

# Strategic Pathways and Analytics for Tactical Decommissioning of Portions of Natural Gas Infrastructure in Northern California

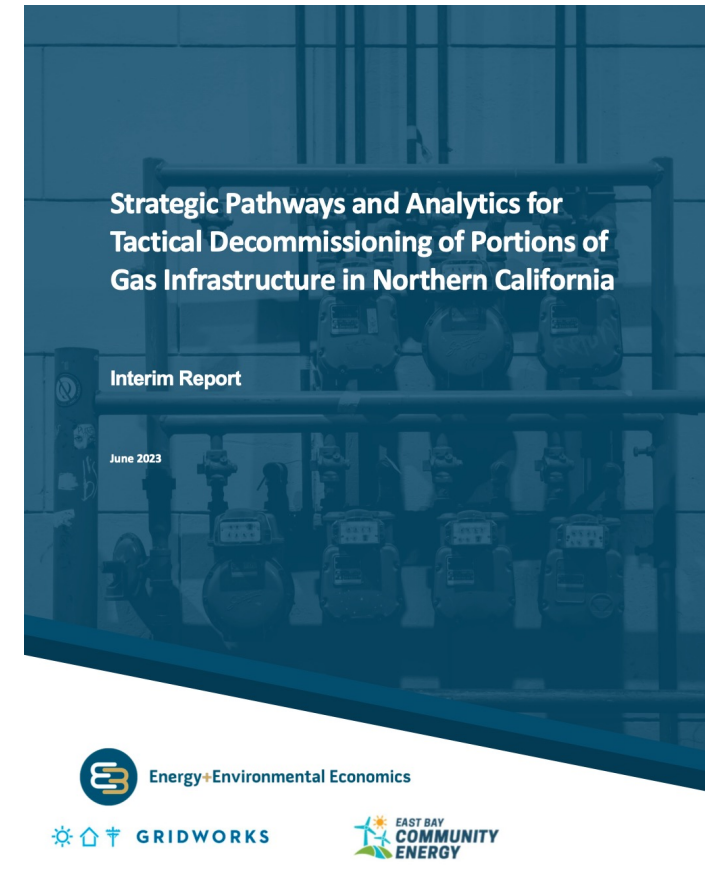
Interim Report Public Webinar

6/28/2023



# Agenda

- + 1:00 PM Welcome & Housekeeping
- + 1:10 PM Interim Report Presentation
  - Site Selection Framework
  - Comparison to CPUC Staff Proposal
  - Community Engagement
  - Lessons Learned
  - Next Steps
- + 1:50 PM Audience Q&A
- + 2:25 PM Closing & Adjourn



Read the Report: [Link](#)

Reminder: This webinar is being recorded and will be posted on the project's initiative page [here](#).

# Project Overview: CEC Grant PIR-20-009

Key Question: How can targeted building electrification paired with tactical gas decommissioning provide net gas system savings while promoting equity and meeting the needs of local communities?

