significantly contribute toward achieving the State's climate change goals, provide a cost-effective opportunity to decarbonize existing natural gas infrastructure and drive economic development. There remain thousands of landfills, wastewater treatment facilities and livestock operations across North America – including in Minnesota – where raw biogas (methane) is being flared, or worse, is uncollected and escaping fugitively into the atmosphere as a short-lived climate pollutant that, according to the Intergovernmental Panel on Climate Change, is up to 84 times as potent as a greenhouse gas as carbon dioxide.[1] A study recently completed by Navigant Consulting in California found that replacing just 16 percent (16%) of the conventional natural gas supply in with renewable natural gas (RNG) captured from sources like dairies, wastewater treatment plants, and landfills, can achieve GHG reductions equivalent to converting 100 percent (100%) of all buildings to electricity from renewable resources by 2030, and at a significantly lower cost.[2] In addition to the environmental benefits, there are substantial economic benefits realized with increased development, deployment and utilization of RNG - including millions of dollars in capital investment ($10-$100 million per project) and creation of thousands of clean energy sector jobs (up to 173 direct and indirect jobs per project).[3]

[1]https://www.ipcc.ch/site/assets/uploads/2018/02/WG1AR5_Chapter08_FINAL.pdf
[2]https://efiling.energy.ca.gov/GetDocument.aspx?tn=224444
[3]https://static1.squarespace.com/static/53a09c47e4b050b5ad5bf4f5/t/59077544ebbd1ad192d13ff6/1493660998766/ICF_RNG+Jobs+Study_FINAL+with+infographic.pdf

The RNG Coalition would also like to commend CenterPoint Energy for pursuing an innovative approach to ratepayer protection in the design of the RNG Pilot program by allowing customers to select their level of participation as a maximum dollar amount. RNG projects are capital intensive and the renewable commodity produced is more expensive than conventional natural gas. We believe CenterPoint Energy has mitigated the risk of customer rate-shock that may have resulted from a model that more closely resembled voluntary renewable electricity programs wherein customers specify a certain volume or percentage of their use with no cost cap. We believe that the fixed dollar amount model will provide a sufficient level of ratepayer protection while also providing much-needed market certainty that RNG project developers need in order to access investment capital, build RNG production facilities and deliver RNG supply for utilities and their customers. We look forward to learning from the results of this model and sharing those lessons with interested utilities and policymakers across the North America.

The RNG Coalition would like to thank the Minnesota Public Utilities Commission for the opportunity to provide comment in this proceeding. We respectfully urge you to approve CenterPoint Energy's Renewable Natural Gas Pilot Program.

Sincerely,



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