## SoCalGas Applauds Establishment of First Renewable Gas Standard in the United States

New procurement standard adopted by the California Public Utilities Commission marks step towards decarbonizing the state's gas system



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LOS ANGELES, Feb. 24, 2022 /PRNewswire/ -- Southern California Gas Co. (SoCalGas), applauds action taken by the California Public Utilities Commission (CPUC) today to establish a renewable gas standard, an important step toward decarbonizing the gas system and reducing short-lived climate pollutant emissions. The action taken by the CPUC today makes California the first state in the country to adopt a renewable gas standard. Under this new renewable gas standard, SoCalGas will be required to replace 12.2 percent of the traditional gas it delivers to core customers with renewable gas by 2030. The standard also sets an interim goal of procuring approximately 3 percent renewable gas by 2025.

Last year, SoCalGas set a goal to achieve net zero greenhouse emissions in its operations and the energy it delivers by 2045. As part of that net zero goal, SoCalGas established benchmarks including delivering 20 percent renewable natural gas (RNG) by 2030. The state's new RNG standard aligns with and will assist SoCalGas in reaching that goal.

"The CPUC's decision today will help California to address the single most urgent climate issue, which is the reduction of climate super pollutants methane and black carbon," said Julia Levin, Executive Director of the Bioenergy Association of California and former Deputy Secretary for Climate Change and Energy at the California Natural Resources Agency. "Requiring utilities to procure biomethane generated from organic waste will help to reduce landfill waste, open burning of agricultural and forest waste, and wildfires, which in turn provides enormous benefits for public health and the climate."

"This new standard will be critical to California's transition to net zero by implementing a framework to recycle waste, eliminate greenhouse gas emissions produced by that waste, and put it to good use as renewable natural gas," said Jawaad Malik, SoCalGas vice president of strategy and sustainability and chief environmental officer. "Our way forward will require the innovative implementation of clean fuels such as renewable natural gas and hydrogen to help make our transition to a cleaner future reliable, resilient and affordable. By creating a new mechanism for consumers to access renewable natural gas, we are one step closer to a cleaner future."

The establishment of a renewable gas standard is the result of passage of Senate Bill (SB) 1440, authored by Senator Ben Hueso, chair of the state Senate Energy, Utilities and Communications Committee. SB 1440 required the CPUC to develop the standard and set goals for the procurement of renewable gas-made organic waste from wastewater treatment plants, dairies, landfills, agricultural waste, and forestry residues.

A key element of the renewable gas standard is procurement of RNG produced from landfill waste, which was targeted in SB 1383. That law is aimed at reducing emissions in part through a reduction of organic waste – and the methane it produces – in landfills. The law mandates the reduction of methane emissions by 40%, hydrofluorocarbon gas emissions by 40%, and anthropogenic black carbon emissions by 50% by 2030, when compared to 2013 emissions levels.

An economy-wide analysis by SoCalGas released in October found that electrification combined with clean fuels like RNG and hydrogen and carbon management offers the most affordable, resilient and technologically proven path to achieving carbon neutrality in California.

To read more on how SoCalGas is building the most cleanest, safest and most innovative energy company in America, visit socalgas.com/aspire2045.

## **About SoCalGas**

Headquartered in Los Angeles, <u>SoCalGas®</u> is the <u>largest gas distribution utility</u> in the United States. SoCalGas delivers affordable, reliable, and increasingly renewable gas service to 21.8 million consumers across <u>24,000 square miles</u> of Central and Southern California. Gas delivered through the company's pipelines will continue to play a key role in California's clean energy transition—providing electric grid reliability and supporting wind and solar energy deployment.

SoCalGas' mission is to build the <u>cleanest</u>, <u>safest and most innovative energy company in America</u>. In support of that mission, SoCalGas is committed to the goal of achieving <u>net-zero greenhouse gas emissions</u> in its operations and delivery of energy by 2045 and to replacing 20 percent of its traditional natural gas supply to core customers with renewable natural gas (RNG) by 2030. Renewable natural gas is made from waste created by dairy farms, landfills, and wastewater treatment plants. SoCalGas is also committed to investing in its gas delivery infrastructure while keeping bills affordable for customers. SoCalGas is a subsidiary of <u>Sempra</u> (NYSE: SRE), an energy services holding company based in San Diego.

For more information visit <u>socalgas.com/newsroom</u> or connect with SoCalGas on <u>Twitter</u> (@SoCalGas), <u>Instagram</u> (@SoCalGas) and <u>Facebook</u>.

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