## Overview of Project Team



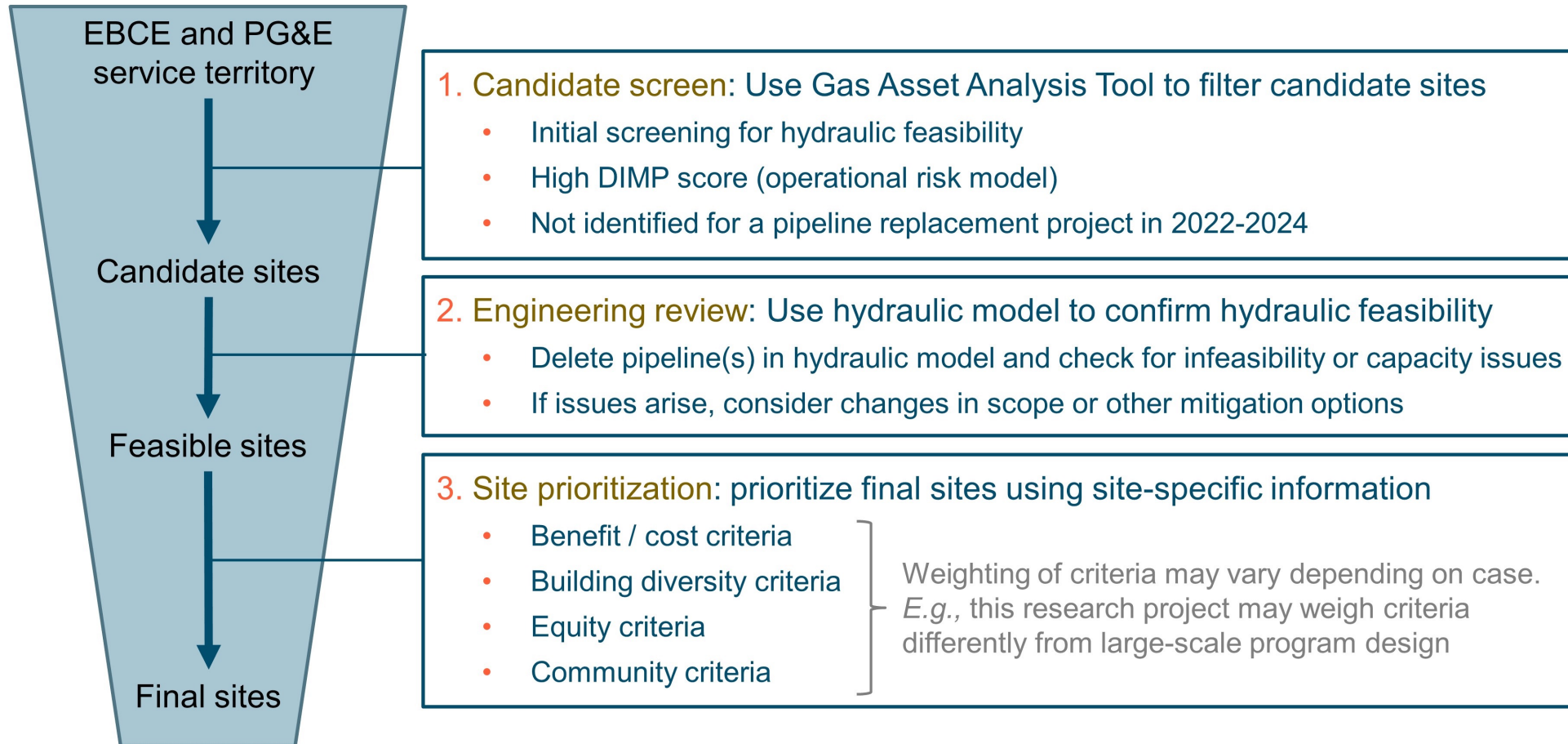
Project Objective	Status
Develop a replicable framework to identify sites where targeted building electrification combined with tactical gas decommissioning could support gas system cost savings	Complete
Using that framework, <b>identify three proposed pilot sites</b> , including at least one within a disadvantaged community	Complete
<b>Engage local communities</b> in sharing their perspectives and priorities	Ongoing
<b>Produce deployment plans</b> for the recommended pilot sites	Ongoing

# Site Selection Framework



- + Overview of framework
- + Results of applying framework
- + Site prioritization
- + Proposed pilot sites

# Site Selection Framework



**Deployment plans** will subsequently be developed for each site through direct customer engagement and consideration of benefits and costs, bill impacts, community priorities, equity, and other site-specific factors

# Site Selection Framework: EBCE/PG&E Shared Territory

There may be a relatively high concentration of gas pipeline replacement projects in EBCE’s territory

- + More mains with High “DIMP” risk score in EBCE territory, though similar share of mains categorized as “highest risk” (Table 7)
- + High concentration of Aldyl-A pipeline in EBCE’s territory (Table 8)

Table 7: Key features of gas distribution mains

Gas Distribution Mains	EBCE Territory	Full PG&E Gas Territory	Source
<b>Total Miles</b>	<b>4,300</b>	<b>45,555</b>	CPUC
Share of “Highest Risk”	4.4%	4.8%	CPUC
Share of High “DIMP” operational risk score	2.5%	1.3%	GIS
Share of Terminal Branches	18.1%	20.3%	GIS

Table 8: Gas pipeline materials targeted for replacement (mains + services)

Gas Distribution Mains and Services	EBCE Territory	Full PG&E Gas Territory	Source
<b>Total Miles</b>	<b>7,834</b>	<b>78,128</b>	CPUC
Share Aldyl-A	22.2%	10.4%	CPUC
Share non-cathodic protection steel	0.4%	0.4%	CPUC
Share copper	0.0%	0.0%	CPUC

