



Hydrogen: Hype or a Glide Path to Decarbonizing Natural Gas—Part 2

Thomas N. Russo

As discussed in Part 1 of this series, hydrogen (H_2) is being debated across the globe as a means of reducing greenhouse gas (GHG) emissions, specifically in efforts to decarbonize the existing energy and transportation sectors. In these discussions, stakeholders use multiple terms such as hydrogen-enriched natural gas power (HENG),¹ power-to-gas (P2G), green H_2 , and renewable H_2 . All of these terms generally mean producing H_2 with excess renewable power using electrolyzers, which appears to be the preferred policy option.² For the purposes of this article, green H_2 will be used and to distinguish it from blue H_2 , which can use natural gas as a feedstock with steam methane reforming.

Using the existing natural gas grid³ to transport H_2 rather than building a separate system makes a great deal of sense. As a result, H_2 would

decarbonize the natural gas industry as well as a large part of the power, heating, and industrial sectors. Such a transition would strengthen the use of H_2 fuel-cell electric vehicles (FCEVs) that are competing with battery-electric vehicles (BEVs) used in passenger vehicles and heavy trucks.

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However, as this author stated in Part 1 of this series, H_2 production needs to ramp up significantly above its current level of 117 metric tons (Mt) produced in 2018 to serve these sectors, and especially to supply FCEVs. Refineries and ammonia plants used 59 percent of the H_2 , while methanol plants, steel fabrication, and heating used the remaining 41 percent. Only 0.01 Mt of H_2 was used by the transportation sector in 2018.⁴ This author also recommended that governments need to step up and use tax incentives over the next 20 years to encourage production of blue H_2 with Carbon Capture Utilization and Storage (CCUS) and green H_2 using renewable power and electrolyzers. If government policies in these areas are not robust, then H_2 will not be a significant player in the energy transition. For this article, the author will focus on:

¹ National Grid and Atlantic Hydrogen Inc. (2009). *Hydrogen-enriched natural gas—Bridge to an ultra-low carbon world*. Retrieved from <https://www.osti.gov/etdeweb/servlets/purl/21396875>.

² There are also discussions in the United States about using nuclear power and electrolyzers to produce green H_2 .

³ The natural gas grid includes the transmission and distribution pipelines.

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⁴ International Energy Agency. (2019). *The future of hydrogen*. Paris: Author. Retrieved from <https://www.iea.org/reports/the-future-of-hydrogen>.

- The status of efforts to blend H₂ in the US gas grid
- What H₂ blending means for decarbonizing natural gas
- Regional opportunities to increase H₂ in the United States and serve FCEVs
- The disconnect between H₂ policy and green H₂ production shortages

BLENDING H₂ WITH NATURAL GAS

The concept of using the natural gas grid to transport H₂ is not novel. Comprehensive studies such as the 2013 National Renewable Laboratory (NREL) report on H₂ blending and generation⁵ provide a sound basic overview of the issues. The NREL report relies heavily on research conducted by the Gas Technology Institute (GTI), which is still actively involved in research.⁶ Natural gas utilities' trade associations

have been partnering with universities, research laboratories, and the GTI to conduct needed research and development (R&D) on the effects of blending H₂ in natural gas pipelines and distribution lines (**Table 1**).

However, the percentage of H₂ that can be blended safely with natural gas in pipelines and distribution systems is still an open question challenging the industry. These challenges include:

- Maintaining the integrity of pipeline and distribution lines
- Managing potential gas leakage
- Identifying potential adverse impacts on material durability
- Determining if safety can be maintained
- Assessing whether equipment used by end-users will work properly

Six countries have been actively running tests on blending various percentages of H₂ in the gas grid and interest is also growing in P2G projects, especially in Europe. Germany, and Australia have had the most H₂ blending projects, but France, the United Kingdom, Italy, and

⁵ Melaina, M. W. (2013). *Blending hydrogen into natural gas pipeline networks: A review of key issues*. Golden, CO: National Renewable Energy Laboratory. Retrieved from <https://www.nrel.gov/docs/fy13osti/51995.pdf>.

⁶ Weeks, B. (2020). *Presentation on H₂ blending and generation*. Des Plaines, IL: Gas Technology Institute.

