



# **Item 7: Gas Research and Development Program 2025 Annual Report**

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# 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**

**CO<sub>2</sub>e 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 CO<sub>2</sub>e**: 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

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



# Thank You!