Application: A.25-07-XXX

Exhibit No: SCG-02

Witness: Jason Legner

Chapter: 2

# PREPARED DIRECT TESTIMONY OF JASON LEGNER ON BEHALF OF SOUTHERN CALIFORNIA GAS COMPANY (CHAPTER 2 – SELECTED PROJECTS) PUBLIC VERSION

# BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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#### CHAPTER 2

#### 

# JASON LEGNER (SELECTED PROJECTS)

PREPARED TESTIMONY OF

#### I. PURPOSE AND OVERVIEW

The purpose of my testimony is to describe, on behalf of the customers, how the nine non-residential projects that submitted New Business Allowance Exception Applications to SoCalGas meet the minimum criteria established by the California Public Utilities Commission (CPUC or Commission) Decision (D.) 22-09-026 to be eligible for gas line extension allowances. Pursuant to that Decision, projects must meet three criteria: (1) the project shows a demonstrable reduction in greenhouse gas (GHG) emissions; (2) the project's gas line extension is consistent with California's climate goals, including those articulated in Senate Bill (SB) 32 (Pavley, 2016); and (3) the project demonstrates that it has no feasible alternatives to the use of natural gas, including electrification.<sup>1</sup>

#### II. OVERVIEW OF PROJECTS

#### A. General CNG/RNG Project Qualifications

The nine compressed natural gas (CNG) stations, which will dispense 100% Renewable Natural Gas (RNG), meet the criteria in D.22-09-026 for gas line extension allowances based on information provided by the customer and publicly available information. These customers have requested gas line extension allowances and have provided verifications that the projects meet the criteria provided in D.22-09-026 to request an exception. The following nine projects and their average estimated annual lifecycle GHG emissions (MTCO<sub>2</sub>e) are described in more detail in sections below.

Table 1- Projects

Project Identifier	Project	
A		
В		
С		
D-1		

D.22-09-026 at 81-82 (Ordering Paragraph (OP) 2).

Project Identifier	Project	
D-2		
Е		
F		
G		
Н	-	

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#### 1. Demonstrable reduction in GHG emissions

D.22-09-026 requires that all projects lead to a demonstrable reduction in GHG emissions. As noted, the nine applications considered are RNG fueling stations. Therefore, for the purposes of these applications, SoCalGas used a "Standard Lifecycle GHG Emission Reduction Methodology" to calculate emission reductions from the use of RNG in comparison to the displaced incumbent fuel (diesel). The methodology utilizes the low carbon fuel standard (LCFS) credits calculation using Fuel Pathways, which represents the total LCFS credits generated (a zero or positive value) in metric tons (*MT*) of CO<sub>2</sub>e emissions reduced by utilizing RNG as a diesel replacement.<sup>2</sup> The LCFS is specifically designed to encourage the use of cleaner low-carbon transportation fuels in California and provides a standardized, regulatory-approved framework that comprehensively accounts for lifecycle emissions including producing, transporting, and using the fuels, as well as significant indirect effects on GHG emissions.<sup>3</sup>

The Standard Lifecycle GHG Emission Reduction Methodology begins by identifying the carbon intensity of each fuel. For example, based on the LCFS, the carbon intensity of standard diesel is 100.45 gCO<sub>2</sub>e/MJ, <sup>4</sup> which reflects a baseline value established by California Air Resources Board (CARB). Notably, Bio-CNG<sup>5</sup> carbon intensities, according to CARB, can

Cal. Code. Regs. tit. 17 § 95486.1(a), available at: https://govt.westlaw.com/calregs/Document/I0B3FBD735A2111EC8227000D3A7C4BC3?contextData=(sc.Default).

<sup>&</sup>lt;sup>3</sup> California Air Resources Board (CARB), *Low Carbon Fuel Standard*, <a href="https://ww2.arb.ca.gov/ourwork/programs/low-carbon-fuel-standard/about">https://ww2.arb.ca.gov/ourwork/programs/low-carbon-fuel-standard/about</a>.

Cal. Code. Regs. tit. 17 § 95484(c), Table 2 (n.4 [\*\*\*\*]), available at: https://govt.westlaw.com/calregs/Document/IOAEEDE535A2111EC8227000D3A7C4BC3?listSource =Search&contextData=(sc.Search)&list=REGULATION PUBLICVIEW&rank=44.

<sup>&</sup>lt;sup>5</sup> Bio-CNG is defined as biogas-derived biomethane which has been compressed to CNG.

range from -532.74 gCO<sub>2</sub>e/MJ to 84.83 gCO<sub>2</sub>e/MJ.<sup>6</sup> However, based on the available 2024 LCFS quarterly data, the volume adjusted average Carbon Intensity of Bio-CNG is -187.09 gCO<sub>2</sub>e/MJ,<sup>7</sup> which was utilized as the carbon intensity of Bio-CNG for the purposes of this evaluation. Next, it identifies an Energy Economy Ratio (EER) for RNG relative to diesel, which is 0.9, and utilizes it in the calculations for heavy-duty engines.<sup>8</sup> Then, the energy of Bio-CNG is calculated for each project based on the expected annual RNG usage, using a Higher Heating Value (HHV) basis in therms<sup>9</sup> before the calculation converts the emissions reductions to metric tons of CO<sub>2</sub>e.<sup>10</sup>