Table 1. Research Reports on Blending Hydrogen in Natural Gas Grids

Partner	Scope
AGA/CGA:	Blending of Hydrogen into Natural Gas Delivery Systems (2018)
Gas Technology Institute:	Hydrogen Blending into the Natural Gas Network – A Risk Analysis (2010)
	Initial Assessment of the Effects of Hydrogen Blending in Natural Gas on Properties and Operational Safety (2015)
HYREADY:	Engineering Guidelines – For the preparation of natural gas systems for hydrogen / NG mixtures (2018)
University of California, Irvine:	Pilot project for power-to-gas with solar PV
DNV-GL:	Mathematical demonstration of the amount of hydrogen that can be added to natural gas (2017)
University of Southern California:	Hydrogen Embrittlement Literature Review (2014)
	Permeability and Porosity Measurements of Gas Storage Rock Samples (2010)
University of Illinois at Urbana-Champaign:	Evaluating Hydrogen Embrittlement of Pipeline Steels (2016)
Sandia National Laboratories:	Hydrogen Effects on Materials for CNG / H ₂ Blends (2010)
Colorado State University:	Impact of H ₂ -NG Blending on Lambda Sensor NSCR Control and Lean Burn Emissions (2015)
NYSEARCH RANGE™	Interchangeability study for hydrogen-natural gas blends on SoCalGas customer equipment.

Table 2. Selected Global Hydrogen Blending Projects

Project Sponsor	Hydrogen Blend Levels
ENGIE GRHYD (France)	10% (will be increased to 20% this year or in 2020) in a new residential area of 100 homes and health center boiler; 2-year demo started in 2018
ITM Power HyDeploy (UK)	0 – 20%; 12-month Trial - Summer 2019; "Since 1993, EU legislation, all new gas appliances are performance and safety tested with methane blended with 23% hydrogen
Energiepark Mainz (Germany)	0 -15% at 6 - 8 bar (87 - 116 psi); mixing occurs in a stub line; Started 2015
H2V Product (France)	0 – 6%; Industrial program for development, construction and operation of hydrogen plants to inject into gas pipelines; Planned, not started
Snam (Italy)	5%; gas transmission network, feeding two industrial customers (pasta factory and water bottling company); April 2019 for one-month test
P2G NFCRC Phase 2 @ UCI (USA)	0 – 3.4%; 4" iron pipe with gas turbine at 21- 28 bar (304 – 406 psig); Started 2016
ITM Power/Mainova/NRM Thuja plant (Germany)	< 2% at 3.5 bar (50 psi) with no compressor used for injection; Started in 2013
Wind to Gas Brunsbüttel (Germany)	0 – 2%; Started March 2019; "DI standard currently limits the hydrogen content in natural gas to a maximum of 2%, if a natural gas filling station is located nearby
RH2-PtG (Germany)	0 - 2% at 25 bar (362 psi); max permitted concentration is 2%; Planned, not started
Australian Gas Infrastructure Group (AGIG) Hydrogen Park SA (Australia)	Australia's first integrated hydrogen-electricity-gas project; Planned mid-2020
Jupiter 1000 (France)	First industrial demonstrator of Power to Gas with a power rating of 1 MWe for electrolysis and a methanation process with carbon capture; 200 m ³ /h hydrogen injection; start-up in 2018
Hydrogen Injection in Sydney (Australia)	As part of the trial, a portion of hydrogen produced will be diverted to a gas engine generator to generate electricity generation to be exported back into the grid, with the remaining stored for use in an onsite refuelling station for hydrogen fuel cell vehicles
ATCO Hydrogen Microgrid (Australia)	"Green hydrogen" from on-site solar using electrolysis, fueling a range of gas appliances and blending hydrogen into the natural gas pipeline; Planned 2019

Source: Modified from SoCal Gas, Southwest Gas, and PG&E presentation before California PUC, March 2019.

the United States are also working in this area (**Table 2**).

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California is a leader in deploying H₂ in their energy transition, and most experts hope that 20 percent of the state's energy needs will come from the fuel.⁷ The California Energy Commission (CEC) has budgeted \$20 million per year to fund 100 light-duty H₂ fueling stations by 2024 and 200 stations by 2025 for use in FCEVs.⁸ As of March 24, 2019,

⁷ Reed, J. (2019, March 24). *Society needs hydrogen and fuel cells*. California Public Utility Commission Workshop. Retrieved from <http://www.adminmonitor.com/ca/cpuc/workshop/20190524/>.