# Site Selection Framework: Candidate Screen Results

City	1 Initial candidate sites <i>Terminal branch + high DIMP operational risk score</i>	2 Updated candidate sites <i>Also includes “networked” non-residential sites with high DIMP score</i>	3 Final Candidate Sites <i>Excludes sites where a pipeline replacement project is planned through 2026</i>	4 Building Types	5 Buildings per Site
<b>Oakland</b>	8	12	<b>11</b>	SF, MF, Non-Res	5-300
<b>San Leandro</b>	2	2	<b>2</b>	SF	5-200
<b>Hayward</b>	2	2	<b>1</b>	SF	5-100
Berkeley	2	2	1	SF, MF	≤5
Union City	2	2	-	SF, MF	10-400
Tracy	2	2	-	SF, Mobile Home	10-200
Livermore	1	1	1	SF	≤5
Fremont	1	1	-	SF, Non-res	10-20

**Green** sites progressed to PG&E engineering review.

No candidate sites were identified in Albany, Dublin, Newark, Piedmont, Pleasanton, or unincorporated Alameda County.

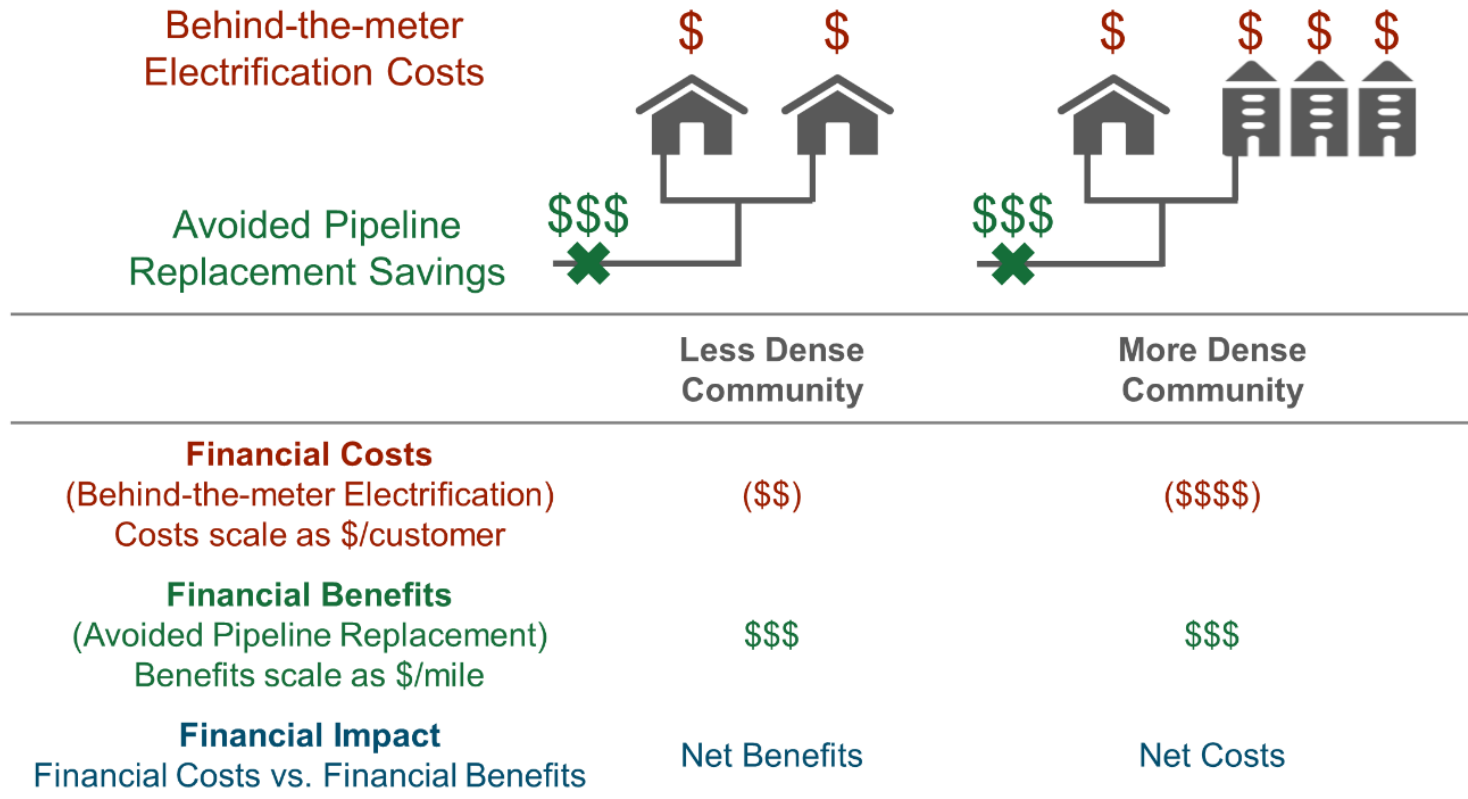
# Site Selection Framework: Engineering Review Results