#### Equations: Average Annual Lifecycle GHG Emissions<sup>11</sup>

$$Credits_{Bio-CNG}^{Diesel}(MT) = \left(CI_{standard}^{Diesel} - \frac{CI_{Bio-CNG}}{EER^{Diesel}}\right) \times E_{Bio-CNG}(MJ) \times EER^{Diesel} \times C$$

 $Credits_{Bio-CNG}^{Diesel}(MT)$ 

$$= \left(100.45 \; \frac{(gCO_2e)}{(MJ)} - \frac{-187.09 \; \frac{(gCO_2e)}{(MJ)}}{0.9}\right) \times E_{Bio-CNG}(therms \; HHV) \times 105.5 \; \frac{(MJ)}{(therms)} \\ \times \left(\frac{930 \; LHV}{1030 \; HHV}\right) \times 0.9 \times 1.0 \times 10^{-6} \; \frac{(MT)}{(gCO_2e)}$$

6 CARB, Current Fuel Pathways as of March 21, 2025, available at:

https://ww2.arb.ca.gov/sites/default/files/classic/fuels/lcfs/fuelpathways/current-pathways\_all.xlsx.

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Data derived from CARB, LCFS Quarterly Data Spreadsheet as of Q3 2024, available at: https://ww2.arb.ca.gov/sites/default/files/2025-01/quarterlysummary Q32024.xlsx.

Cal. Code. Regs. tit. 17 § 95486.1, Table 5 (CNG Spark-Ignition Engine), available at: <a href="https://govt.westlaw.com/calregs/Document/I0B3FBD735A2111EC8227000D3A7C4BC3?contextData=(sc.Default)">https://govt.westlaw.com/calregs/Document/I0B3FBD735A2111EC8227000D3A7C4BC3?contextData=(sc.Default)</a>.

As required by CARB in the LCFS, each project's expected annual RNG usage was converted to Megajoules (MJ) using the energy density conversion factor of CNG, 105.5 (MJ/Therm) from Cal. Code. Regs. tit. 17 § 95486(b)(1), Table 4, and converted to the Lower Heating Value (LHV) basis using the conversion factor (930 LHV)/(1030 HHV) from the LCFS Quarterly Data Spreadsheet ("Notes" worksheet). See Cal. Code. Regs. tit. 17 § 95486(b)(1), Table 4, available at: <a href="https://govt.westlaw.com/calregs/Document/I0B3FBD735A2111EC8227000D3A7C4BC3?contextData=(sc.Default)">https://govt.westlaw.com/calregs/Document/I0B3FBD735A2111EC8227000D3A7C4BC3?contextData=(sc.Default)</a>; see also LCFS Quarterly Data Spreadsheet as of Q3 2024, available at: <a href="https://ww2.arb.ca.gov/sites/default/files/2025-01/quarterlysummary">https://ww2.arb.ca.gov/sites/default/files/2025-01/quarterlysummary</a> Q32024.xlsx.

A conversion factor (C) in the equation was applied to convert GHG emissions reduction from grams to metric tons of, which is equivalent to  $1.0x10^{\circ}(-6)$  ((MT))/((gCO<sub>2</sub>e)).

<sup>11</sup> Cal. Code. Regs. tit. 17 § 95486.1(a).

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Using this methodology, in total, the nine projects represent on average an estimated annual lifecycle GHG emissions reductions of approximately 177,591 metric tons of CO<sub>2</sub>e. The calculated annual lifecycle GHG emission reductions in metric tons of CO<sub>2</sub>e for each project is listed in Table 2.<sup>12</sup>

Table 2: Projects Average Estimated Annual Lifecycle GHG Emission Reductions

Project Identifier	Average Estimated Annual Lifecycle GHG Emission Reductions (metric tons CO <sub>2</sub> e)
A	2,377
В	3,172
С	15,343
D-1	37,075
D-2	13,903
Е	33,765
F	57,378
G	6,649
Н	7,930

#### 2. Consistent with California's Climate Goals

California has set ambitious climate and air quality targets, including those set in SB 32, which mandates a 40% reduction GHG emissions below 1990 levels by 2030.<sup>13</sup> CARB 2022 Scoping Plan, which focuses broadly on strategies to achieve carbon neutrality by 2045, also recognizes the importance of the refueling infrastructure, including biomethane (a form of RNG), in the transition of the hard-to-decarbonize sectors referencing the LCFS as a key tool to support and incentivize RNG refueling for both light and heavy-duty vehicles.<sup>14</sup> The State has also adopted air quality standards that exceed federal requirements under the Clean Air Act.<sup>15</sup> The

Chapter 2 workpapers further illustrate the methodology of the underlying calculations for each individual project.

SB 32, California Global Warming Solutions Act of 2006: emissions limit (Pavley, 2016), *available at:* https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=201520160SB32.

<sup>&</sup>lt;sup>14</sup> CARB, 2022 Scoping Plan for Achieving Carbon Neutrality (November 16, 2022) at 190, available at: <a href="https://ww2.arb.ca.gov/sites/default/files/2022-12/2022-sp">https://ww2.arb.ca.gov/sites/default/files/2022-12/2022-sp</a> 1.pdf.

United States Environmental Protection Agency (EPA), Summary of the Clean Air Act – 42 U.S.C. §7401 et seq. (1970), available at: https://www.epa.gov/laws-regulations/summary-clean-air-act; see

nine proposed RNG fueling stations—each dispensing 100% RNG—represent an investment in California's clean transportation infrastructure. They offer immediate and measurable benefits in reducing GHG and Nitrogen Oxides (NOx) emissions and supporting the State's broader climate and air quality objectives.

