



March 10, 2021

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The Honorable Senator Ben Hueso, Chair
Senate Committee on Energy, Utilities, and Communications
California State Capitol, Room 4035
Sacramento, CA 95814-0011

Re: SB 18 (Skinner): Green Hydrogen – CHBC SUPPORT

Dear Chair Hueso,

On behalf of the California Hydrogen Business Council (CHBC)ⁱ, I would like to express support for SB 18 (Skinner), which will create pathways for California to meet its critical decarbonization goals by facilitating the production and use of green hydrogen.

California must advance its planning and deployment of green hydrogen, which will accelerate decarbonization targets across the power sector and many hard-to-abate sectors, including industrial end uses, maritime transport, aviation, and heavy-duty transportation. Green hydrogen production and use also enable California to take advantage of its abundant wind and solar resources, reduce curtailment, and dispatch renewable energy when it is most needed to support reliability and resiliency. Green hydrogen is a viable and scalable solution that reduces reliance on fossil fuels in the gas and transportation sectors, representing a tremendous economic development and export opportunity for California as global demand grows. The passage and enactment of SB 18 will provide an essential resource in California's toolkit to combat the climate crisis and promote a diverse and balanced clean resource portfolio to ensure a reliable, cost-effective electricity supply.

Green hydrogen is the pathway to electrify fuels of all types:

- Production of green hydrogen leverages abundant, low-cost renewable and zero-carbon energy to derive a flexible and non-carbon fuel and energy source that can be used in many sectors, including power generation, transportation, energy storage, industry, heating, and beyond.
- Green hydrogen can displace the current global use of hydrogen conventionally produced from natural gas – if treated as a country, the GHG emissions from global conventional hydrogen production would surpass Germany's emissions.ⁱⁱ

- Green hydrogen can replace some natural gas in existing turbines, allowing SB 100 goals to advance with the use of existing infrastructure or in fuel cells at increased efficiency and zero emissions.
- Green hydrogen is a carbon-free fuel that can ensure reliability and affordability, particularly for California's most vulnerable communities.

For all these reasons, CHBC supports SB 18.

In addition to what is proposed in the current version of the bill, the CHBC supports additional measures that could be included in the bill, which will further unlock the potential for green electrolytic hydrogen. These include improved access to wholesale electricity markets to enable flexible demand response, hybrid renewable generation, and energy storage resource(s), along with greater flexibility in the Low Carbon Fuel Standard to better support green electrolytic hydrogen.

Thank you for your consideration.

Sincerely,



William Zobel
Executive Director
California Hydrogen Business Council

ⁱ The CHBC is comprised of over 100 companies and agencies involved in the business of hydrogen. Our mission is to advance the commercialization of hydrogen in the energy sector, including transportation, goods movement, and stationary power systems to reduce emissions and dependence on oil. The views expressed in these comments are those of the CHBC, and do not necessarily reflect the views of all of individual CHBC member companies. CHBC Members are listed here: <https://www.californiahydrogen.org/aboutus/chbc-members/>

ⁱⁱ See Wood Mackenzie, "CO2 and other Greenhouse Gas Emissions", May 2017. Available at <https://ourworldindata.org/co2-and-other-greenhouse-gas-emissions>.