

To: Ellis, Joe [REDACTED]@bp.com]
From: Streett, Mary[/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=[REDACTED]
Sent: Wed 02/12/2020 4:11:44 PM (UTC)
Subject: FW: San Jose bans natural gas in new commercial buildings - San José Spotlight

Mary Streett

SVP communications & advocacy
bp America Inc.

[REDACTED] Washington, DC 20005

Direct: + [REDACTED]

Mobile: [REDACTED]

Reinventing bp

From: Morrell, Geoff [REDACTED]@bp.com>
Sent: Wednesday, December 2, 2020 10:37 AM
To: Streett, Mary [REDACTED]@bp.com>; Lawler, David [REDACTED]@bpx.com>; Lin, William W. [REDACTED]@se1.bp.com>
Subject: FW: San Jose bans natural gas in new commercial buildings - San José Spotlight

FYI

From: Paula Reynolds [REDACTED]@preferwest.com>
Sent: 02 December 2020 15:33
To: Morrell, Geoff [REDACTED]@bp.com>
Subject: Fwd: San Jose bans natural gas in new commercial buildings - San José Spotlight

Redacted - First Amendment

Sent from my iPad
Begin forwarded message:

<https://sanjosespotlight.com/san-jose-bans-natural-gas-in-new-commercial-buildings/>

San Jose bans natural gas in new commercial buildings

Carly Wipf

San Jose became the largest city in the country to ban natural gas in commercial buildings, but its plan to keep businesses running during a power outage was criticized by activists and lawmakers.

The City Council voted 8-3 on Dec. 1 to approve the ban but in the wake of a public health crisis and not-so-distant memories of PG&E blackouts, lawmakers granted exceptions for hospitals, manufacturing plants, industrial facilities and energy storage companies, which use natural gas to provide a steady stream of fuel in case the grid goes dark.

“The grid will shut down on us,” Mayor Sam Liccardo said. “We are going to have blackouts and when that does happen, it’s policies like this that will be the target of scorn. We need to be really clear that we are providing options for those who critically need them.”

A handful of other California cities have banned natural gas, including Berkeley, Burlingame and Menlo Park. [Oakland joined that list](#) Tuesday night, banning it in newly-constructed apartment and commercial buildings.

Councilmembers Raul Peralez, Magdalena Carrasco and Pam Foley opposed the exemptions, specifically for energy distributors. They feared this would promote the continued use of natural gas as an alternate power source.

Liccardo, Vice Mayor Chappie Jones, Councilmembers Sergio Jimenez, Johnny Khamis, Lan Diep, Dev Davis, Maya Esparza and Sylvia Arenas voted in favor of the exemption, with Davis leading the charge.

Kerrie Romanow, director of San Jose’s environmental services, Romanow, said the exemptions served to balance the city’s climate goals with the needs of San Jose businesses developers.

“I view it as a little bit of step back in terms of our aggressiveness in terms of banning natural gas,” Romanow said. “But that step back allows us to move forward more quickly on densification which has other enhanced and steep benefits.”

Olivia Walker with the Natural Resources Defense Council was one of dozens of advocates who spoke in favor of the ban— minus the exception.

“This 11th-hour loophole allows unfettered use of fuel cells powered by fracked gas. It’s unnecessary and it’s counterproductive,” Walker said. “A local utility’s continuous use of gas-powered fuel cells would compromise the local and global benefits for San Jose’s increasingly clean fuel mix, and even create demand for new fossil gas infrastructure— infrastructure that could not be used for 100% clean energy down the line despite what some have implied.”

Natural gas burning and fracking— the process by which the gas is extracted— are known for releasing toxic compounds into the air which have been linked to respiratory problems and habitat damage, making it unpopular an unpopular electricity source among environmental activists. Yet the gas has been praised for its cleanliness in comparison to fuels such as diesel, which are commonly used to power backup generators.

The city's goal is to completely eliminate natural gas in the next decade, according to Romanow, but that change needs to take into account how easily the city and businesses can adopt and construct new energy systems.

"I don't think any of us in the council can claim this is an issue we understand very well," Peralez said. "What I'm most concerned about doing is approving any further exemptions with so little—or what appears to be so little — analysis and especially when those exemptions come with so much opposition from our environmental advocates that have helped get us to this point."

One San Jose tech company led the charge for the exemption — Bloom Energy. Its top officials said natural gas and hydrogen can help supply cleaner renewable energy to replace diesel.

"As a representative of an energy service provider potentially impacted by the policy under discussion, I wanted to reinforce Bloom's value to the businesses in the communities that it serves and highlight the importance of the gas pipeline network to deliver a renewable future," said Steven Lamb, director of sustainability for Bloom Energy. "I want to encourage the council to think of the gas system as an enabler of a renewable future rather than a barrier to it."

The council held an hours-long discussion about fuel cell alternatives, calling on energy experts, a PG&E representative and a professor to explain how the city could provide power during a blackout while also reaching its emissions goal.

Carl Guardino, Bloom Energy's executive vice president of global government affairs and policy, said "dirty diesel" is not the answer and that Bloom could provide other fuel options, including battery power and hydrogen power, which the company is piloting in South Korea.

Guardino noted that one in five residents were left without power for almost two days during PG&E blackouts and while diesel generators are effective, they are often placed near schools and in disadvantaged communities, releasing more toxic chemicals than natural gas

and causing health problems.

“That cannot be our destiny for the city of San Jose,” Guardino said. “We can do better.”

Carrasco said the city needed to lead by example by not allowing for the energy supplier exemption. “Even though it may only be a very small number of cells here, we set the example and it can have a domino effect for the rest of the Bay Area and the rest of the country,” Carrasco said. “My concern is that we leave a future for our children that may not be optimal.”

While Carrasco worried about the equity side of environmental issues, Councilmember Diep advocated for business growth.

“For us to bring Bloom Energy to San Jose and not welcome their products is a concern to me,” Diep said. “It’s incumbent upon us to allow these innovative companies the space to build that bridge to the future.”

He added that Bloom Energy’s switch to hydrogen showed its commitment to moving away from natural gas.

Jacob Brouwer, a professor at University of California Irvine, said natural gas doesn’t have to be a permanent solution for power outages. There is room for hydrogen to move in and become cheaper over time, but only some parts of the city could support it.

The council will also meet with labor groups and businesses to gather feedback on how best to transition to new energy models and standards.

“My peers and I were so scared about what’s in store that we are spending our teenage years advocating for representatives and leaders to address the climate crisis,” said San Jose high school student Helen Deng. “The gas ban is integral to a better future.”

Contact Carly Wipf at [REDACTED]@sanjosespotlight.com or follow [REDACTED] on Twitter.