February 8, 2023

House Committee on Climate, Energy and Environment Oregon State Capitol 900 Court St. NE Salem Oregon 97301

Re: Support HB 2530 and -1 amendment

Dear Chair Marsh, Vice-Chairs Levy and Levy, and Members of the Committee

Oregon Environmental Council (OEC) is a nonprofit, nonpartisan, membership-based organization that for over 50 years has worked to advance innovative, equitable, and lasting solutions to Oregon's environmental challenges. We are pleased to support HB 2530 and the -1 amendment, which will define the terms "green electrolytic hydrogen" and "renewable hydrogen" and differentiate between the two.

Thanks to recent state policies, including HB 2021, Oregon is now positioned to transition away from fossil fuel-derived energy sources and become a leader in the clean energy economy. To continue making progress toward achieving our climate and economic goals, the state must provide guidance in determining the highest and best use for new emerging technologies, like green electrolytic hydrogen. Oregon has an important opportunity now to support the deployment of carbon-free green electrolytic hydrogen, which can be used to replace fossil fuels for energy storage, industrial processes, long-haul transportation and other potential applications.

Green electrolytic hydrogen is produced from electrolysis and relies on renewable energy-powered electricity. All other existing forms of commercially-produced hydrogen are produced through steam methane reforming, a carbon-intensive production process that typically uses fossil gas and generates large amounts of carbon dioxide. So-called "blue" hydrogen is created from steam methane reforming, but attempts to capture some or all of the CO2 and store it in some way. Only green electrolytic hydrogen offers the prospect of utilizing clean energy and further expanding needed development of renewables in Oregon. Moreover, given the limited and expensive nature of this technology, green electrolytic hydrogen should be prioritized for and limited to use in hard-to-electrify sectors, rather than for local gas distribution for buildings or small-scale transportation.

By clearly defining the types of low- and zero-carbon hydrogen Oregon should be exploring for production, HB 2530 and the -1 amendment will help ensure consistency and clarity as the state pursues hydrogen research and development.

Sincerely, Nora Apter *Climate Program Director* **Oregon Environmental Council**