⁸ California Public Utility Commission, March 24, 2019, hearing and presentation by California Air Resources Board.

64 fueling stations were funded and 46 were operating. The CEC also spends \$25 million annually on natural gas R&D and \$100 million on electricity R&D. The CEC and the California Public Utility Commission (California PUC) are also developing tariffs and policies for interconnection and injection of renewable hydrogen in the state's natural gas grid, including efforts to blend H₂ into the gas grid to distribute it throughout the state.

The German Gas and Water Association⁹ and Pacific Gas & Electric (PG&E)¹⁰ examined the

⁹ Linke, G. (2018, December 7). *Hydrogen integration in natural gas grids: Quantitative assessment of its carbon footprint, technical feasibility and economic rationale*. Presented at WS2 GAC meeting, Brussels, Belgium.

¹⁰ PG&E Gas R&D and Innovation. (2018, September 18). *Pipeline hydrogen*. Retrieved from https://www.pge.com/pge_global/common/pdfs/for-our-business-partners/interconnection-renewables/interconnections-renewables/Whitepaper_Pipeline-HydrogenAnalysis.pdf.

effects of blending various percentages of H₂ in their gas grids. For steel natural gas transmission and distribution lines, blends up to 30 percent H₂ were acceptable (**Figure 1**). Both studies show that plastic distribution lines could accept blends up to 70 percent. The higher percentage of H₂ is likely because the majority of distribution lines operate at lower pressure than gas transmission lines and are made of polyethylene instead of steel. Steel natural gas transmission lines are subject to

embrittlement from the H₂. While encouraging, other components of gas transport, storage, distribution, metering and control, and use/appliances require further research to determine the risks of exposure to blended H₂ injections.

Given these results, it should be no surprise that regulators have established legal limits or regulatory blend walls in many countries and states to limit H₂ blending in natural gas grids (**Figure 2**). These limitations or barriers may

