

September 23, 2021

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
H-232, The Capitol
Washington, D.C. 20515

The Honorable Frank Pallone
Chairman
House Committee on Energy and Commerce
2125 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
H-204, The Capitol
Washington, D.C. 20515

The Honorable Cathy McMorris Rodgers
Ranking Member
House Committee on Energy and Commerce
2322 Rayburn House Office Building
Washington, D.C. 20515

Dear Speaker Pelosi, Ranking Member McCarthy, Chairman Pallone, and Ranking Member McMorris Rodgers:

We, the undersigned organizations, write to you to in support of provisions included in H.R. 3684, the Infrastructure Innovation and Jobs Act (IIJA), that promote the deployment of technologies that will support the development of a clean hydrogen economy. We urge the House to pass this critical legislation and send it to the President to be signed into law.

Our organizations support policies and investments that will enable the broad deployment of clean hydrogen production and use, which is a critical pathway to achieve U.S. decarbonization objectives while increasing U.S. global competitiveness. Clean hydrogen has the potential to accelerate decarbonization across all sectors of the U.S. economy, as well as transition existing — and create new — skilled, high paying jobs needed to support the clean energy transition. Multiple domestic industries have identified clean hydrogen as a critical component of their strategy for achieving net-zero greenhouse gas emission targets, but federal policy support is required to achieve a domestic clean hydrogen economy at scale.

Within its funding for power infrastructure, the IIJA would provide \$9.5 billion for hydrogen-related research, development, and demonstration (RD&D) activities and would support the diverse hydrogen production methods and end-use applications that will be necessary to commercialize hydrogen with significantly reduced greenhouse gas intensity. The bill would work in parallel with deployment incentive programs such as tax credits that drive very low lifecycle emissions from hydrogen production.

Below is an overview of the clean hydrogen provisions of the bill and why they are critical:

Regional Clean Hydrogen Hubs

The IIJA directs DOE to establish a program to support the development of at least four regional clean hydrogen hubs, which are defined to mean a network of clean hydrogen producers, potential clean hydrogen consumers, and connective infrastructure in close proximity.

Regional clean hydrogen hubs are a necessary path forward to demonstrate the entire value chain of clean hydrogen, including production, transport, storage, and end-use. Under the legislation, these regional hubs would also reflect the necessary feedstock, end-use, and geographic diversity to ensure that several areas of the country would benefit from growth in local industries and energy resources. The legislation also directs DOE to prioritize regional clean hydrogen hubs that would provide the most opportunities for skilled training and long-term employment for residents of the region.

Clean Hydrogen Electrolysis Program

The IIJA includes a Clean Hydrogen Electrolysis Research, Development, Demonstration, Commercialization, and Deployment program for the purposes of improving the efficiency, increasing the durability, and reducing the cost of producing clean hydrogen using electrolyzers. The objective of the program is to reduce the cost of hydrogen produced via electrolysis to less than \$2 per kilogram of hydrogen by 2026.

Hydrogen produced via electrolysis is a critical component of a future clean hydrogen portfolio. Electrolysis uses electric power in an electrolyzer to split water directly into hydrogen and oxygen with no carbon emissions. While the current cost of hydrogen produced from electrolysis is high, improvements in electrolyzer technologies and the falling cost of renewable generation to power those electrolyzers will lead to a substantial reduction in cost.

Clean Hydrogen Manufacturing and Recycling

As the U.S. develops a clean hydrogen economy, it will be critical to ensure that equipment manufacturing technologies and techniques minimize adverse environmental impacts and are efficient as possible for hydrogen production, processing, delivery, storage, and use. The IIJA would require the Department of Energy (DOE) to initiate a new grant program that would address these issues, assuring efficiency and cost effectiveness for materials, designs, manufacturing processes, and recycling of various components of the clean hydrogen supply chain.

National Clean Hydrogen Strategy and Roadmap, Clean Hydrogen Research and Development

In order to achieve a clean hydrogen economy, the U.S. will be required to rethink the way that hydrogen is produced and used in order to account for its broad range of applications and potential contribution to decarbonization objectives. To that end, the IIJA directs DOE to develop a technologically and economically feasible national strategy and roadmap to facilitate the widescale production, processing, delivery, storage, and use of clean hydrogen.

The IIJA would also reauthorize clean hydrogen R&D programs at DOE with a new statutory goal of commercializing its production and use across sectors, as described in DOE's 2020 Hydrogen Program Plan. The new program would include the establishment of new technology cost goals for clean hydrogen production, ensuring its use in all eligible end-use applications, and

developing appropriate, uniform codes and standards for the safe and consistent deployment and commercialization of clean hydrogen production, processing, delivery, and end-use technologies.

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Organizations like the International Energy Agency have identified a major role for all forms of decarbonized hydrogen in order to meet global emissions reduction objectives and to transition existing industries to a clean energy future. To date, the rest of the world is a step ahead of the U.S. in its recognition of clean hydrogen's role and in the development of markets that produce and utilize clean hydrogen. Passing the HJA would set the U.S. on a path towards global leadership in the development and demonstration of clean hydrogen technologies, and we look forward to working with Congress and the Biden administration to enact this critical legislation into law.

Sincerely,

American Gas Association

American Public Gas Association

Bipartisan Policy Center Action

Center for Climate and Energy Solutions

Clean Air Task Force

Clean Hydrogen Future Coalition

Energy Infrastructure Council

Interstate Natural Gas Association of
America

International Brotherhood of Boilermakers

International Brotherhood of Electrical
Workers

Nuclear Energy Institute

Renewable Hydrogen Alliance

Third Way

CC:

The Honorable Charles Schumer
Majority Leader
U.S. Senate

The Honorable Mitch McConnell
Minority Leader
U.S. Senate

The Honorable Joe Manchin
Chairman
Senate Committee on Energy and Natural Resources

The Honorable John Barrasso

Ranking Member
Senate Committee on Energy and Natural Resources