#### Climate Benefits

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RNG, produced from waste sources such as dairy farms and landfills, can reduce GHG emissions by up to 80% when compared to diesel. When sourced from methane-producing waste streams, RNG can even achieve carbon-negative status under California's LCFS. This is because it captures methane – a potent short-lived climate pollutant (SLCP) – that would otherwise be released into the atmosphere and would have a disproportionately large warming effect. This avoided methane emission is a key factor in RNG's low or negative carbon intensity.

The construction of these RNG fueling stations may also encourage the development of in-state RNG production facilities, supporting the goals of SB 1383 and CARB's SLCP Reduction Strategy, which emphasize reducing methane emissions and diverting organic waste from landfills.<sup>20</sup> Additionally, these projects may stimulate local economies by encouraging the development of anaerobic digestion and organic waste processing facilities, particularly in rural and underserved communities.

also CARB, Heavy-Duty Omnibus Regulation Fact Sheet, available at: <a href="https://ww2.arb.ca.gov/our-work/programs/heavy-duty-low-nox/heavy-duty-omnibus-regulation-fact-sheet">https://ww2.arb.ca.gov/our-work/programs/heavy-duty-low-nox/heavy-duty-omnibus-regulation-fact-sheet</a>.

EPA, An Overview of Renewable Natural Gas From Biogas (January 2024) at 11, available at: <a href="https://www.epa.gov/system/files/documents/2024-01/lmop-rng-document.pdf">https://www.epa.gov/system/files/documents/2024-01/lmop-rng-document.pdf</a>.

<sup>&</sup>lt;sup>17</sup> CARB, LCFS Pathway Certified Carbon Intensities, available at: https://ww2.arb.ca.gov/resources/documents/lcfs-pathway-certified-carbon-intensities.

EPA, *Understanding Global Warming Potentials, available at:* <a href="https://www.epa.gov/ghgemissions/understanding-global-warming-potentials">https://www.epa.gov/ghgemissions/understanding-global-warming-potentials</a>.

<sup>19</sup> CARB, Short-Lived Climate Pollutant (SLCP) Reduction Strategy (March 2017) at 58, available at: https://ww2.arb.ca.gov/sites/default/files/2020-07/final SLCP strategy.pdf; see also CARB, LCFS Pathway Certified Carbon Intensities, available at: https://ww2.arb.ca.gov/resources/documents/lcfs-pathway-certified-carbon-intensities.

CalRecycle, Statewide Mandatory Organic Waste Collection, available at: https://calrecycle.ca.gov/Organics/SLCP/collection/; see also CARB, Short-Lived Climate Pollutant (SLCP) Reduction Strategy (March 2017), available at: https://www2.arb.ca.gov/sites/default/files/2020-07/final\_SLCP\_strategy.pdf.

#### **Air Quality Improvements**

Replacing diesel with RNG significantly reduces emissions of NOx and particulate matter. RNG-powered trucks using low NOx certified CNG engines emit approximately 20 times less NOx than diesel trucks.<sup>21</sup> For example, operating 125 refuse trucks that each drive 25,000 miles annually results in approximately 21,000 pounds of NOx emissions per year when using diesel, compared to just 1,000 pounds when fueling with RNG.<sup>22</sup> This reduction is especially impactful in Southern California where significant regions are in non-attainment of Clean Air Act Ozone standards (for which NOx emissions are a precursor).<sup>23</sup>

#### 3. No Feasible Alternative

D.22-09-026 requires that the customer demonstrate that it has no feasible alternatives to the use of natural gas, including electrification.<sup>24</sup> All customers have provided information, as detailed in each project specific evaluation below, to confirm that there are no feasible alternatives to the proposed fueling stations. For the customers with existing CNG vehicles, they state that there is no alternative solution to fueling their existing vehicles. For customers that do not currently have a fleet of CNG vehicles, the customers state that they have considered the purchase of an alternate fleet of vehicles but have determined that an alternate vehicle fleet is not a viable solution.

#### III. PROJECT SPECIFIC EVALUATIONS

Unless otherwise stated, the following information in this Section III is based on information provided by the customer or via publicly available information. Customer submitted applications are included in the Chapter 2 workpapers.

Data was derived from the Alternative Fuel Life-Cycle Environmental and Economic Transportation (AFLEET) Calculator, available at: <a href="https://afleet.esia.anl.gov/afleet/payback-onroad-calculator">https://afleet.esia.anl.gov/afleet/payback-onroad-calculator</a>.

<sup>&</sup>lt;sup>22</sup> *Id*.

South Coast Air Quality Management District (AQMD), 2022 Air Quality Management Plan (December 2, 2022) at ES-2, available at: <a href="https://www.aqmd.gov/docs/default-source/clean-air-plans/air-quality-management-plans/2022-air-quality-management-plan/final-2022-aqmp.pdf?sfvrsn=edcebd61\_16">https://www.aqmd.gov/docs/default-source/clean-air-plans/air-quality-management-plan/final-2022-aqmp.pdf?sfvrsn=edcebd61\_16</a>.

D.22-09-026 at 57.

#### A. Project A -

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The customer is a

The company's core values include energy transformation with a focus on environmental accountability. The customer, at their facility,

Project A is an on-site fueling station that is required to facilitate testing and filling the trucks for delivery to the end-use customers and will provide RNG as their

for approximately 700 heavy-duty trucks each year,

source of fuel at this location.