Figure 1. German and California Gas Utility H₂ Blending Study Results

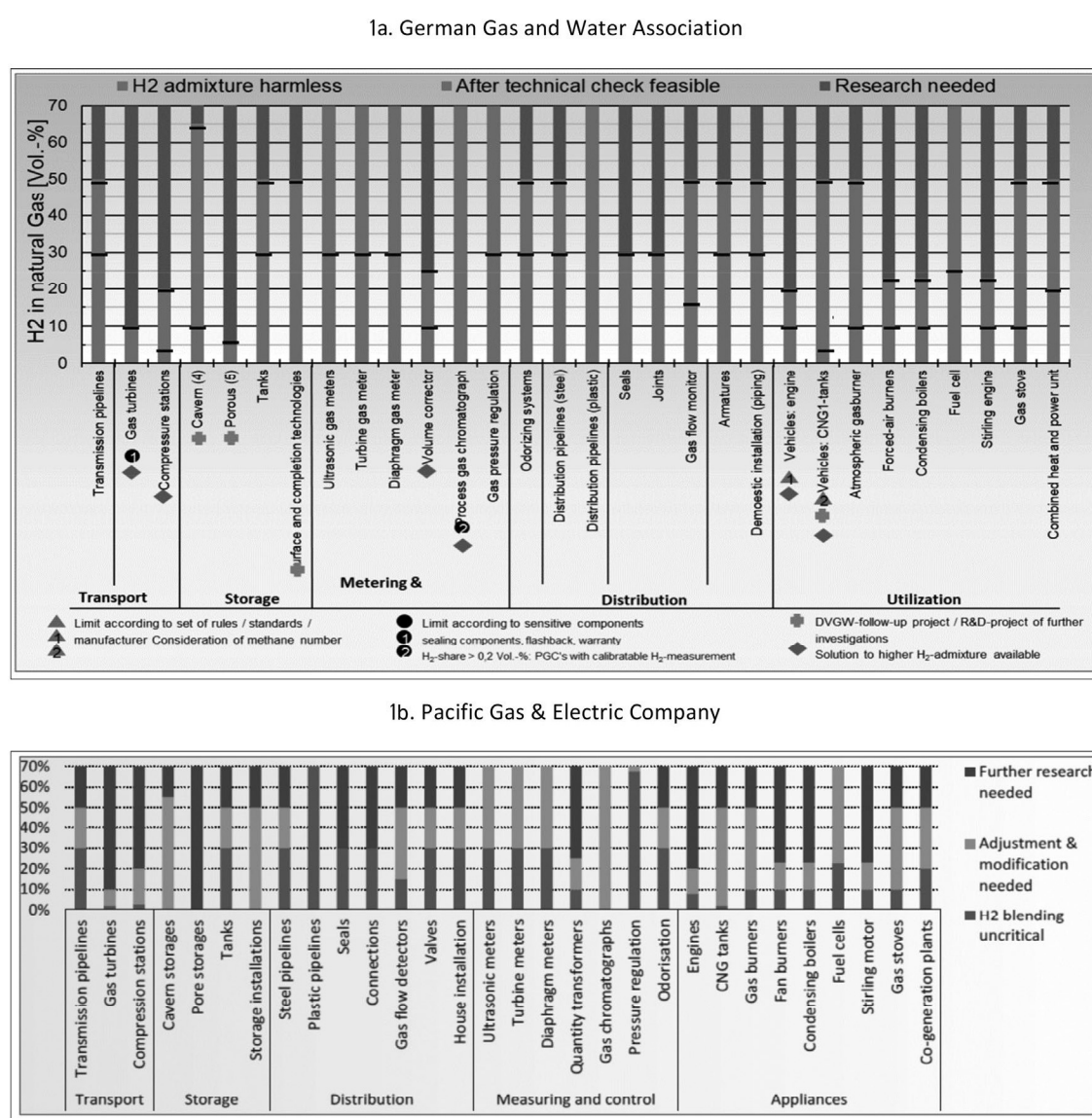
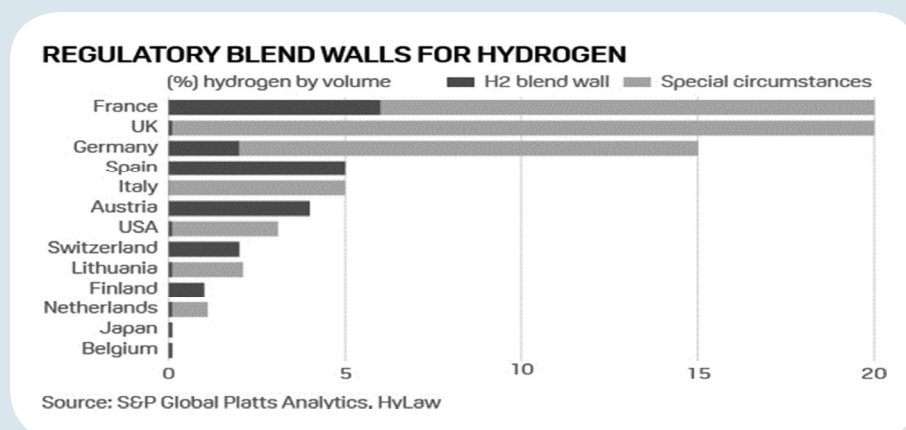


Figure 2. Legal and Regulatory Barriers to H₂ Blending in Gas Grids by Country



thwart efforts to transport blended H₂ to end-users in the heating, power, and transportation sectors. This also would necessitate the transportation of H₂ via truck, rail, and existing H₂ pipelines.

While these studies shed some light on the effects of H₂ blending in gas grids, individual pipeline companies and natural gas utilities along with regulators in Europe, the United States, and Australia may be reluctant to use H₂ blended fuels. According to Europe's Hydrogen Law,¹¹ the legal framework in the European Union regarding acceptable H₂ levels that can be blended in gas grids does not exist. Even in Germany, where injection of H₂ is permitted, there is a diversity of arrangements on whether 100 percent H₂ must be blended down to the acceptable gas quality/composition prior to injection into the gas grid. Natural gas pipeline companies and gas utilities in Europe and in states like California that wish to decarbonize their energy sector using H₂ must resolve the following issues before going forward, otherwise the use of the fuel will depend on transportation by truck, tanker, or rail:

- Configure and design pilot studies of gas grid H₂ blending levels consistently so results can be used to define a wider and safer basis for adoption across a region, state, or country.

¹¹ The Hydrogen Law calls for the removal of legal barriers to the deployment of fuel cells and hydrogen applications.

