



Northwest Power and Conservation Council

Minutes for Fuels Advisory Committee

April 10, 2025

Tomás Morrissey, NWPPC, began the meeting at 9:00am. Chad Madron, NWPPC, explained how to best interact with the Zoom Webinar platform. Morrissey then called for introductions.

Erin Childs, Renewable Hydrogen Alliance, addressed the flattening of the curve on [Slide 16] asking if it implies an increase in natural gas usage for hydrogen production during that time. Childs clarified that she was interested in the feedstock assumptions. Morrissey answered that the slide is not overly specific and could represent gas-facing technology or imports. Morrissey continued, saying imports could be imported hydrogen or hydrogen-derived fuels.

Childs asked how staff are thinking about gas usage versus clean energy goals. Morrissey said that WA may not consider hydrogen created by gas-facing technologies as clean, but it might still be used for industrial purposes, provided carbon limits/allowances are met. Morrissey was not sure about Oregon.

Childs thought it would be helpful to know what percentage of the imported hydrogen forecasted after 2045 met energy and environmental goals. Morrissey agreed that this is important but doubted the analysis would get that granular. Morrissey did think that the Plan narrative could include discussion about meeting environmental goals and requirements that would exclude some technologies.

Childs flagged the concern with creating modeling boundaries, saying that a lot of the regional modeling, including California's, is expecting imported fuels. Childs said this raises the question of who will be producing those fuels for West Coast import. Morrissey said this is out of scope for the work but definitely worth mentioning.

Childs continued, saying this is consistent with how the states are approaching the work. Childs referenced WA's strategy saying they are expecting most of the electrolytic capacity to be built out of state. Childs said this illustrates the lack of electric capacity to host this level of hydrogen demand pointing to a regional energy supply crunch. Childs said if the region should be explicit about not having a sufficient local energy supply to support this level of hydrogen production so we can plan accordingly.

Morrissey agreed. Childs conceded there are other load growth factors that stress energy prices and affordability of electrolytic production but still thought it was important to be explicit.

Lauren Hogrewe, WA Dept of Commerce, asked if there were any assumptions around RNG for hydrogen production or if staff is just focusing on natural gas. Morrissey said staff did not split this out to different sectors. Morrissey added that RNG or biomass feedstock might qualify as clean under some provisions but did not know how much is available.

Morrissey summed up two takeaway points from the discussion:

- Stress that making hydrogen in the NW [Slide 15] will push up NW loads [Slide 16], and if more hydrogen than expected is made in the NW (or with electricity) then loads will be higher than forecasted
- Not all technologies that qualify for a 45V credit (federal) will be viewed as clean by the NW states

Childs asked if these two points will show up in the modeling or should be considered as context. Morrissey said the model just sees energy needs so this would be represented in the narrative.

Childs then asked how the flexible nature of electrolytic load could be represented in the model. Morrissey said that will be addressed later in the process, adding that loads can be elastic or inelastic. Morrissey added that most loads are inelastic, but hydrogen production will likely be modeled as elastic.

Childs then asked about a timeline saying she would like to get industry eyes on the work. Jennifer Light, NWPPCC, said staff are still thinking through some process points but plan to releasing results in early 2026 for a July release for the Draft Plan.

Childs noted that the Oregon State Energy Strategy did some modeling work on siting and suggested reaching out to ODOE [Slide 17]. Morrissey thanked her for any input.

Anna Kim, OR PUC, asked what is causing east side concerns [Slide 19]. Morrissey said discussions with eastside utilities revealed the need to firm up fuel supplies for any new resources. Morrissey said the existing pipeline is pretty much fully subscribed. Scott Johnson, NW Natural, enthusiastically confirmed this.

Johnson said it would be hard to find anyone to sell fuel as the market is tight [Slide 24]. Johnsons then said that FERC rules says it is just the max rate on the pipe if capacity is released for longer than 365 days. Johnson noted that people could pay a premium but didn't know if any space would be available. Morrissey thanked him for the input.

Clay Riding, NW Innovation Works, thought the numbers on [Slide 26] were tight and felt the higher number was more realistic. Riding also noted that pipelines in the region are at/near capacity.

Riding did not think there were any regions that did not need some fuel firming, which caused him to lean to the higher range of scale on [Slide 29]. Morrissey said he is leaning toward the higher range too based on input received on the call. Morrissey said the goal is a general ballpark adder for generic power plants, not picking if pipeline expansion or storage makes more sense.

Fred Heutte, NW Energy Coalition, appreciated seeing this work, pointing to the near grid collapse in January 2024. Heutte called this event a huge wakeup call and supported the outlined approach.

Riding called the LNG option intriguing but asserted that the region needs more infrastructure adding that there hasn't been a major project since the early 2000 while growth continues. Morrissey said permitting would have to work out and OR would probably not see any new large gas builds due to HB 2021.

Riding voiced concern about the availability of clean diesel [Slide 31] as it is not usually produced to be available for a peaking resource. Riding also agreed that it is odd to see the same price for clean versus normal diesel.

Morrissey thanked the committee for their time and asked for more feedback to be sent his way. Morrissey ended the meeting at 10:20 am.

Attendees via Zoom Webinar

Jennifer Light	NWPCC
Tomás Morrissey	NWPCC
John Ollis	NWPCC
Steven Simmons	NWPCC
John Purvis	Clallam PUD
Brian Robertson	CNGC
Zhuoyi Zhao	OR PUC
Ryan Bottem	Public Gen Pool
Annika Roberts	NWPCC
Chris Kroeker	NW Natural
Mary Kulas	Consultant for PPC
Aaron James	NEEA
Lauren Hogrewe	WA Dept of Com
Elizabeth Osborne	NWPCC
Brian Dekiep	NWPCC
Clay Riding	NW Innovation Works
Jake Kennedy	NWPCC
Scott Johnson	NW Natural
Erin Childs	Renewable Hy Alliance
Anna Kim	OR PUC
Fred Heutte	NW Energy Coalition
Robert Diffely	BPA
Peter Jensen	NWPCC
Aliza Seelig	PNUCC
John Robbins	Mitsubishi Power Americas
Frank Brown	BPA