

# House Bill 2718

Sponsored by Representative HELM, Senator DEMBROW, Representative SMITH DB; Senator LIEBER (Presession filed.)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Establishes grant program within State Department of Energy to provide grants to fund replacement of generators that use diesel or fossil fuels with renewable hydrogen-fueled generators. Directs department to prioritize awarding grants for emergency shelters and infrastructure, facilities and buildings related to provision of critical public services, health care and utilities. Appropriates moneys from General Fund to Renewable Hydrogen-Fueled Generator Grant Fund.

Directs department to develop planning goals for development of hydrogen production and storage and other hydrogen-related infrastructure. Directs department to incorporate planning goals into updated state energy strategy.

## A BILL FOR AN ACT

1  
2 Relating to hydrogen.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. (1) As used in this section:**

5 (a)(A) **"Green electrolytic hydrogen" means hydrogen produced through electrolysis.**

6 (B) **"Green electrolytic hydrogen" does not include hydrogen manufactured using steam**  
7 **reforming or any other conversion technology that produces hydrogen from a fossil fuel**  
8 **feedstock.**

9 (b) **"Renewable hydrogen" means hydrogen produced using energy sources that do not**  
10 **emit greenhouse gases.**

11 (c) **"Renewable hydrogen-fueled generator" means a backup electrical system that uses**  
12 **green electrolytic hydrogen or renewable hydrogen to generate electric power.**

13 (2) **The Renewable Hydrogen-Fueled Generator Grant Program is established within the**  
14 **State Department of Energy to provide grants from the Renewable Hydrogen-Fueled Gener-**  
15 **ator Grant Fund established under section 2 of this 2023 Act to be used to fund the replace-**  
16 **ment of backup electrical systems or generators that use diesel or other fossil fuels to**  
17 **generate electric power with renewable hydrogen-fueled generators. The department shall**  
18 **give priority when awarding grants to:**

19 (a) **Buildings designated to provide emergency shelter;**

20 (b) **Infrastructure, facilities and buildings that provide critical public services;**

21 (c) **Hospitals and health care facilities; and**

22 (d) **Infrastructure, facilities and buildings used in the provision of utilities, such as water,**  
23 **sewage, energy or telecommunications.**

24 (3) **The department shall administer the grant program and establish:**

25 (a) **Grant application procedures;**

26 (b) **Criteria for grant approval; and**

27 (c) **Grant amounts to be awarded.**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (4) The department may adopt rules to administer the grant program.

2 **SECTION 2.** The Renewable Hydrogen-Fueled Generator Grant Fund is established in the  
3 State Treasury, separate and distinct from the General Fund. Interest earned by the  
4 Renewable Hydrogen-Fueled Generator Grant Fund shall be credited to the fund. Moneys in  
5 the Renewable Hydrogen-Fueled Generator Grant Fund are continuously appropriated to the  
6 State Department of Energy for the purposes of making grants as part of the Renewable  
7 Hydrogen-Fueled Generator Grant Program described in section 1 of this 2023 Act.

8 **SECTION 3.** (1) The State Department of Energy shall develop planning goals for the  
9 development of hydrogen production and storage and other infrastructure related to the  
10 wide-scale adoption and use of hydrogen fuel in this state.

11 (2) The department shall update the state energy strategy and incorporate the planning  
12 goals developed under subsection (1) of this section into the state energy strategy.

13 **SECTION 4.** In addition to and not in lieu of any other appropriation, there is appropri-  
14 ated to the State Department of Energy, for the biennium beginning July 1, 2023, out of the  
15 General Fund, the amount of \$5,000,000 to be deposited into the Renewable Hydrogen-Fueled  
16 Generator Grant Fund established under section 2 of this 2023 Act.

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