

March 14, 2022

The Honorable Nancy Skinner Member of the Senate State Capitol, Room 5094 Sacramento, CA 95814

## Re: Support SB 1075 (Skinner) – Green Hydrogen

Dear Senator Skinner:

The Green Hydrogen Coalition is pleased to support Senate Bill ("SB") 1075 ("Skinner"), which advances green hydrogen as a decarbonization solution by creating a fund to support a bid for a federal Hydrogen Hub grant and by requiring state agencies to include green hydrogen in California's plans for a clean and just energy transition.

Hydrogen, the most basic element in the universe, is essential to helping California and the world transition to a zerocarbon economy while protecting well-paying jobs. Green Hydrogen, which is made from renewable feedstocks, can help decarbonize numerous sectors of our economy, including long-haul trucking, ocean shipping, and air travel. It can also be used to power industry or the electrical grid or to store renewable energy for later use. Last year, the federal government acknowledged the critical role of hydrogen in decarbonizing the economy by including \$9.5 billion in federal grants for clean hydrogen development in the Federal Infrastructure and Jobs Act. This includes up to \$2 billion for developing a Hydrogen Hub run from renewable resources. California is well-positioned to compete for the renewable Hydrogen Hub grant but would benefit from providing state-matching dollars. California is also well positioned to become a national and ultimately a global leader in green hydrogen because of its abundant renewable feedstocks and large potential markets. SB 1075 is an essential and urgent first step in creating the foundation paving the way for California to achieve its rightful place in the emerging global green hydrogen economy.

SB 1075 supports the development of green hydrogen in California in several ways. First, it creates a state Clean Hydrogen Hub account to support a state bid for a federal Hydrogen Hub grant and establishes state goals for the Hub. Second, it directs CARB to develop a roadmap on how to accelerate the production and use of green hydrogen. Third, it directs CARB, in conjunction with the CEC and CPUC, to integrate green hydrogen into state climate planning and provide recommendations to the Legislature on definitions for various clean hydrogen production pathways – and the appropriate end uses for that hydrogen. And lastly, it directs the CEC to detail how natural gas power plants can be repowered using hydrogen generated from renewable resources.

Overall, SB 1075 is urgently needed for California, as it provides a solution for the pressing worries of climate change and directly addresses the need for scalable alternatives to fossil fuels, not only to help solve climate change but to also insulate Californians from the intense price volatility of fossil fuels resulting from uncontrollable global events. High natural gas prices resulting from the war in Ukraine have already made green hydrogen the low-cost, secure alternative for many European countries today. Green hydrogen is a scalable and commercially viable pathway today, but to take advantage of its immense benefits, we must begin to set the foundation for at-scale ecosystem development and ultimately low-cost delivery <u>now</u>. Nevertheless, developing a green hydrogen economy and eliminating fossil fuel dependence requires State leadership to set the tone and get us on the right path. For these reasons, Green Hydrogen Coalition supports SB 1075 (Skinner) and respectfully requests your "AYE" vote.

Respectfully submitted,

<u>/s/ Janice Lin</u> Janice Lin Founder and President **GREEN HYDROGEN COALITION** 

Cc: Senator Richard D. Roth (Chair)