- Develop nondiscriminatory interconnection fees and tariffs.
- Develop standards for the manufacturing of gas pipeline valves, metering, and detection that work with H₂ blended gas.
- Develop standards that include pricing H₂ blended natural gas at the wholesale and retail level.
- Develop or amend gas grid H₂ blending levels to match energy-sector decarbonization goals.

CALIFORNIA AND HYDROGEN BLENDING

The California PUC is very interested in blending H₂ into the California gas grid and held a public workshop on hydrogen on March 24, 2019. Experts from natural gas utilities SoCal Gas, PG&E, and Southwest Gas, as well as experts from the California Air Resources Board (CARB), the University of California, Irvine's National Fuel Cell Research Center, Mitsubishi Hitachi Power Systems, Hitachi Zosen Inova, and others participated.¹² A joint presentation by the California gas utility representatives on blending H₂ in the California gas grid highlighted concerns around numerous issues

¹² California Public Utility Commission. (2019, May 24). *Workshops to consider a standard renewable natural gas interconnection tariff and an inquiry into the standards required to inject and interconnect renewable methane and hydrogen projects*. Retrieved from <http://www.adminmonitor.com/ca/cpuc/workshop/20190524/>.

resulting from their review of global literature on the topic (**Table 3**).

The California utilities also indicated the need for real-time studies in controlled and isolated parts of their systems to help them understand potential impacts and how they should modify and adapt their systems at the interconnection and injection sites and downstream. The California utilities wish to work jointly with the California PUC in identifying pilot sites, and isolating systems to obtain real-life data on the overall impact to their natural gas systems. In turn, the California PUC asked the utilities for specific recommendations on sites that could be studied.

Despite the ongoing R&D in the United States and abroad, the natural gas industry is still in search of answers regarding H₂ blending in gas grids and their impacts on end-users. The guidance gleaned from the aforementioned studies and directly from manufacturers of gas pipes, valves, engines, turbines, and others is adding to the confusion (**Figure 3**). A natural gas pipeline or gas utility must also consider how H₂ blending will affect the safety and performance of end-users, not just on their own equipment. Gas grids, in general, have common characteristics and elements. However, the composition of pipes, valves, seals, etc. is not standardized other than to perform safely with natural gas. Therefore, determining the percentage blend of H₂ is very important.

Table 3. Concerns of California Natural Gas Utilities Regarding H₂ Blending in the Gas Grid

Area for Near-Term Analysis	Research Topic
System Integrity	Potential embrittlement
	Crack growth
	Permeation
	Interaction with reservoir caprock
	Impact on sealant
End User	Combustion
	Flame sustainability
System and Industrial Equipment	Impact on engines
	Impact on equipment
	Measurement accuracy

Source: SoCal Gas, PG&E, and Southwest Gas presentation.

CO₂ EMISSIONS REDUCTIONS AND H₂ REQUIRED

California's total consumption of natural gas in 2018 was 4,432,552 million cubic feet (MMcf) (**Figure 4**). Despite the growth of renewables and efforts to decarbonize the energy sector, the state consumed two times the amount of gas consumed by Texas in 2018.

Since most natural gas consumers in California are served by the four major gas utilities, this author calculated the quantity of CO₂ equivalent (e) emission reductions¹³ that would be achieved by blending H₂ in the state's natural gas grids (**Table 4**). Blending the bare minimum of 5 percent H₂ would achieve a reduction of 12.2 million metric tonnes (Mt) of CO₂, which is a 3 percent reduction in the state's total CO₂ e emissions of 424.1 Mt in 2017.¹⁴ If H₂ blends of 30 percent and 70 percent were achievable without risk to the gas grid, significant reductions of 17 percent to 40 percent in CO₂ e emissions could be realized. In addition, the existing gas grid would be able to actively participate in and play a greater role in the state's clean energy transition. Benefits would also accrue to gas-fired power plants that could burn higher H₂ blends and FCEVs.