<u>Demonstrable Reduction in GHG Emissions</u>: The customer estimates a GHG emission savings of 2,392 Short tons of GHG per year when compared to traditional diesel fuel. The customer states that this is based on 700 trucks per year operating on RNG and traveling on average 650 miles with a 100 Diesel Gallon Equivalent (DGE) average tank capacity.<sup>25</sup> SoCalGas, using the Standard Lifecycle GHG Emission Reduction Methodology, finds that under the same circumstances, the lifecycle annual GHG emissions reductions will be 2,377 metric tons of CO<sub>2</sub>e.

Project A's enable CO<sub>2</sub>e emissions reductions from the point of deployment and enable other companies to adopt cleaner alternative fuels. Once installed, the customer has also indicated that the majority of the heavy-duty trucks they deliver to the end user will likely continue to utilize RNG throughout their useful life, <sup>26</sup> further boosting the environmental benefits from this project.

Consistent with California's Climate Goals: This project aligns with California's climate goals, including those outlined in SB 32, CARB's Scoping Plan, and both federal and state clean air quality standards. The project supports and/or aligns with these goals by:

 Providing GHG emission reductions: The use of RNG for the purposes of testing and delivery contributes to California's GHG emission reduction goals.

Source: Afleet calculator and 650 miles being the average one-way distance to deliver the truck(s) to the end user(s).

In 2023, RNG accounted for 97 percent of all on-road fuel used in natural gas vehicles in California. See The Transportation Project, BIO-CNG-Fueled Fleets in California Achieving Carbon-Free Footprint Today, Better Than Any Other Clean Fuel Option (June 4, 2024), available at: <a href="https://transportproject.org/2024/06/04/bio-cng-fueled-fleets-in-california-achieving-carbon-free-footprint-today-better-than-any-other-clean-fuel-option/">https://transportproject.org/2024/06/04/bio-cng-fueled-fleets-in-california-achieving-carbon-free-footprint-today-better-than-any-other-clean-fuel-option/</a>.

  Providing air quality improvements: RNG use will reduce criteria pollutants such as NOx, supporting California's air quality and public health objectives.

- Supporting the hard-to-abate transportation sector—specifically heavy-duty trucks—being transitioned from diesel to RNG (providing long term GHG emission and air quality benefits).
- Supporting infrastructure development that enables broader adoption of clean fuel technologies as well as the development of RNG production facilities.

By facilitating the deployment of and enabling other companies to adopt RNG for use in heavy-duty transportation, the project supports systemic decarbonization in the transportation sector, a key focus area in California's climate strategy.

No Feasible Alternative: The customer's application states that there is no feasible or viable technological alternative to an RNG fueling station for the operation of their business. The customer's core business is

Those trucks require fuel for testing and delivery, and CNG/RNG is the only compatible fuel. Currently, at this location the customer fills tanks from mobile storage tanks offsite to be delivered to the premises. The RNG fueling station will provide a long-term economic solution for their business. There are no other technological alternatives to provide onsite fueling for these vehicles other than a CNG/RNG fueling station. In the absence of this station, the customer stated it likely would have to consider relocation of its operation out of California.

# B. Project B –

The customer currently operates an RNG fueling station to support its fleet of RNG-powered buses. These buses operate daily from 5:00 a.m. to 11:00 p.m., serving the public. Additionally, the School District utilizes the station to refuel its buses. Project B plans to replace the existing facility, which is several years beyond its useful life, and expand the current capacity to accommodate public access at this fueling facility. This includes a neighboring city that also operates CNG buses and intends to use this upgraded facility for fueling. This project would not only benefit the customer, but also, the neighboring city and other users near and traveling through the city. In the absence of this project, the nearest alternative fueling public station is approximately 30 miles away.

Demonstrable Reduction in GHG Emissions: The customer application estimates that the upgraded station, continuing to dispense RNG, will result in an incremental annual reduction of 3,698 metric tons of GHG emissions when the fuel is sourced from biogas derived from wildfire management, landfills, dairy operations, or similar sources. According to the Standard Lifecycle GHG Emission Reduction Methodology, the project is expected to have an incremental annual GHG emission reduction of 3,172 metric tons of CO<sub>2</sub>e. These reductions are in addition to the emissions savings already achieved by the current facility.

Consistent with California's Climate Goals: This project aligns with California's climate goals, including those outlined in SB 32, CARB's Scoping Plan, and both federal and state clean air quality standards. The project supports and/or aligns with these goals by:

- Providing GHG emission reductions: The use of RNG, in lieu of diesel,
   contributes to California's GHG emission reduction goals.
- Reducing air quality improvements: RNG use will reduce criteria pollutants such as NOx, supporting California's air quality and public health objectives.
- Supporting infrastructure development that enables broader adoption of clean fuel technologies as well as the development of RNG production facilities.
- Supporting regional collaboration, as neighboring cities with CNG fleets will also benefit from the upgraded station and access to low carbon fuel.

By enabling continued use of RNG in public transportation and school fleets, the project enables the availability and accessibility of low-carbon fuel options in the region. The customer application also highlights that RNG vehicles emit substantially lower amounts of NOx and particulate matter, contributing to a cleaner and more sustainable transportation system.