		# of sites	Notes
<b>Total</b>	All candidate sites evaluated	14	
<b>Viable</b>	No changes to scope	9	
	Minor changes to scope	2	Small amounts of gas main added to or removed from scope
<b>Not recommended</b>	Major changes to scope needed	1	Would require decommissioning significant additional pipeline segments with low replacement likelihood
	Mitigations needed	1	Would require installing new pipelines to maintain gas capacity for surrounding areas
	Other	1	This site is on a 16" distribution "rib." Though technically feasible in this case, PG&E does not recommend decommissioning distribution ribs.



# Site Selection Framework: Benefits + Cost Analysis

## Illustrative costs and benefits for gas system decommissioning in two sites



*A more holistic framework may include other cost and benefit components such as electric system costs, cost of gas decommissioning, avoided gas commodity costs, other gas revenue requirement savings, GHG impacts, air quality impacts, comfort benefits, and others.*

# Site Selection Framework: Site Prioritization Criteria

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These factors were not elevated for site prioritization in this research project.

The project team focused on criteria 2-4 to inform site prioritization

1. **Cost criteria:** gas system avoided costs and electric distribution system costs
2. **Building diversity criteria:** diverse building types (e.g., single-family homes, multi-family dwellings, and commercial buildings)
3. **Equity criteria:** location in a disadvantaged community (DAC)
4. **Community criteria:** community priorities, presence of community champion(s)

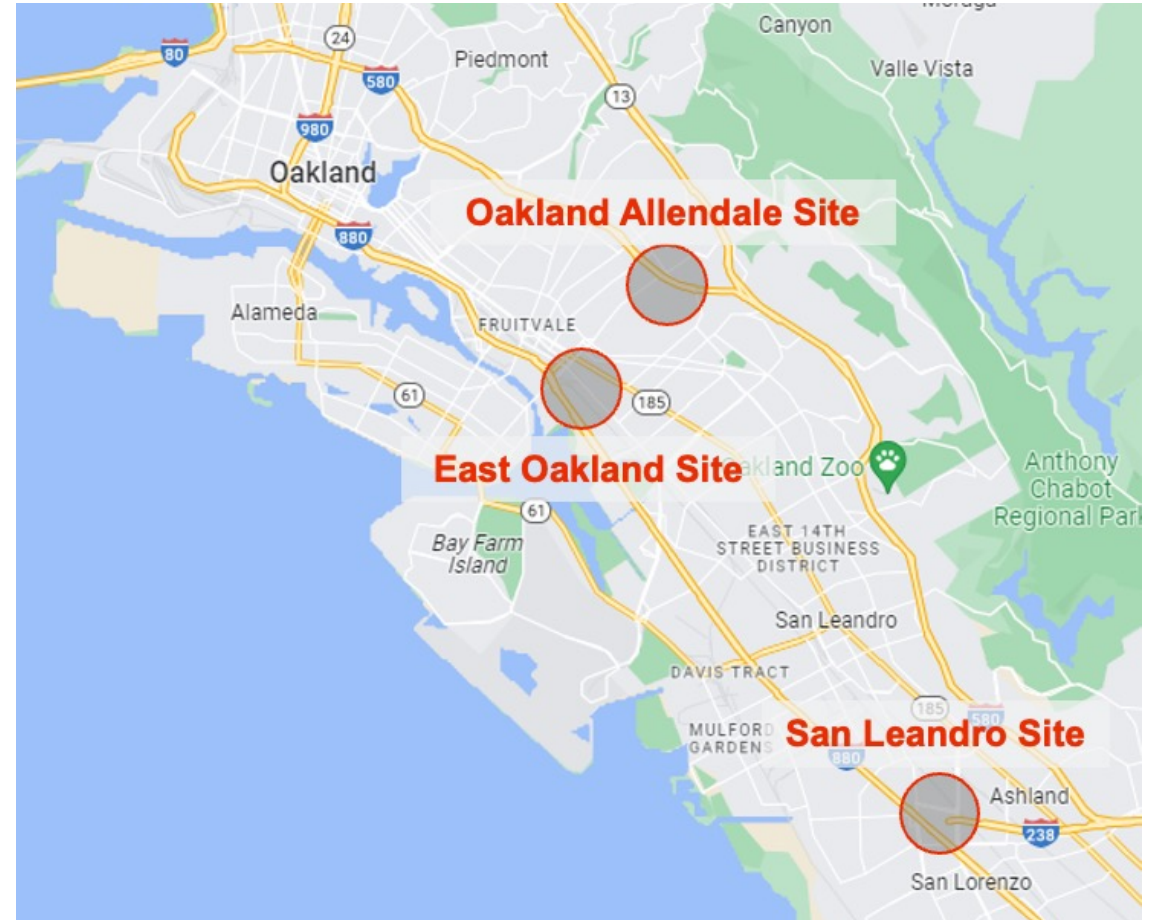
# Site Selection Framework: Selected Pilot Sites

