

Overview

The Biden Administration has selected <u>seven regional hubs</u> to each receive approximately \$1 billion of federal funding to build a hydrogen hub. Hydrogen hubs are a network of producers, consumers, and needed infrastructure to streamline clean hydrogen as a climate solution for hard to decarbonize sectors like heavy-duty transportation and industry.

Characteristics of Clean and Equitable Hubs

- Fulfill the <u>3 pillars</u> of new supply, hourly matching, and geographic deliverability.
- Prioritize hard to electrify sectors.
- Mitigation of NOx emissions created during hydrogen combustion.
- Robust, transparent, and collaborative engagement, early and frequently, with impacted communities.
- Creating robust Community Benefit Programs (CPBs) while mitigating potential negative impacts on those communities.

Potential Negative Impacts of Hubs

- Over-reliance on fossil fuel-derived hydrogen with carbon capture and storage (CCS).
- Hydrogen production powered by *existing* clean energy sources may lead to increased grid emissions and fossil-fueled electricity.
- Use of hydrogen in wasteful end uses which have far lower-cost and more efficient clean energy alternatives.
- Hubs whose CBPs fail to identify all impacted communities, the potential negative impacts of the projects, and how they will address and mitigate those impacts.
- Lack of tracking of project benefits.
- Lack of community engagement.

What State Legislators Can Do

The selected hubs are now in negotiations with the Department of Energy over the terms of their funding agreement before money is released for phase, which is a planning phase–now is the time to engage.

- → Call on your Governor to release more information to ensure hub plans align with climate goals, introduce legislation creating incentive programs that result in better guardrails and standards.
- Require robust engagement and ban hydrogen blending into gas distribution networks. Push for a workforce development model that will prioritize environmental justice communities.
- → Advocate for accurate and climate-aligned rules for the federal 45V tax credit.

Contact Climate & Energy Manager, Ava Gallo, for more information on how to stay engaged.