No Feasible Alternative: The customer stated that there is no feasible alternative to the RNG fueling station for their existing fleet and regional partner's needs. The customer will transition to either electric or hydrogen by 2040 to meet state mandates, however, the existing CNG fleets that will be served by this station have significant useful life remaining.

Additionally, the existing CNG fueling facility is beyond its useful life, requiring continual repairs, and alternate fueling stations in the area are extremely limited, making the current and upgraded station essential for daily operations. The customer has also noted that as they transition some fleet buses to electric, in the years to come, for emergency preparedness they will still rely on some RNG fleet vehicles in the event of grid-related outages or for longer duration trips that other technologies may not be able to support. The upgraded station will enable continuity of service and support for the current regional transportation needs.

## C. Project C -

The customer, a transportation company headquartered in operates a fleet of over 300 tractors and 450 trailers. While its core business focuses on it also hauls a variety of other commodities

As part of its commitment to sustainability, Project C is installing a public-access RNG fueling station. This new facility will not only serve the company's RNG-powered fleet, but it will also allow the customer to transition the existing fleet of diesel vehicles to RNG and provide clean fueling options to the broader community.

Demonstrable Reduction in GHG Emissions: The application outlines that RNG, both in the tank-to-wheel phase and on a well-to-wheel lifecycle basis, exhibits a lower GHG carbon intensity compared to ultra-low sulfur diesel. Further, the customer states that RNG derived from dairy manure feedstock sourced from uncovered lagoons that may be procured for this site can substantially reduce emissions. By utilizing either 100% landfill sourced RNG (average CI score of 46.87 gCO<sub>2</sub>e/MJ) or pure dairy sourced RNG (average CI score of -250 gCO<sub>2</sub>e/MJ), the customer estimates that this project can anticipate an annual GHG reduction that ranges from 2,871 to 22,447 metric tons of CO<sub>2</sub>e, respectively.<sup>28</sup>

When SoCalGas applies the Standard Lifecycle GHG Emission Reduction Methodology assumptions, the average annual GHG emissions reduction of this project will be 15,343 metric tons of CO<sub>2</sub>e reflecting a demonstratable reductions of GHG emissions.

The applicant's calculations are based on annual usage of 500,000 GGEs of RNG.

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<u>Consistent with California's Climate Goals</u>: This project aligns with California's climate goals, including those outlined in SB 32, CARB's Scoping Plan, and both federal and state clean air quality standards. The project supports and/or aligns with these goals by:

- Providing GHG emission reductions for heavy-duty trucking: The use of RNG, in lieu of diesel, contributes to California's GHG emission reduction goals.
- Providing air quality improvements: RNG use will reduce criteria air pollutants such as nitrogen oxides (NOx), supporting California's air quality and public health objectives.
- Supporting infrastructure development that enables broader adoption of clean fuel technologies as well as the development of RNG production facilities.
- Providing industry collaboration to meet sustainability targets: The station will also support the customer's transport partners' sustainability targets, including a 30% reduction in GHG emissions across their value chains.

The customer application specifically highlights that the GHG emission reductions are aligned with California's carbon neutrality and net negative greenhouse gas emission goals, including SB 32. Additionally, by using RNG in heavy-duty trucking, the customer notes that there is a reduction in criteria pollutants like NOx, which also aligns with California's improved air quality climate policies.

No Feasible Alternative: The customer further notes that renewable diesel trucks would be the only other feasible alternative for its use case. The customer states that electric vehicle (EV) trucks lack the range necessary to accommodate the necessary routes. It also states that hydrogen infrastructure and trucks are not sufficiently developed for it to commit to fuel cell vehicle technology. Thus, RNG remains the preferred choice which also provides higher emissions reduction benefit, when compared to renewable diesel.<sup>29</sup>

## D. Project D –

The customer is one of Southern California's innovative recycling collection companies, serving

Renewable diesel has a volume adjusted average Carbon Intensity of 42 gCO<sub>2</sub>e/MJ compared to 187.09 gCO<sub>2</sub>e/MJ for RNG based on the available 2024 LCFS quarterly data reported by CARB. Data derived from the LCFS Quarterly Data Spreadsheet as of Q3 2024, *available at:* https://ww2.arb.ca.gov/sites/default/files/2025-01/quarterlysummary Q32024.xlsx.

The customer currently owns and operates

RNG refueling stations across Southern California.

The customer has submitted two separate applications requesting allowances for the installation of two RNG fueling stations:

Project D-1 is for a refueling project located on an undeveloped parcel of land near
and would primarily
serve 125 trucks serving the waste-collection needs of the communities located
nearby.

Demonstrable Reduction in GHG Emissions: In its application, the customer states that the average miles driven annually per truck is 25,740, which would result in a total facility consumption slightly in excess of 1.4 million therms per year. The customer also estimates the equivalent CO<sub>2</sub> emissions reduction associated with the proposed installation of the RNG refueling process to be between 5,013 and 14,582 metric tons per year. For 125 vehicles and an average fuel economy of 4 to 6 miles per gallon (diesel gallon equivalent), the customer calculated its GHG emissions reductions range from RNG with a certified CI score of 3.87 MJ/gCO<sub>2</sub>e and RNG sourced from manure and manufactured with a CI score of -200 MJ/gCO<sub>2</sub>e. These calculations did not consider diesel displacement. Using the Standard Lifecycle GHG Emission Reduction Methodology and customer estimated RNG usage of 1.4 million therms, the estimated annual Lifecycle GHG emissions reductions of using RNG in replacement of diesel will be 37,075 metric tons of CO<sub>2</sub>e for this project.

