Office of Sustainability



February 10, 2025

Senate Committee On Energy and Environment 900 Court St. NE Salem, Oregon 97301

Subject: Support for Senate Bill 685

Chair Sollman, Vice-Chair Brock Smith, and Members of the Committee:

I urge your support for SB 685. This legislation is needed to protect the health, safety, and household economy of Multnomah County residents.

Hydrogen derived from renewable energy has an important role to play in the clean energy transition. Because hydrogen has novel safety concerns, potential environmental drawbacks, and costs more than other forms of energy it needs close regulatory oversight. Senate Bill 685 delivers that vetting and ensures that the proposed project meets carbon reduction goals and is cost-effective.

Safety, environmental concerns, and cost-effectiveness should also take on heightened concern when residential utility customers are expected to both be the recipients of this novel fuel type and pay for its implementation. The bill sets out the minimum requirement that residential customers be made aware that a new fuel type will be used in their home. This is important because hydrogen gas has different properties than methane gas which is currently used in the gas system. Hydrogen can corrode pipes and because it is a smaller molecule can leak more easily and is more flammable than methane. Hydrogen can also negatively impact appliances like furnaces and lead to higher emissions of nitrogen oxide which is toxic to humans.

Hydrogen also has to be carefully monitored to ensure that the fuel is not creating more greenhouse gas emissions than it is meant to displace. This requires a detailed technical review of how the hydrogen is being made, its fuel source, what alternative pathways are available to deliver the same heat or energy, and what is the highest and best use of hydrogen in the overall decarbonization of the economy. The analysis of environmental impacts is also linked to cost-effectiveness. Utility ratepayers have faced unprecedented rate increases in recent years. Multnomah County residents value decarbonization as evidenced by County ratepayers having the highest statewide rate of participation in voluntary utility green energy programs. But, ratepayers can not be expected to pay for projects that are exorbitant in expense, especially if the price does not deliver the desired environmental outcomes.

The novelty of hydrogen as a widely utilized fuel type for commercial and residential use, combined with serious safety, environmental, and economic concerns warrant close regulatory scrutiny. SB 685 delivers what Multnomah County ratepayers expect from state agencies, safety, protection from unreasonable costs, and the right to know what they are paying for and the potential health and safety impacts to their homes and families.

Sincerely,

John Wasiutynski

Director

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