WE MAKE CLEAN ENERGY HAPPEN®

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RE: Draft Scoping Plan Comments

Introduction

The Williams Companies, Inc. (Williams) appreciates the opportunity to submit written comments regarding the draft Scoping Plan released by the Climate Action Council. Williams is one of the nation's largest clean energy infrastructure providers. For more than a century, Williams has been providing infrastructure that is essential to our everyday lives and prospering businesses. We are responsible for the transportation of 30 percent of the nation's natural gas, directly serving over 600 utility and industry customers and indirectly serving over 35 million energy consumers. We work with our customers to provide critical infrastructure that addresses unique challenges to serve growing markets and safely deliver natural gas products to reliably fuel the clean energy economy.

Today, Williams transports 12 percent of the natural gas used by New York's downstate local distribution companies (LDCs) primarily serving Westchester, New York City and Long Island through the Transcontinental Gas Pipe Line (Transco) system, which comprises more than 10,000 miles of pipeline in the United States. The Transco pipeline has reliably served New York for more than 70 years, helping residents heat their homes, cook their food, and ensure availability of a warm shower.

We have been around for over a century because we embrace change for the opportunity it brings, and we are excited about the latest challenge of meeting the world's demand for reliable, low-cost, and low-carbon energy. We believe that running our business in a sustainable manner and doing what is right for the environment and our communities is critical to being around for the next 100 years.

That is why we were the first North American midstream company to establish a climate commitment goal. We committed to a 56 percent absolute reduction in carbon emissions below 2005 levels by 2030, putting us on a path to net-zero carbon emissions by 2050. Our reduction efforts, however, did not just begin in 2020. Since 2012, we have reduced our reported methane emissions from gas processing plants and transmission compressor stations by more than 41 percent, while over the same period, the throughput capacity at these facilities increased by 40 percent.

We are leveraging our clean energy strategy, expertise in reliable operations and responsible development of projects, plus technology that is available today to deliver immediate opportunities to reduce emissions, scale renewables, and build a clean energy economy right here in New York.

Helping New York Reach its Climate Goals Faster

Natural gas is a critical fuel source to help meet future energy demands, while reducing emissions today and helping states like New York reach its climate goals faster for several reasons.

First, natural gas is much lower in carbon content that other sources of energy. For example, combustion of natural gas emits about half as much carbon dioxide as coal and 30 percent less than oil, as well as emitting far fewer pollutants, per unit of energy delivered.[1] In fact, in the United States, we have seen natural gas significantly reduce power sector emissions as its abundance improved its affordability.

When compared to propane, heating oil and electricity this past winter (2021-22), natural gas had the lowest cost and the lowest emissions. Since 2005, our infrastructure has helped the United States decrease greenhouse gas emissions by 33 million metric tons — the equivalent of removing more than 7 million gasoline-powered cars from the road for a year.

Further, natural gas' abundance, especially in the United States, means that its affordability not only reduces energy costs for everyday Americans, but also translates directly to global energy security. Affordable, reliable energy is critical during these challenging times.

Lastly, natural gas is a reliable energy source that is easily stored and quickly dispatched, making it a great partner for renewable power. Given its abundant supply and affordability, natural gas is an ideal fuel to maintain power generation reliability, thereby protecting families and businesses from intermittency issues, rolling blackouts, and higher electricity bills.

An all the above energy approach to reaching New York's climate goals will be critical to ensure grid stability, maintain affordable energy prices for consumers, and guarantee there is no regression back to coal or fuel oil to maintain reliability.

Building the Clean Energy Economy

Here at Williams, we are also placing an increasing focus on the unlocked, vast potential of clean hydrogen. As one of the largest and most experienced midstream companies in the United States, our nationwide pipeline and asset footprint is well-positioned with end-use demand, particularly in highly populated areas like New York City, to participate in clean hydrogen-based energy transportation and storage at scale.

The potential to blend clean hydrogen into our existing natural gas stream is a significant advantage to accelerate its use in reducing carbon emissions across many sectors and applications particularly those most difficult to decarbonize. Blending also provides the most cost efficient and least disruptive, both

[1] "Natural Gas." Center for Climate and Energy Solutions, 13 July 2020, https://www.c2es.org/content/natural-gas/.

to the environment and existing communities, solution to provide transport from production facilities to end users.

Recently, a report from Columbia University's School of International and Public Affairs (SIPA) Center on Global Energy Policy found:

> But while it may seem counterintuitive, investing more in the domestic natural gas pipeline network could help the U.S. reach net-zero emission goals more quickly and cheaply. Fortifying and upgrading the system could prepare the existing infrastructure to transport zero-carbon fuels as they become available...[2]

The draft Scoping Plan identifies that hydrogen has the potential to play a critical role by providing dispatchable energy as well as supporting hard to electrify sectors. Due to the projected build-out of offshore wind, there will be opportunities to produce clean hydrogen on days where there is excess renewable energy supply. Capitalizing on opportunities like this requires the right infrastructure to be in place. As New York looks to become a leader in clean hydrogen, alleviating the constraints in natural gas infrastructure today, could assist with its delivery tomorrow.

Today, our Hydrogen Development Program creates an opportunity for Williams to play a role in the clean hydrogen market with significant growth potential. We are experts at treating, processing, storing, and transporting gas. This experience and our asset base provide a natural fit for Williams to contribute to the growth of a hydrogen economy, right here in New York.

We are actively working on projects such as:

- Blending hydrogen into our existing transmission pipelines
- Clean hydrogen production via electrolysis with renewable power such as wind and solar
- Clean hydrogen production via methane reforming with carbon capture or utilization
- Utilizing hydrogen blends as fuel for our compressor stations to reduce Scope 1 emissions
- Developing hydrogen-dedicated pipelines
- Developing hydrogen storage solutions
- Producing synthetic methane, or renewable natural gas, from clean hydrogen combined with captured carbon dioxide

Clean hydrogen can play a critical role in helping New York meet the goals outlined by the Climate Leadership and Community Protection Act. Investments in the Empire State's energy infrastructure today can help reduce emissions, meet demand, and increase affordability, while positioning New York's infrastructure to deliver the energy sources of tomorrow.

Conclusion

Thank you for the opportunity to provide comments on the Climate Action Council's draft Scoping Plan. Williams stands readily available to answer any questions that will aid in the Council's decision-

[2] Blanton, E. M., Lott, D. M. C., & Smith, K. (2021). Investing in the US Natural Gas Pipeline System to Support Net-Zero Targets. Columbia University.

making process. We thank you for your continued work and we look forward to being a partner with the State to help New York reach its climate goals.