

October 20, 2021

The Honorable Charles Schumer
U.S. Senate Majority Leader
S-221, The Capitol
Washington, D.C. 20510

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

The Honorable Ron Wyden
Chairman
Senate Finance Committee
219 Dirksen Senate Office Bldg
Washington, DC 20510

The Honorable Richard Neal
Chairman
House Ways and Means Committee
1102 Longworth House Office Bldg
Washington, DC 20515

Dear Majority Leader Schumer, Speaker Pelosi, Chairman Wyden and Chairman Neal:

On behalf of the undersigned companies and organizations, **we strongly support the inclusion of multiple pathways for low- and zero-carbon hydrogen production in the bipartisan infrastructure package and forthcoming budget reconciliation text.** Affordable, low- and zero-carbon hydrogen will be a critical tool in decarbonizing the hard-to-abate sectors of our economy as we work toward meeting our collective climate obligations. As such, scaling up clean carbon hydrogen production represents a ripe opportunity to help the Biden administration achieve its goals of net-zero emissions in the power sector by 2035 and economywide by 2050, while improving local air quality for communities and spurring investments in domestic industries that support high-paying jobs.

Specifically, enacting policy provisions that enable clean hydrogen use and production from different energy resources, including hydrogen produced with carbon capture and coupled with utilization, transport and geologic storage, can build upon the wide-ranging energy and industrial comparative advantages of different regions of the country and help achieve economies of scale on the path to net-zero emissions. Opportunities for low- and zero-carbon hydrogen production to aid in decarbonizing our economy include supplying industrial process heat, serving as a feedstock for industrial processes, fueling transport applications that are challenging to electrify, and enabling 24-7 dispatchable net-zero power generation.

One of hydrogen's greatest strengths is its potential for flexible production; methane reformers producing hydrogen from natural gas can include high levels of captured carbon dioxide (CO₂), new electrolyzer plants offer opportunities in areas with abundant renewable and zero-carbon energy, and biomass waste feedstocks can be gasified with carbon capture to produce hydrogen with the potential for net negative emissions.

Despite the promise this technology presents, making clean hydrogen competitive with conventional hydrogen depends on robust federal policy that lowers the cost of production, invests in research and demonstration, and facilitates the buildout of transport and storage infrastructure – all of which can stimulate private investment and safeguard existing jobs across entire regions and multiple industries. Additionally, as Congress considers multiple pathways for clean hydrogen production, federal incentives should include a consistent lifecycle greenhouse gas analysis for all forms of hydrogen production, to ensure that the production method will produce low- or zero-carbon hydrogen.

To that end, thank you for including important funding for research, development and commercial deployment of hydrogen, and for the first-time, establishing hydrogen hubs in bipartisan infrastructure legislation, as well as featuring a tax credit for the production of low- and zero-carbon hydrogen in current base budget reconciliation texts. While these provisions represent important and welcome steps forward, it is clear that in order to meet the administration's net-zero and midcentury climate goals,

Congress must do more to ensure that adequate supplies of low-carbon hydrogen are readily available over the next decade. We stand ready to work with you and your colleagues across the aisle to enact federal policy mechanisms to lower the cost of production, invest in research and demonstration, and facilitate the buildout of transport and storage infrastructure to make certain that the hydrogen economy scales at the rate necessary to meet its full emissions reduction potential.

Sincerely,

8 Rivers Capital, LLC

Air Liquide

Baker Hughes

bp America

Carbon GeoCapture

Center for Climate and Energy Solutions

Chart Industries, Inc.

Clean Air Task Force

Clean Hydrogen Future Coalition

DTE Energy

Duke Energy

Electric Hydrogen

Entergy Corporation

Equinor US

GE Power

Great Plains Institute

Hexagon Purus

Information Technology & Innovation Foundation

International Brotherhood of Boilermakers

LanzaTech

Nacero

Nel Hydrogen US

OCI NV

Ohio Fuel Cell Coalition

Republic Services

Shell

Svante, Inc.

The Chemours Company

Third Way

Utility Workers Union of America, AFL-CIO

Waste Management