

February 11, 2025

Oregon State Legislature Senate Committee on Energy and Environment 900 Court St. NE Salem, OR 97301

RE: Support for Senate Bill 685, Relating to hydrogen; declaring an emergency.

Dear Chair Sollman, Vice Chair Brock Smith, and other Members of the Senate Committee on Energy and Environment,

On behalf of Sierra Club Oregon and our 55,000 members and supporters, I urge you to support Senate Bill 685, which would provide essential oversight and public notice requirements for hydrogen blending in natural gas systems. SB 685 will help provide much needed transparency and regulatory safeguards, without which these actions will lead to risks for public health, safety, and ratepayers while offering minimal climate benefits.

In December 2023, NW Natural began blending small amounts of hydrogen into the natural gas supply in Southeast Portland without notifying customers or state regulators. Oregon currently has no regulations mandating a clear and transparent notification process for these types of projects. This regulatory gap leaves ratepayers in the dark about changes to their energy supply and has left us very concerned for public safety, consumer protections, and the environmental impacts of hydrogen blending.

Hydrogen blending into residential gas pipelines presents multiple challenges. First, the emissions reduction potential of hydrogen blending is minimal at best. Even at a 20% blend the net greenhouse gas emissions reduction is only about 7%. In comparison, the direct electrification of buildings through heat pumps achieves far greater climate benefits at lower costs. Second, hydrogen blending raises safety and infrastructure concerns, as hydrogen has different combustion properties than methane, potentially increasing the risk of pipeline leaks and appliance malfunctions. Additionally, the majority of hydrogen currently produced is derived from fossil fuels which is in direct conflict with Oregon's climate goals.

SB 685 is the critical step we need to ensure a transparent, accountable, and responsible energy policy. It does not prohibit hydrogen blending but instead ensures that customers and regulators will have access to accurate information about where and how hydrogen is being used. Ensuring public awareness and regulatory oversight are essential to ensuring that hydrogen use aligns with Oregon's climate goals and does not become a costly distraction from more tested and effective decarbonization methods such as building electrification.

We urge the Committee to advance SB 685 to protect ratepayers, strengthen regulatory oversight, and promote a truly clean energy future for Oregon. Thank you for your time and consideration. Respectfully submitted.

Emily Bowes, Policy Strategist



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