2. Project D-2 is for a refueling project across several parcels of land in surrounded by a mix of undeveloped land, and parcels utilized for light industrial and agricultural purposes. The end use for the trucks served from the proposed refueling process is refuse-collection.

<u>Demonstrable Reduction in GHG Emissions</u>: The customer proposes replacing its current fleet of 35 diesel waste-collection trucks with new trucks powered by RNG. Currently their fleet consumes 350,000 gallons of diesel per year, which will translate to 525,964 therms of RNG per year, once the project is completed. Using the Standard Lifecycle GHG Emission Reduction Methodology, the estimated GHG

emissions reductions of using RNG in replacement of diesel will be 13,903 metric tons of CO<sub>2</sub>e for this project.

<u>Consistent with California's Climate Goals</u>: Both projects align with California's climate goals, including those outlined in SB 32, SB 1383, CARB's Scoping Plan, and both federal and state clean air quality standards. The project supports and/or aligns with these goals by:

- Reducing GHG Emissions: The use of RNG, contributes to California's GHG emission reduction goals.
- Air quality improvements: RNG use will reduce criteria pollutants such as NOx, supporting California's air quality and public health objectives.
- Supporting infrastructure development that enables broader adoption of clean fuel technologies as well as the development of RNG production facilities.
- SB1383: Diverted organic waste from landfills for use in compost and RNG fueling.

These projects support California state policies and specifically align with SB 1383. To reduce organic waste from landfills, SB 1383 requires that organic waste be diverted away from landfills. The customer recently invested in

These projects highlight Project D's continued investments in sustainable waste management and transportation solutions.

No Feasible Alternative: Both projects will serve a fleet of refuse-collection vehicles. The customer has investigated both Hydrogen Fuel Cell and EV alternatives and has ruled them out as 1) there are no Hydrogen Fuel Cell refuse collection trucks currently on the market, and 2) the EV options offer limited range stemming from high ancillary hydraulic loads required to lift and compact the refuse. The only alternative solution, in the absence of the RNG fueling projects moving forward, would be the continued use of diesel vehicles, as it is the only alternative that would be adaptable to their specific transportation route and industrial use case.

#### E. Project E -

Project E, as submitted by the project developer who hauls millions of pounds

of metal, equipment, and solid waste materials annually. The customer also operates a Green Waste division that hauls green or biodegradable waste in a manner that diverts it away from California landfills. This environmentally responsible approach aligns with the use of RNG, in lieu of diesel, to power their transportation fleet of 30 trucks.

<u>Demonstrable Reduction in GHG Emissions</u>: Each vehicle is estimated to drive approximately 60,000 miles annually. The customer estimates they will reduce 20,000 metric tons of CO<sub>2</sub>e on an annual basis. SoCalGas, using the Standard Lifecycle GHG Emission Reduction Methodology, yielded similar results, finding that the estimated GHG emissions reductions of using RNG in replacement of diesel will be 33,765 metric tons of CO<sub>2</sub>e for this project.

Consistent with California's Climate Goals: This project aligns with California's climate goals, including those outlined in SB 32, SB 1383, CARB's Scoping Plan, and both federal and state clean air quality standards. The project supports and/or aligns with these goals by:

- Reducing GHG Emissions: The use of RNG, especially from dairy and landfill sources, contributes to California's net-negative emissions goals.
- Air quality improvements: RNG use will reduce criteria pollutants such as nitrogen oxides (NOx), supporting California's air quality and public health objectives.
- Supporting infrastructure development that enables broader adoption of clean fuel technologies as well as the development of RNG production facilities.
- Promoting sustainable waste transport and recycling that diverts green and organic waste from landfills, aligning with SB 1383.

The customer supports California's climate policy by making sustainable choices as they transport waste, including green and organic waste commodities, for proper disposal and recycling in support of SB 1383. This includes a compost operation where they divert green

waste as part of a process to be converted into bulk compost.<sup>31</sup>

No Feasible Alternative: The facility will serve the customer's existing fleet of CNG vehicles requiring CNG or RNG fuel. Therefore, there exists no other alternative to provide onsite fuel for these vehicles. Additionally, the customer has indicated that it intends to continue to convert its existing fleet of diesel vehicles to RNG. It states that in the absence of the proposed fueling station, the only other viable option would be the continued use of diesel-fueled vehicles. It emphasized that Battery EVs and Fuel Cell EVs are not yet feasible for heavy-duty trucking due to high upfront costs, limited infrastructure, restricted range, and extended refueling times.

## F. Project F -

Project F, as submitted by the project developer transportation and logistics business with a focus on international and domestic shipments. The customer specializes in

The proposed location of the Project F fueling station is in the project on a parcel of land that is surrounded by agricultural production on all sides. The location would serve as a transfer and refueling point for transportation loads routed along and would be sized to meet the private needs of the customer. The customer has a fleet of 200 trucks and approximately 30% are RNG trucks being fueled at their site in that percentage to 75% and allow their fleet to penetrate further east into the continental United States, while fueled by RNG supplied in California.

