

**REPORT OF THE  
CHIEF LEGISLATIVE ANALYST**

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DATE: June 14, 2021

TO: Honorable Members of the Rules, Elections, and Intergovernmental Relations Committee

FROM: Sharon M. Tso   
Chief Legislative Analyst Council File No: 21-0002-S85  
Assignment No.: 21-04-0286

SUBJECT: Resolution (Krekorian - O'Farrell) relative to SB 18 – Green Hydrogen

CLA RECOMMENDATION: Adopt Resolution (Krekorian - O'Farrell) to include in the City's 2021-2022 State Legislative Program SUPPORT for SB 18 (Skinner) which seeks to advance green hydrogen as a renewable energy resource by requiring State agencies to plan for its use.

SUMMARY:

Resolution (Krekorian - O'Farrell), introduced on March 24, 2021, states that it is imperative for the State to expand the diversity of renewable energy resources and storage solutions as a result of the global climate crisis. The Resolution states that green hydrogen, produced from non-fossil fuel sources, is a viable renewable energy and storage resource.

The Resolution indicates that SB 18 (Skinner) seeks to add green hydrogen to the State's clean energy/climate plan, and the California Air Resources Board's scoping plan which outlines how the State plans to meet greenhouse gas emission reduction goals. The measure also directs the Public Utilities Commission to include green hydrogen in any future energy storage procurement directives. Ultimately, SB 18 seeks to advance the use of green hydrogen as a renewable energy resource by requiring State agencies to start planning for its use.

The intent of measure is consistent with City efforts to procure and expand the use of clean energy in order to mitigate the effects of greenhouse gas emissions. Therefore, the Resolution requests that the City support SB 18.

BACKGROUND:

The most basic element in the universe, hydrogen, may be poised to help the State and the Country move more rapidly toward cleaner energy while protecting key components of the economy. Green hydrogen, which can be created using excess renewable electricity from solar and wind, through steam reformation of biogas, can help to decarbonize energy generation facilities and transportation-oriented greenhouse gas emitters such as long-haul trucking and trans-oceanic shipping.

Green hydrogen can also be stored for later use, and provide dispatchable clean power to the electrical grid. The Department of Water and Power (DWP) is undertaking an unprecedented project to store and utilize green hydrogen at its Intermountain Power Plant (IPP) in Delta, Utah.

The DWP's proposed 160 MW Compressed Air Energy Storage (CAES) pilot project plans to run on 100% green hydrogen as part of IPP's generation expansion process. The DWP reports that the natural-gas fired generators will be capable of creating a green hydrogen fuel mix on its first day of operation - immediately providing clean power. In addition, the energy storage capabilities at IPP will allow for extensive days of green hydrogen storage rather than hours of storage compared with today's lithium-ion batteries.

By including green hydrogen to the State's resource mix of renewable energy and storage as proposed by SB 18, the DWP will be able to expeditiously meet, and possibly exceed, existing State renewable energy requirements.

BILL STATUS:

5/28/21

Approved by Senate; submitted to the Assembly  
and pending Committee assignment(s)



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Rafael E. Prieto  
Analyst

Attachment(s):        Resolution (Krekorian - O'Farrell)

## RESOLUTION

RULES, ELECTIONS, INTERGOVERNMENTAL RELATIONS

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state, or federal government body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, because of the global climate crisis, it is imperative for the State of California to expand the diversity of renewable energy resources and storage solutions; and

WHEREAS, hydrogen, produced from non-fossil fuel sources, otherwise known as "Green Hydrogen", is a viable renewable and storage resource; and

WHEREAS, Senate Bill 18 (SB 18), introduced by Senator Skinner, does the following:

- Defines Green Hydrogen;
- Adds green hydrogen to the state's clean energy and climate planning, through both the Integrated Resources Plan (IRP), which outlines how utilities will integrate clean resources into the state's electricity mix, and CARB's Scoping Plan, which outlines how the state plans to meet its GHG emissions reductions goals;
- Expands on SB 100 (DeLeon, 2017), which required California to use 100% zero-carbon electricity by 2045, by allowing green hydrogen to be considered a zero-carbon resource;
- Directs the PUC to include Green Hydrogen in any future energy storage procurement directives, and to ensure that green hydrogen is on equal footing with other storage options for purposes of Resource Adequacy planning and procurement; and

WHEREAS, SB 18 advances Green Hydrogen by requiring the California Air Resources Board (CARB) and other state agencies to start planning so that California can take full advantage of Green Hydrogen; and

WHEREAS, the Los Angeles Department of Water and Power (LADWP) is undertaking an unprecedented project to store and use hydrogen as a fuel at its Intermountain Power Project (IPP) facility in Delta, Utah; and

WHEREAS, with unique resources at its disposal, IPP represents a first-of-its-kind opportunity for the western energy grid. Any project at IPP will benefit from the availability of renewable resources, transmission resources, and underground storage capabilities; and

MAR 24 2021

WHEREAS, by adding Green Hydrogen to the State's resource mix of renewable energy and storage, SB 18 will allow LADWP to more expeditiously meet, and possibly exceed, the renewable energy and storage requirements of SB 100.

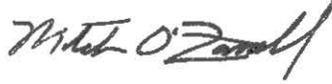
NOW, THEREFORE, BE IT RESOLVED, that by adoption of this Resolution, with the concurrence of the Mayor, the City of Los Angeles hereby, in its 2021-2022 State Legislative Program takes the position of SUPPORT for SB 18 (Skinner).

PRESENTED BY:



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PAUL KREKORIAN  
Councilmember, 2nd District

SECONDED BY:



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