HB 2530 A STAFF MEASURE SUMMARY

House Committee On Climate, Energy, and Environment

Action Date: 03/08/23

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 6-3-0-1

Yeas: 6 - Andersen, Helm, Kropf, Levy E, Marsh, Pham K

Nays: 3 - Levy B, Osborne, Wallan

Abs: 1 - Owens

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact

Prepared By: Erin Pischke, LPRO Analyst

Meeting Dates: 2/6, 3/8

WHAT THE MEASURE DOES:

Defines "green electrolytic hydrogen" as hydrogen produced through electrolysis using: a renewable energy source; nonemitting electricity that is not derived from a fossil fuel; or electricity that has a carbon intensity that is equal to or less than the average carbon intensity of the electricity served in this state in the calendar year in which construction or expansion of the facility that produces the green electrolytic hydrogen began. Prohibits green electrolytic hydrogen from including hydrogen manufactured using any conversion technology or steam reforming that produces hydrogen from a fossil fuel feedstock. Establishes that "nonemitting electricity" has the meaning given that term in ORS 469A.400. Defines "renewable hydrogen" as hydrogen produced using: a renewable energy source; nonemitting electricity that is not derived from a fossil fuel; or electricity that has a carbon intensity that is equal to or less than the average carbon intensity of the electricity served in this state in the calendar year in which construction or expansion of the facility that produces the renewable hydrogen began. Requires ODOE to support the state's transition to clean energy by accelerating the production, distribution, and end use of renewable hydrogen and green electrolytic hydrogen fuels by: 1) seeking and applying for federal funds for which the state is eligible, and supporting other applications for federal funds, that may be used to support the development and deployment of renewable hydrogen and green electrolytic hydrogen in this state; and 2) providing education and increasing awareness regarding renewable hydrogen and green electrolytic hydrogen for federally recognized Indian tribes, local governments, other state agencies, federal agencies, private entities, this state's four-year public institutions of higher education, labor unions, environmental justice communities, and other relevant entities.

ISSUES DISCUSSED:

- Workgroup membership
- Production of renewable hydrogen in Oregon
- Uptake of renewable hydrogen for farm uses
- Federal funding for renewable hydrogen production

EFFECT OF AMENDMENT:

Replaces the measure.

BACKGROUND:

Hydrogen is the most abundant element in the universe, but on earth it rarely occurs naturally in its pure state. Instead, hydrogen is usually combined with other elements such as oxygen or carbon. When produced from wind or other renewable resources, hydrogen can store carbon-free energy that can later be used to generate electricity or power vehicles. Currently, most hydrogen is produced from fossil fuels, specifically natural gas. Electricity—from the grid or from renewable sources such as wind, solar, geothermal, or biomass—is also

Carrier: Rep. Helm

HB 2530 A STAFF MEASURE SUMMARY

currently used to produce hydrogen. According to the United States Department of Energy's Office of Energy Efficiency and Renewable Energy, in the longer term, solar energy and biomass can be used more directly to generate hydrogen.

House Bill 2530 A requires the Oregon Department of Energy to undertake specified activities to support the state's transition to clean energy by accelerating the production, distribution, and end use of renewable hydrogen and green electrolytic hydrogen fuels.