

9/1/2022 The Honorable Gavin Newsom, Governor California State Capitol Sacramento, CA 95814

Re: SB 1075 (Skinner) – Request for Signature

Dear Governor Newsom:

The Green Hydrogen Coalition (GHC)¹ respectfully requests your signature on Senate Bill (SB) 1075. SB 1075 directs the State Air Resources Board (ARB), in consultation with the State Energy Resources Conservation and Development Commission (CEC) and Public Utilities Commission (PUC), to prepare an evaluation relative to the deployment, development, and use of hydrogen. In making this evaluation, SB 1075 also directs the ARB to consult with the California Workforce Development Board and labor and workforce organizations.

GHC is a California educational 501(c)(3) non-profit organization. GHC was formed in 2019 to recognize the game-changing potential of "green hydrogen" to accelerate multi-sector decarbonization and combat climate change. GHC's mission is to facilitate policies and practices that advance green hydrogen production and use in all sectors of the economy to accelerate a carbon-free energy future and a just energy transition. Our sponsors include renewable energy users and developers, utilities, and other supporters of a reliable, affordable green hydrogen fuel economy for all.

California's leadership in driving aggressive emissions reductions has helped bring to market many new forms of renewable energy resources and fuels. In turn, this has led to a rapid decline in prices for electricity generated by eligible renewable energy resources such as solar, wind, and battery storage and has also accelerated the adoption and price reduction of zero-emission vehicles. Creating similar market conditions for green hydrogen demand will help scale supply chains and achieve similar cost reductions for green hydrogen and its derivatives.

Multiple studies show that green hydrogen will experience similar cost declines over the next decade. However, the scaling up of current technologies alone may not be sufficient to meet the nation's green hydrogen cost targets. Research is still necessary regarding production and strategic uses in order to bring down the cost to \$1 per kilogram, as envisioned by the Department of Energy's Hydrogen Earthshot.² Achieving this research, identifying these reductions, and

¹ <u>https://www.ghcoalition.org/</u>

² <u>https://www.energy.gov/eere/fuelcells/hydrogen-shot</u>



deploying green hydrogen at scale will help decarbonize many hard-to-abate sectors such as industry, power, agriculture, mobility, maritime, and aviation.

The evaluation directed under SB 1075 will help with this needed research and policy recommendations regarding the use of green hydrogen to help achieve the state's climate, clean energy, and clean air objectives. The policy recommendations may include the following: (1) guidance on how to overcome market barriers and accelerate progress in green hydrogen production, scaling, and use; (2) incentives and financing mechanisms; and (3) recommendations to maximize economic, environmental, public health, workforce, and equity benefits resulting from increased utilization of green hydrogen.

For all these reasons, GHC respectfully requests your signature on SB 1075.

Sincerely,

Janice Lin Founder and President **GREEN HYDROGEN COALITION** +1 (415) 595-8301 Jlin2@ghcoalition.org