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Via Electronic Filing

Minnesota Public Utilities Commission
121 7th Place, Suite 350
St. Paul, MN 55101

RE: Docket #G-008/M-20-434 – CenterPoint Energy's RNG Interconnection Tariff

Energy Vision (EV), a New York-based national 501(c)(3) environmental organization, supports CenterPoint Energy's proposed renewable natural gas (RNG) interconnection tariff, which would provide much-needed access to end-use markets for in-state producers and users of this ultra-low-carbon waste-based fuel.

In 2009, Energy Vision first recognized RNG as a versatile energy/fuel option with immense untapped potential in the US. Made from the methane-rich biogases emitted from decomposing organic waste—waste in landfills; or better yet, wastewater, food scraps or agricultural wastes processed in anaerobic digesters—renewable natural gas production also represents a sustainable resource management strategy.

Despite significant national growth in the production and use of RNG from various urban and agricultural waste feedstocks, pipeline access and acceptance for projects is a major challenge. While the technology is proven, commercial and safe, only a handful of states and/or gas utilities have addressed the barriers to greater adoption and integration of RNG; namely gas quality and pipeline interconnection standards. We encourage you to approve this initiative for several reasons detailed herein.

First, RNG is a winning strategy for the environment. Ultra-low-carbon RNG achieves emissions savings of 40% or more compared to geologic gas. According to lifecycle analyses by California's Air Resources Board and Argonne National Lab, when made from separated food waste or animal manure, RNG projects achieve emissions savings greater than 100% by sequestering more carbon during the fuel's production than is emitted in its combustion, making certain sources of RNG "net-carbon-negative."

Second, RNG is an economic development driver. Nationally, the average RNG project investment ranges from $10 million-$50 million, and generates more than 100 short- and long-term jobs. Since 2012, total RNG project investments have exceeded $1 billion dollars. Providing access to local end-use markets for RNG through an interconnection tariff will also help incentivize the build-out of anaerobic digestion infrastructure, which can help advance Minnesota's landfill diversion efforts.

EV's research over the past decade concludes that the creation of an RNG interconnection tariff would also help to spur investment and local job creation through the deployment of proven technology to transform various organic waste streams into a domestic, clean and renewable alternative to geologic natural gas.

Third, RNG is good for public health. It is an ultra-low-carbon and clean-burning fuel option that utilizes proven commercial technology. When used in state-of-the-art natural gas vehicles, RNG achieves reductions in smog-forming and health-threatening nitrogen oxide emissions 90% below the federal emission standard for heavy-duty vehicles.

Historically, the vast majority of biogas projects were designed and developed to produce on-site electricity, largely in alignment with state-level Renewable Portfolio Standards. However, as other renewable energy technologies like solar and wind have scaled up, the economics of biogas-to-electricity have become challenging without significant subsidy. Nonetheless, scientists, policymakers and other experts have recognized the need for scalable options to decarbonize thermal energy demand across various sectors, particularly the continued use of conventional natural gas.

Since 2012, the combination of evolving public policy and shifting market economics has led to a significant and important paradigm shift: more and more projects are cleaning biogas to pipeline quality—by removing carbon dioxide, moisture and other impurities—for injection into the extensive natural gas grid, rather than combusting it on-site. Between the US and Canada, there are now more than 110 projects capturing methane from decomposing organic wastes and refining it to pipeline quality.

CenterPoint Energy is among the small but growing list of utilities that recognize the important role RNG can play in decarbonizing the natural gas grid, and the utility has been proactive in engaging various local and regional stakeholders, especially from the environmental community. In fact, Energy Vision co-hosted a day-long "Power of Waste" RNG workshop with CenterPoint in Minneapolis last fall, detailing the opportunities and obstacles around developing this resource in Minnesota. The workshop provided an important forum for interactive discussion around the role RNG can play in advancing Minnesota's ambitious climate goals, and also provided an opportunity to hear questions and concerns from the more than 100 in attendance representing government, industry, academia, the investment community and leading environmental NGOs.

Following in the footsteps of Vermont Gas Systems, if approved, CenterPoint would be among the first gas utilities in the country to create an interconnection framework aimed at bringing in-state RNG resources online and opening the door for end users to have access to a fully sustainable alternative to natural gas.

For all of these reasons, Energy Vision, as an independent environmental organization and recognized authority on rethinking waste and clean fuels, encourages the Minnesota PUC to approve this program.

Thank you in advance for your consideration of this important topic.

Sincerely,

Matthew P. Tomich
President