

Support for SB 124A - Renewable Hydrogen Fueled Generator Grant Program

We, the undersigned organizations, enthusiastically support SB 124A, which will build out a renewable hydrogen economy in the state. Production and use of renewable and green electrolytic hydrogen are key solutions to decarbonizing hard-to-electrify and/or hard-to-decarbonize sectors such as long-term energy storage, transportation, and industrial processes. How hydrogen is produced matters and Oregon should advance hydrogen policy that encourages “renewable” and “green electrolytic” hydrogen. Both methods are reliant on renewable energy and resources instead of fossil fuels to create hydrogen.

We urge, as a tool and pathway to assist in achieving Oregon’s climate goals, the Legislature pass SB 124A which would implement recommendations from the Oregon Department of Energy’s [2022 Renewable Hydrogen Study](#).

SB 124A is an important and necessary step to reduce climate-damaging emissions in the near term and work in tandem with other State efforts such as the Climate Protection and the Clean Fuels programs. The bill will:

- 1) Define “Green Electrolytic Hydrogen” and “Renewable Hydrogen” for purposes of eligibility for state fund and incentives;
- 2) Establish the Renewable Hydrogen-Fueled Generator Grant Program to acquire and replace diesel standby (backup) power generation system with renewable or green electrolytic hydrogen-fueled generators, with a prioritization of emergency shelters and infrastructure, hospitals and utilities; and
- 3) Leverage Federal Inflation Reduction Act Tax Credits, such as Section 48 Energy Credit that allows a 30% fuel cell investment tax credit with a bonus for siting projects in “energy communities”

We urge passage of SB 124A and efforts to create policy that integrates the production and use of renewable and green electrolytic hydrogen to address GHG emission reductions in Oregon.