## Proposed Pilot Sites

**Oakland – Allendale**  
Single-family, multi-family,  
and non-residential 106 gas meters

**East Oakland**  
Single family homes  
Urban DAC 69 gas meters

**San Leandro**  
Single-family homes  
Suburban DAC 187 gas meters



*Approximate locations of three proposed pilot sites for development of deployment plans*

# Comparison to CPUC Staff Proposal

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## + Site identification & prioritization criteria have *significant overlap*:

- Pipeline risk
- Equity considerations
- Scale of gas system avoided costs
- Presence of a community champion

## + Where the proposals *differ*:

- Where decommissioning feasibility should be included in the framework; *i.e.*, before other site prioritization considerations, or as part of a second phase of site selection
- How costs of gas decommissioning (e.g., upfront costs of building electrification) should be included in site prioritization

# Community Engagement: March-June 2023

## 7 Community Events

- + 6 Oakland Home Energy Resource Fairs
- + San Leandro Cherry Festival

## 3 Focus Groups

- + Facilitated by E/J Solutions
- + One per pilot site
- + 44 total attendees
- + Resources provided:
  - \$150 stipends for attending the 2-hour event
  - Translated materials and live interpretation services
  - Food and beverages from local vendors
  - Held outside of working hours (9am-5pm), with one event hosted on a weekend.
  - Childcare services
  - COVID-19 testing before entering

## Best Practices

- + Attend existing community events to meet constituents where they are
- + Provide incentives to compensate time
- + Support local businesses
- + Spend time translating technical/political jargon to digestible language
- + Provide materials in printed + digital formats
- + Come ready to engage with community members!

**More details will be included in future materials**

# Recommendations for regulators and policymakers

	Recommendations
<b>Gas System Data</b>	<ul style="list-style-type: none"> <li>• Evaluate concerns regarding making pipeline risk data publicly available (CPUC)</li> <li>• Develop new tools for gas planning (CEC)</li> </ul>
<b>Planning Horizon</b>	<ul style="list-style-type: none"> <li>• Develop process for longer-term planning of gas &amp; electric system, considering both large and small projects (CPUC)</li> <li>• Develop long-term vision for California’s gas system (CARB + CPUC)</li> </ul>
<b>Obligation to Serve</b>	<ul style="list-style-type: none"> <li>• Electricity could be identified as an acceptable substitute fuel (legislation)</li> <li>• Clear policies for advance notice and financial support needed for gas decommissioning (CPUC)</li> </ul>
<b>Project Funding</b>	<ul style="list-style-type: none"> <li>• State-funded subsidies (legislation)</li> <li>• Clear guidelines for ratepayer funding of gas decommissioning projects (CPUC)</li> </ul>
<b>Cost-Effectiveness Metrics</b>	<ul style="list-style-type: none"> <li>• Standardized BCA methodology (CPUC)</li> </ul>
<b>Community Engagement</b>	<ul style="list-style-type: none"> <li>• Recommendations/actions still under development</li> </ul>

# Next Steps

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**Summer 2023**

**Fall 2023**

**December 2023**

Community  
Engagement  
Reports

Deployment  
Plans

Final Report  
&  
Public Workshop

# Audience Q&A



*Please raise your hand  
or type your question in  
the Q&A box*



# Thank You



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