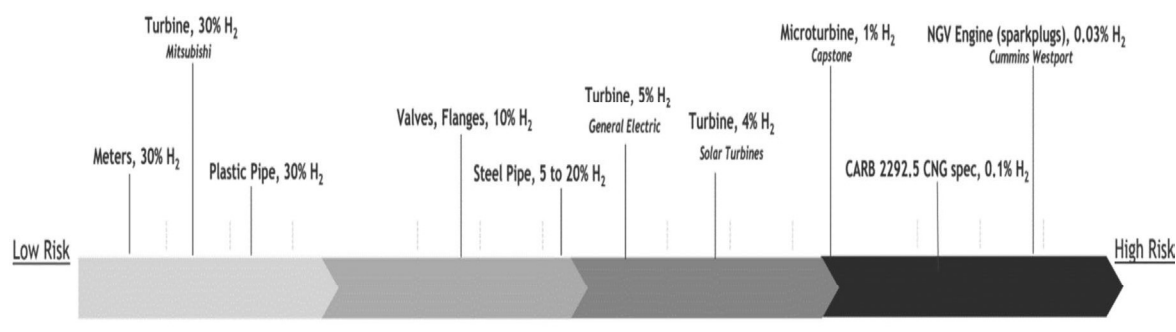
According to the International Energy Agency (IEA), there are approximately 3 million kilometers, or 1.9 million miles, of natural gas transmission pipelines and a far greater number of distribution lines that could potentially transport blended H₂. The American Gas Association reports the gas industry operates an extensive system of 2.6 million miles of distribution and transmission pipelines that serve more than 178 million Americans. Of that amount, more than 300,000 miles is composed of natural gas transmission pipelines according to the Interstate Natural Gas Association of America.¹⁵ Therefore, the potential for blending H₂ in these systems is significant, provided the safety and technical concerns in Table 3 can be managed well.

¹³ Using the Environmental Protection Agency's Greenhouse Gas Equivalencies Calculator, at <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>.

¹⁴ GHG Current California Emission Inventory Data, at <https://ww2.arb.ca.gov/ghg-inventory-data>.

¹⁵ Interstate Natural Gas Association of America, at <https://www.ingaa.org/Pipelines101.aspx>.

Figure 3. Risks of H₂ Blending and Percentage Allowed for Gas Grid and End-Users*



*These risks from various sources are not conclusive for the California gas grid.

Source: SoCal Gas, PG&E, and Southwest Gas presentation.

ROLE OF EXISTING H₂ PIPELINES

The alternative to blending H₂ in the existing natural gas grid is to rely on the existing H₂ pipeline network. This network was designed specifically for H₂ and its characteristics. The challenge of this approach is the limited size of H₂ pipelines and their ability to reach new customers.

There are close to 5,000 km (3,107 miles) of hydrogen pipelines around the world today, compared with approximately 3 million km (1.9 million

miles) of natural gas transmission pipelines. These existing hydrogen pipelines are operated by industrial hydrogen producers and are mainly used to deliver hydrogen to chemical and refinery facilities. The United States has the largest H₂ pipeline network, which is over 1,500 miles long (**Figure 5**).

Most of the H₂ pipeline networks are located in coastal areas close to refineries and petrochemical plants they serve. The US Gulf Coast has the largest number of refineries (47) split between Texas (30)

