

March 6, 2025

Oregon House Committee on Climate, Energy, and Environment
Oregon State Legislature
900 Court St NE, Hearing Room F
Salem, OR 97301

RE: SB 685A – Notice Requirements for Hydrogen Blending Pilot Projects

Chair Lively, Vice-Chairs Gamba and Levy, and members of the committee:

Thank you for the opportunity to testify on behalf of the Northwest Gas Association (NWGA). The NWGA represents the three natural gas utilities and two transmission pipelines that provide warmth and comfort to two million Oregon residents, as well as heat and productive energy for more than 85,000 Oregon businesses, institutions, and industries.

Natural gas utilities are tasked with a complicated, difficult – but exciting – opportunity: balancing Oregonians' desire for decarbonization with the need for affordable and reliable energy. Our utilities are meeting these needs in various ways, including through clean energy initiatives such as hydrogen blending pilot projects.

While we appreciate the work that has gone into developing SB 685A, we are testifying as neutral on the bill, as we continue to have concerns. SB 685A could hinder the ability of utilities to pursue decarbonization projects – contrary to Oregon's decarbonization timelines and the growth and development of the hydrogen industry. Specifically, public notices could appear to residents as a warning, creating unnecessary fear that they are at risk from hydrogen blending projects. This perception contradicts over 50 years of global experience demonstrating that hydrogen blending does not increase safety risks. More than a dozen natural gas utilities across the country are currently operating hydrogen pilot projects, providing clear evidence that hydrogen can be blended safely.

Additionally, this legislation treats hydrogen as if it is a lesser energy resource. To our knowledge, other utilities are not required to notify customers outside of the regulatory process each time they adjust their energy mix – for example, when they add wind, solar, natural gas, or coal to generate electricity. By singling out hydrogen, the Legislature is signaling that it should be treated differently from other fuels. This sets a troubling precedent and undermines interest and investment in the hydrogen industry.

Natasha Jackson
Director of State Affairs