<u>Demonstrable Reduction in GHG Emissions</u>: The customer estimates the equivalent CO<sub>2</sub> emissions reduction associated with the proposed installation of the RNG refueling process to be 5,853 metric tons per year. This appears to be a conservative estimate of avoided CO<sub>2</sub> emissions given their estimated annual RNG throughput of 2,170,646 therms. Using the Standard Lifecycle GHG Emission Reduction Methodology, SoCalGas estimates annual Lifecycle GHG

<sup>31 32</sup> 

emissions reductions of using RNG in replacement of diesel will be 57,378 metric tons of CO<sub>2</sub>e for this project.

Consistent with California's Climate Goals: This project aligns with California's climate goals, including those outlined in SB 32, CARB's Scoping Plan, and both federal and state clean air quality standards. The project supports and/or aligns with these goals by:

- Reducing GHG emissions in lieu of diesel in long haul trucking contributes to California's GHG emission reduction goals.
- Providing air quality improvements: RNG use will reduce criteria pollutants such as NOx, supporting California's air quality and public health objectives.
- Supporting infrastructure development that enables broader adoption of clean fuel technologies as well as the development of RNG production facilities.

The customer has indicated that they optimize delivery routes and utilize eco-friendly practices and materials. Operating CNG vehicles, in lieu of diesel, and procuring RNG for use in this fueling station is another sustainable practice and supports California's climate policies.

No Feasible Alternative: The proposed station will serve to fuel the customer's existing fleet of CNG vehicles and allow them to increase their adoption of RNG trucks, therefore there is no alternative fuel solution available to meet the needs of these vehicles. The customer has indicated that in the absence of continued use of an expanded CNG fleet of vehicles, the only other viable transportation alternative would be diesel trucks. The customer stated that "RNG offers an immediate, scalable, and cost-effective solution for fleet decarbonization."

## G. Project G –

Project G is the development of a commercial center in that will include a hotel, gas station, and convenience store. The public fueling station will offer several alternative fueling options, including hydrogen, renewable biodiesel, RNG, and EV charging stations enabling a broad range of customer choice when it comes to low-carbon fueling options.

<u>Demonstrable Reduction in GHG Emissions</u>: By supplying RNG as an alternative fuel to heavy-duty vehicles, the project is reducing emissions by 20% even when compared to gasoline, which subsequently leads to reduction of 178 metric tons of CO<sub>2</sub>e per 100,000 gallons of CNG. SoCalGas finds that when applying the Standard Lifecycle GHG Emission Reduction Methodology, the estimated annual Lifecycle GHG emissions reductions of using RNG, when

more appropriately compared to the replacement of diesel, will be 6,649 metric tons of CO<sub>2</sub>e based on the forecasted annual throughput of approximately 250,000 therms.

<u>Consistent with California's Climate Goals</u>: This project aligns with California's climate goals, including those outlined in SB 32, CARB's Scoping Plan, and both federal and state clean air quality standards. The project supports and/or aligns with these goals by:

- Reducing GHG emissions: The use of RNG, in lieu of diesel, contributes to California's GHG emission reduction goals.
- Providing air quality improvements: RNG use will reduce criteria pollutants such as NOx, supporting California's air quality and public health objectives.
- Supporting infrastructure development that enables broader adoption of clean fuel technologies as well as the development of RNG production facilities.
- The project supports California's climate goals by expanding access to lowcarbon fueling options to include RNG fueling in combination with onsite renewable biodiesel, and EV charging.

By offering alternative fuels, the project is contributing to a growing infrastructure by providing nearby residents and those traveling along Highway 60 strategically located fueling solutions and enabling the adoption of alternative clean transportation vehicles.

No Feasible Alternative: This project is designed to specifically serve public RNG vehicles, therefore there is no other technological solution, or fuel can serve this function. The RNG station will compliment other onsite fueling options, including renewable biodiesel and EV charging.

# H. Project H –

The customer is a division of

The customer continues to expand access to low-carbon fuels for heavy-duty vehicles

Project H is a public fueling station located along

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Demonstrable Reduction in GHG Emissions: The customer estimates the equivalent CO<sub>2</sub> emissions reduction associated with the proposed installation of the RNG refueling process to be 15,072 metric tons per year based on an estimated annual RNG throughput of 300,000 therms. Using the Standard Lifecycle GHG Emission Reduction Methodology, the estimated annual Lifecycle GHG emissions reductions of using RNG in replacement of diesel will be 7,930 metric tons of CO<sub>2</sub>e for this project.

Consistent with California's Climate Goals: This project aligns with California's climate goals, including those outlined in SB 32, CARB's Scoping Plan, and both federal and state clean air quality standards. The project supports and/or aligns with these goals by:

- Reducing GHG emissions from heavy-duty trucking: The use of RNG contributes to California's GHG emission reduction goals.
- Providing air quality improvements: RNG use will reduce criteria pollutants such as NOx, supporting California's air quality and public health objectives.
- Supporting infrastructure development that enables broader adoption of clean fuel technologies as well as the development of RNG production facilities.
- Provides a significant customer investment in RNG infrastructure and partnerships with biogas developers further aligns with the State's long-term decarbonization goals.

The customer currently has CNG fueling stations in California and has established joint ventures with biogas developers to enable a steady supply of RNG to their stations. The parcel of land for this project is zoned Medium Industrial and is near existing service stations, light industrial process, small commercial business, a regional airport, and many office complexes. The public station will provide a clean fuel solution for heavy-duty trucking along two highways in

These highways serve as shipping routes for the agricultural and industrial markets in the San Joaquin Valley.

No Feasible Alternative: This project will serve as a public fueling station for heavy duty
RNG vehicles. As such, there exists no fueling alternative that could be installed at this location
to serve this purpose.