Figure 4. Natural Gas Consumption in California and Texas

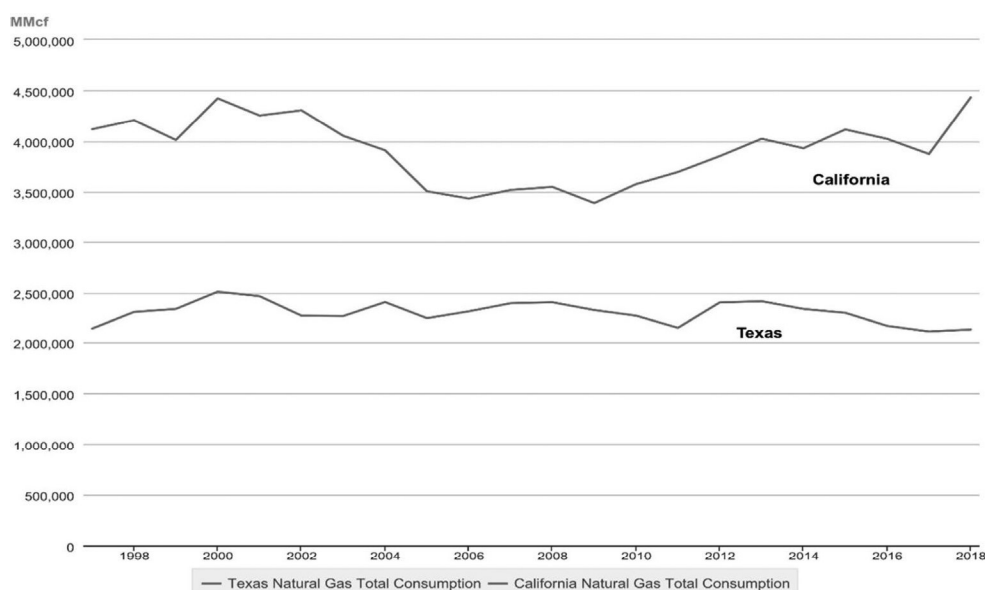
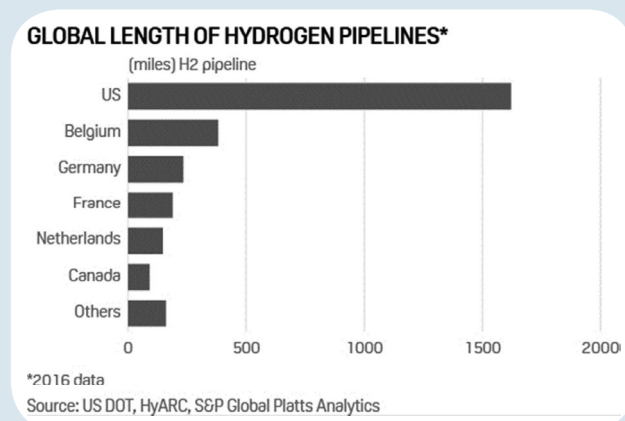


Table 4. CO₂ Emissions Reductions Achieved by Blending Hydrogen in California's Natural Gas Grid

% Blend of H ₂	5%	10%	20%	30%	50%	70%
Natural Gas in MMcf	221,628	443,255	886,510	1,329,766	2,216,276	3,102,786
Reduction in CO ₂ e Emissions in Mt	12,160,285	24,320,515	48,641,031	72,961,601	121,602,632	170,243,662
% CO ₂ e Reduction From 2017 Total California Emissions of 424.1 Million Mt	3%	6%	11%	17%	29%	40%

and Louisiana (17). California has 15 operating refineries. This author believes it might be prudent to examine the potential of expanding the existing H₂ pipeline network. For example, California's light-duty H₂ filling stations for FCEVs are being built in urban areas close to the coast. If green H₂ production facilities come online as expected, the existing network of H₂ pipelines and their expertise in transporting the fuel may benefit the program. Regardless, it might be beneficial for the CEC and CARB to discuss their supply needs with existing H₂ suppliers and pipelines.

Texas and Louisiana might also present opportunities to serve new H₂ customers and expand production to serve new customers such as FCEVs and heavy trucks. As stated earlier, the region has the most extensive H₂ pipeline system and knowledge about transporting the fuel, which could be invaluable to companies in Texas and Louisiana that wish to capitalize on the growing interest in H₂.

Figure 5. Length of Existing Global Hydrogen Pipeline Systems

THE DISCONNECT BETWEEN H₂ POLICY AND GREEN H₂ PRODUCTION SHORTAGES

Most current H₂ policies under development rely on green H₂ to decarbonize the natural gas and transportation system using FCEVs. However, the success of these policies depends on significantly increasing green H₂ production. As this author pointed out in Part 1, green H₂ is in short supply; therefore, the risk of H₂ policies failure is high. Any government body should be taking this into account before initiating such a plan of action. Indeed, this author believes that even the current or proposed efforts to investigate H₂ blending in the gas grid may be premature if green H₂ supplies are a limiting factor. The alternative would be to flow blue H₂ in gas grids and to supply H₂ fueling stations until such time that green H₂ production increases or to aggressively fund and incentivize green H₂ production through government incentives.

The CARB recognized a green H₂ production gap and the demand from its growing H₂ fuel stations in its 2017 and 2018 annual program reports.¹⁶ In fact, a hydrogen supply disruption at one, caused by downtime at one facility in California between June 1 and October 4, 2019, decreased the amount of hydrogen available to FCEV drivers.¹⁷ Air Liquide, Air Products,

¹⁶ The California Air Resources Board's *Annual Evaluation of Fuel Cell Electric Vehicle Deployment and Hydrogen Fuel Station Network Development* in 2017 and 2018 at <https://ww2.arb.ca.gov/resources/documents/annual-hydrogen-evaluation>.

