

## Support for SB 125A – Fuel Cell Electric Vehicle and Hydrogen Fueling Demonstration Grant Program

We, the undersigned organizations, enthusiastically support SB 125A, which will build out a renewable hydrogen economy in the state. It is widely known that medium- and heavy-duty vehicles are responsible for the largest proportion of GHG emissions from transportation which is the largest sector source of GHG emissions in the state. This bill would help add another option for commercial fleets looking to decarbonize that is additional to and compliments battery electric vehicles.

We urge, as a tool and pathway to assist in achieving Oregon’s climate goals, the Legislature pass SB 125A which would implement recommendations from the Oregon Department of Transportation’s [2022 Hydrogen Pathway Study](#).

SB 125A is an important and a necessary step to reduce climate-damaging emissions in the near term and work in tandem with other State efforts such as the Climate Protection and the Clean Fuels programs. The bill will:

1. Create a \$25 million grant program for medium- and heavy-duty hydrogen fuel cell electric vehicle (FCEV) and hydrogen fueling infrastructure demonstration projects;
2. Require ODOT to evaluate existing statewide regulations and processes to ensure there are no obstacles to FCEV deployment or hydrogen fueling infrastructure siting; and
3. Leverage Federal Funding opportunities for fuel cell vehicle deployment via the Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA)
  - IIJA establishes a 5-year, \$2.5 billion discretionary grant opportunity for both EV charging and hydrogen infrastructure along designed alternative fuel corridors or in other locations accessible to the public. Oregon has two “hydrogen pending” alternative fuel corridors – I-5 and I-84
  - IRA establishes several hydrogen transportation related tax credits including a 30% tax credit on the cost of construction of alternative fuel refueling property (including hydrogen) and up to \$7,500 for the purchase of a fuel cell electric vehicle with an MSRP cap of \$80,000, which is likely to make medium duty fuel cell electric delivery vans eligible

We urge the passage of SB 125A and efforts to create policy that integrates the production and use of renewable and green electrolytic hydrogen to address GHG emission reductions in Oregon.



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