

January 22, 2024

The Honorable Steve Bennett Member, California State Assembly 1021 O Street, Room 4710 Sacramento, CA 95814

## RE: Assembly Bill 1550 – Oppose As Amended January 18, 2024

Dear Assembly Member Bennett:

On behalf of the Rural County Representatives of California (RCRC), we must regretfully oppose your Assembly Bill 1550, regarding hydrogen production. RCRC is an association of forty rural California counties and the RCRC Board of Directors is comprised of elected supervisors from each of those member counties.

Assembly Bill 1550 establishes restrictions and conditions on the types of hydrogen that can be produced and used in the state beginning in 2045. Given the tremendous costs associated with project development and current availability of federal assistance, AB 1550 will will have a chilling impact on the development of new technologies and pathways that can help the state manage diverse waste streams and achieve its safety, waste management, and climate related goals.

RCRC believes hydrogen production and use can play a role in helping the state achieve its diverse goals; decarbonize hard-to-electrify sectors; and improve rural economies. Hydrogen facilities can divert agricultural and forest waste from landfills and put those commodities to productive use. Hydrogen production facilities can also play a key role in helping the state achieve its wildfire risk reduction goals by providing a pathway for the management of residuals for which there are fewer management opportunities. Just as importantly, hydrogen facilities can also help reduce future emissions associated with those feedstocks compared to natural decomposition, open burning, or fueling future fires. Some entities are also exploring ways in which hydrogen can be produced from municipal solid waste feedstocks, thereby helping the state achieve its waste diversion goals (zero waste in some communities), we must maintain a portfolio of waste management options because there continue to be residuals that cannot be feasibly recycled, composted, or source-reduced and which must otherwise be disposed.

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We fear that AB 1550 will restrict, rather than promote the development of hydrogen production facilities and chill the flexibility the California needs to manage and put diverse waste streams to productive use.

For these reasons, we must regretfully oppose your AB 1550. If you should have any questions, please do not hesitate to contact me at <u>ikennedy@rcrcnet.org</u>.

Sincerely,

John Kennedy

JOHN KENNEDY Senior Policy Advocate

 cc: The Honorable Cottie Petrie-Norris, Chair, Assembly Utilities and Energy Committee
Laura Shybut, Consultant, Assembly Utilities and Energy Committee
Gino Folchi, Consultant, Assembly Republican Caucus