¹⁷ California Energy Commission, California Air Resources Board. (2019, December). *Joint agency staff report on Assembly Bill 8: 2019 annual assessment of time and cost needed to attain 100 hydrogen refueling stations in California*. CEC-600-2019-039. Retrieved from <https://ww2.energy.ca.gov/2019publications/CEC-600-2019-039/CEC-600-2019-039.pdf>.

Praxair, Iwatani Corporation of America, and ITM Power have announced plans to deploy electrolyzers to produce renewable hydrogen for the California hydrogen refueling stations.

Data collected by the Pacific Northwest National Laboratory indicate that the hydrogen production capacity in California is generated for use in petroleum refining processes, either on-site or through a captured portion of the merchant hydrogen market.¹⁸ Captive, on-purpose production at refineries and merchant gaseous hydrogen ultimately used in oil refining represent 4,700 Mt/day of daily production in California. These amounts dwarf the 26 Mt/day of liquid and 29 Mt/day of gaseous merchant H₂ sold for purposes other than oil refining.

Fortunately, California's H₂ policies are both pragmatic and grounded in reality. The amount of renewable or green H₂ dispensed in California's network of hydrogen refueling stations is almost 36 percent renewable. This level is stipulated in many CEC hydrogen solicitations and grant agreements per the intent of Senate Bill 1505. Therefore, the California network of hydrogen refueling stations meets and exceeds the required 33 percent renewable hydrogen standard for dispensed hydrogen by the California legislature.

The fulfillment of the state's renewable hydrogen requirement can be either in the form of Renewable Energy Certificates (RECs) or from the dispensing of renewable hydrogen produced directly from renewable sources. With limited sources and infrastructure available to secure hydrogen fuel from direct renewable sources, however, most of the fulfillment in California comes from the procurement of RECs.¹⁹

By all accounts, CARB's fuel cell station program is successful. CARB recommended that the CEC take steps to award funds to increase green H₂ production. On June 13, 2018, the CEC approved an award for a 100 percent renewable production facility under GFO 17-602. The facility will add 2 tons/day production capacity to a 3 ton/day facility already under development. The


full project is expected to be developed in three phases.

This author believes that H₂ policies under development in other states and countries should be based on the current realities of H₂ production in their regions. Policy developers would be wise to follow California's model of setting goals for a percentage of hydrogen to be renewable. Demand rather than insisting on 100 percent green H₂. Policymakers should take note that the growth in BEVs has been successful, because there were no restrictions placed on BEVs to use only 100 percent renewable energy, nor have governments required that lithium-ion battery makers manufacture batteries and initially charge them only using renewable energy. Had they done so, the growth of BEVs might have been much lower.

CONCLUSION

H₂ blending in natural gas transmission and distribution lines could reduce CO₂ e emissions between 29 percent and 40 percent in California if implemented. However, gas utilities in general will require additional R&D on live natural gas systems to address pipeline integrity and safety as well as how blended H₂ will affect the performance of end-users. Gas utilities in California are interested in defining interconnection and injections tariffs with the California PUC but are hesitant to proceed absent real-time studies or regulatory approval.

Europe appears to be moving forward with H₂, as countries such as Germany, the United Kingdom, and France are pushing ahead with H₂ blending and an increased number of green H₂ projects. However, these countries are focusing more on green H₂ as a blending fuel than blue H₂. If the risks to natural gas pipelines from H₂ blending are not acceptable or the number of green H₂ projects do not materialize as planned, then countries and regulators may ultimately have no alternative than to rely on blue H₂ and/or expand the existing H₂ pipeline network.

Finally, countries and individual states should be cognizant that green H₂ is limited and sufficient supplies to blend in gas grids and for use by FCEV fueling stations in the early years of implementing such programs might not be possible. California's H₂ policy should be used as a model. 

¹⁸ US Department of Energy, Hydrogen Analysis Resource Center at <http://hydrogen.pnl.gov/hydrogen-data/hydrogen-production> and <https://h2tools.org/hyarc/data>

¹⁹ Ibid., 2019.