

February 18, 2022

Via electronic mail

President Alice B. Reynolds alice.reynolds@cpuc.ca.gov

Commissioner Clifford L. Rechtschaffen cliff.rechtschaffen@cpuc.ca.gov

Commissioner Genevieve A. Shiroma genevieve.shiroma@cpuc.ca.gov

Commissioner Darcie L. Houck darcie.houck@cpuc.ca.gov

Commissioner John Reynolds john.reynolds@cpuc.ca.gov

California Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94102

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Subject: Infrastructure Investment and Jobs Act of 2021 – Federal Funding

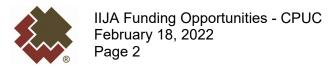
Opportunities

Dear President Reynolds and Commissioners:

Thank you for the letter, dated January 24, 2022, which identified various potential competitive grant funding opportunities available through the Infrastructure Investment and Jobs Act of 2021 (IIJA).

Southwest Gas Corporation (Southwest Gas or Company) wholeheartedly agrees with the California Public Utilities Commission's (Commission) view that these funding opportunities will benefit California utility customers by facilitating crucial investments in gas technology and infrastructure. Decarbonizing gas, along with maintaining and improving gas infrastructure, move California toward achieving the State's ambitious greenhouse gas (GHG) emission reduction goals while remaining mindful of affordability and reliability concerns.

Southwest Gas is proactively involved in the decarbonization efforts of today and is helping advance the solutions of tomorrow. For example, on January 21, 2022, Southwest Gas marked the opening of the Victor Valley Wastewater Reclamation Authority's Renewable (VVWRA) Natural Gas (RNG) facility in Southern California. The event marked Southwest Gas' first RNG interconnect in California and fourth RNG interconnect project companywide. The VVWRA facility will introduce RNG gas into Southwest Gas' system. The RNG interconnects Southwest Gas has completed, as well as the hydrogen creation and blending studies the Company is embarking upon



with the University of Nevada Las Vegas and Arizona State University, demonstrate Southwest Gas' commitment to decarbonization and its pledge to play a lead role in decarbonization.

Southwest Gas reviewed the various grant funding opportunities referenced in the Commission's letter. The Company believes that participation in the Clean Hydrogen Electrolysis Program is potentially feasible in our Northern California service territory. Upon review of the *Guidebook to the Bipartisan Infrastructure Law*, on www.whitehouse.gov/build, the application deadlines have not been set though the estimated application opening date appears scheduled for the 2nd Quarter of 2022. Southwest Gas is working with the American Gas Association to keep apprised of the funding requirements. The Company plans to further evaluate these funding opportunities when additional program requirements are made available. Southwest Gas will provide a status to the Commission as we continue to explore and pursue these exciting opportunities.

Sincerely,

Amy L. Timperley

Vice President/Regulation

c: California Public Utilities Commission: Rachel Peterson, Executive Director rachel.peterson@cpuc.ca.gov

Christine Jun Hammond, General Counsel christine.hammond@cpuc.ca.gov

Simon Baker, Acting Deputy Executive Director for Energy and Climate Policy simon.baker@cpuc.ca.gov

Pete Skala, Director of Efficiency, Electrification, and Procurement pete.skala@cpuc.ca.gov

Grant Mack, Director of Office of Governmental Affairs grant.mack@cpuc.ca.gov