

Submitter: Denice Searcy

On Behalf Of:

Committee: House Committee On Climate, Energy, and Environment

Measure, Appointment or Topic: SB685

NO on SB 685 A

Restricting hydrogen projects will hurt the citizens of Oregon as many dams producing hydro-electric energy have been or are being shut down. We need good, clean energy in this state. The bill reflects a misunderstanding of hydrogen, and effectively urges a halt to work that could be very promising and beneficial. Low carbon hydrogen can be made from any biomass, such as sawdust, sawmill and papermill residue, agricultural waste and residue, forest slash, transmission line thinning's and other biomass that may be available.

Hydrogen produced through the use of renewable energy can be injected into natural gas pipelines, and the resulting blends can be used to generate heat and power with lower emissions than using natural gas alone. Senate Bill 685 which would place new requirements on Oregon public utilities engaged in the use or production of hydrogen, a technology that can be used to reduce greenhouse gas emissions.

SB 685 could significantly delay hydrogen projects, and places undue burdens on public utilities seeking to incorporate hydrogen into their infrastructure, especially considering that hydrogen blending is already federally regulated by the Pipeline and Hazardous Materials Safety Administration and locally managed through existing Oregon statutes.

Expanding Public Utility Commission oversight in this manner risks innovation and deterring much-needed private and public investment.

The bill's premise that hydrogen blending poses new, unaddressed safety risks does not align with over 50 years of global experience and established safety regulations. There is no evidence to suggest that blending hydrogen creates greater safety concerns compared to other energy practices already in place.

The restrictions on projects in this bill and the termination of Oregon's tax credit for Production of Clean Hydrogen under the Inflation Reduction Act, puts Oregon at a disadvantage to attract project development. The legislature should be looking for ways to minimize barriers to decarbonization that will benefit ratepayers.