Chairman Joe Manchin III Senate Committee on Energy and Natural Resources

PRIMER ON HYDROGEN PROVISIONS IN THE INRASTRUCTURE INVESTMENT AND JOBS ACT

WEST VIRGINIA CLEAN HYDROGEN HUB WORKING GROUP ORGANIZATIONAL MEETING

FRIDAY, FEBRUARY 25, 2022



Clean Hydrogen (H2) Hubs

Bipartisan Infrastructure Law funded **\$8 billion** for <u>at least</u> **4 hydrogen hubs**

Two hubs shall be in regions with the greatest natural gas resources. Appalachia is the largest natural gas producing region in the U.S.



What Constitutes a Hub?

A network of clean H2 producers, potential clean H2 consumers, and connective infrastructure. Each Hub will...

Demonstrate the production of clean H2

- At least 1 hub from fossil fuels with carbon capture
- At least 1 from **renewables**
- At least 1 from **nuclear energy**

Demonstrate the use of clean H2

- At 1 one for electric generation
- At least 1 in *industrial applications*
- At least 1 for residential and commercial heating
- At least 1 in transportation

Clean Hydrogen Production

Clean H2 production standard = carbon intensity of **2 kg of CO2/kg of H2** produced, or *less*. This includes blue, green, and pink H2.



Image source: S&P Global Market Intelligence (with modification); Credit: Cat Weeks

Industry has informally adopted colors to differentiate H2 technologies

- Blue H2 uses Steam Methane
 Reformer (SMR) with CCUS
- **Green H2** uses electrolysis with renewable electricity
- **Pink H2** (not pictured) uses electrolysis with nuclear energy
- Gray & Brown H2 uses SMR
 without CCUS

Clean H2 End-Uses



- **Transportation**: cars, forklifts, aviation, maritime
- Industrial: refining, chemical plants, cement, steel, manufacturing
- Agriculture: ammonia and fertilizer
- Power Generation: coal and natural gas plants
- Residential & Commercial Heating; blending into pipes
- **Storage** for grid stability

DOE Hub Development Timeline

- Mid-Feb 2022: Issued Request for Information (RFI) for implementation strategy
- May 22, 2022: Funding Opportunity Announcement due
- May 2023: Selection of Hubs due

Opportunities for West Virginia

Coalitions will be considered a priority for hub selection

- Regional resources for production and infrastructure include

 Fossil resources with CCUS, future transition to renewables
 Access to significant natural gas and saline storage of CCUS
 Salt, limestone, and sandstone formations for potential CCUS or H2 storage
 Coal and natural gas plants can be retrofitted for hydrogen production/use
- End-users in the region include potential for

 Use in power gen and back-up power (coal and natural gas plants)
 Steel, cement, and chemical industries including refining facilities.
- Access to natural gas infrastructure and railroad right of ways to transport H2