



Item 7: Gas Research and Development Program 2025 Annual Report

January, 21, 2026 Business Meeting

Ferris Chu
Electric Generation System Specialist I
Energy Research and Development Division



Overview

- **Report Purpose:** Provide the Legislature, California Public Utilities Commission, and the public a summary of CEC's Gas R&D Program, impacts, and ratepayer benefits
- **Report Contents:**
 - Program Background
 - Quantified Benefits
 - Investment Areas & Total Investment
 - Project Highlights



Gas R&D Program Investment

(through June 2025)

- **\$344.5 million:** Total investment across 314 projects since 2004
- **\$5.9 billion:** Private follow-on investments
- **46%:** Approximate program funding for demonstration projects in **disadvantaged and low-income communities** since FY 2016-2017*

*Excludes combustion-related projects



FY 24-25 Benefits to Californians*

375,000 therms

Fossil gas consumption avoided

1,200

Engagement activity participants

2,000 metric tons

CO₂e emissions avoided

\$500,000

On-bill savings

*Estimated benefits in FY 2024-2025 based on annual Gas R&D recipient survey.



Locating Methane Hotspots in the San Joaquin Valley

- **3.1 MMT CO₂e**: annual GHG reduction
- **3000 tonnes**: annual reduction in hazardous air pollutants
- **\$7 million**: annual cost savings from avoiding leaks and inefficiencies
- **\$56 million**: annual cost savings from avoided climate and health damages



Oil and gas fields in Elk Hills, California.
Source: Berkeley Lab



Staff Recommendation and Next Steps

- Approve *Gas Research & Development Program 2025 Annual Report*
- Submit Annual Report to the Legislature and CPUC



Thank You!