This concludes my prepared direct testimony.

#### IV. QUALIFICATIONS

My name is Jason Legner, and I am the Manager of Customer Clean Energy Solutions and have a comprehensive background in clean energy solutions and utility management. My business address is 555 West Fifth Street, Los Angeles, California, 90013-1011. In this role, I lead several key teams, including the Rules, Tariffs, and Policies Staff, The Self Generation Incentive Program Team, which provides incentives for customer behind-the-meter energy storage and renewably fueled distributed energy resources, the soon-to-launch Voluntary Renewable Natural Gas Tariff Team and our Clean Transportation Team. The Clean Transportation Team is instrumental in supporting the establishment and maintenance of CNG and RNG fueling stations. Prior to joining SoCalGas, my professional background spans both the private and public sectors, with a strong focus on supporting California's electric grid and broader clean energy goals. My experience includes managing and contributing to national programs aimed at reducing greenhouse gas emissions, enhancing demand response, enabling peak load shifting, and deploying distributed energy resources—including renewable natural gas and other renewable generation technologies. I have not previously testified before the California Public Utilities Commission.

# BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

# DECLARATION OF ERIN BROOKS REGARDING CONFIDENTIALITY DESIGNATION OF CERTAIN DATA

#### I, Erin Brooks, declare as follows:

- 1. I am the Director of Customer Energy Solutions for Southern California Gas Company ("SoCalGas"). I have been delegated authority to sign this declaration by Don Widjaja, Vice President of Customer Services. I have reviewed the customer related confidential information included within the documents, "SCG-02-Prepared Direct Testimony of Jason Legner Selected Projects (Chapter 2) Selected Projects" and "SCG-02-WP-Workpaper Supporting the Prepared Direct Testimony of Jason Legner" submitted in the Application of Southern California Gas Company, on behalf of its customers, for Approval of Gas Line Extension Allowances dated July 1, 2025. I am personally familiar with the facts and representations in this Declaration and, if called upon to testify, I could and would testify to the following based upon my personal knowledge and/or belief.
- 2. I hereby provide this Declaration in accordance with Decision ("D.") 21-09-020 and General Order ("GO") 66-D to demonstrate that the confidential information ("Protected Information") provided in the "SCG-02-Prepared Direct Testimony of Jason Legner Selected Projects (Chapter 2) Selected Projects" and "SCG-02-WP–Workpaper Supporting the Prepared Direct Testimony of Jason Legner" are within the scope of data protected as confidential under applicable law.
- 3. In accordance with the legal authority described in Attachment A, the Protected Information should be protected from public disclosure.

# BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge.

Executed this 27<sup>th</sup> day of July 2025, at Los Angeles, California.

Erin Brooks Director of Customer Energy Solutions

Trin Brooks

## **BEFORE THE PUBLIC UTILITIES** COMMISSION OF THE STATE OF CALIFORNIA

#### ATTACHMENT A -

SoCalGas Request for Confidentiality on the following Protected Information in the Application of Southern California Gas Company, on behalf of its customers, for **Approval of Gas Line Extension Allowances** 

<b>Location of Data</b>	Applicable Confidentiality Provisions	Basis for Confidentiality
Customer-related information (highlighted) in:  • "SCG-02-Prepared Direct Testimony of Jason Legner Selected Projects (Chapter 2) — Selected Projects"  • "SCG-02-WP—Workpaper Supporting the Prepared Direct Testimony of Jason Legner"	California Public Records Act (CPRA) Exemption, Gov't Code § 7927.705 ("Records, the disclosure of which is exempted or prohibited pursuant to federal or state law"):  • Cal. Civil Code § 1798.21 (requiring agencies to "ensure the security and confidentiality of" personal data)  • Cal. Civil Code § 1798.81.5(b) ("business that owns, licenses, or maintains personal information about a California resident shall implement and maintain reasonable security procedures and practices appropriate to the nature of the information, to protect the personal information from unauthorized access, destruction, use, modification, or disclosure.")  • Cal. Civil Code § 1798.24 (limiting disclosure of personal information)  • Cal. Civil Code § 1798.80 et seq. (process for protecting customer records)  • Cal. Civil Code § 1798.81.5 (security procedures and practices with respect to personal information about California residents)  • Britt v. Superior Court, 20 Cal. 3d 844, 855-856 (1978) (even highly relevant information may be shielded from discovery if its disclosure would impair a person's inalienable right of privacy provided by the California Constitution)  • Valley Bank of Nev. v. Superior Court, 15 Cal.3d 652, 658 (1975) (Financial information is protected – especially of non-parties)  • D.06-12-029, Appendix 3 (Affiliate Transaction Rules), p. 9 ("A utility shall provide customer information	Contain personally identifiable customer information for which confidential treatment is sought or information that can lead to the identification of the customer.  If publicly disclosed, such personal information could pose a risk of fraud, identity theft, or other personal, commercial, or financial damage to customers.

to its affiliates and unaffiliated entities on a strictly non-discriminatory basis, and only with prior affirmative customer written consent.")  CPRA Exemption, Gov't Code § 7927.700	
("disclosure of which would constitute an unwarranted invasion of personal privacy")	
D.97-10-031; D.11-07-056; D.12-08-045; D.14-05-016 (Customer contact information is considered confidential to protect privacy rights in the absence of express consent or upon a CPUC order or law.)	