

February 26, 2024

Mr. John Podesta Senior Advisor to the President for Clean Energy Innovation and Implementation
White House

The Honorable Wally Adeyemo Deputy Secretary of the Treasury Department of the Treasury

The Honorable Lily L. Batchelder Assistant Secretary for Tax Policy Department of the Treasury Mr.
Seth Hanlon Deputy Assistant Secretary for Tax and Climate Policy Department of the Treasury

Re: International Harmonization of Guidance for 45V Clean Hydrogen Tax Credit

Dear Mr. Podesta, Deputy Secretary Adeyemo, Asst. Secretary Batchelder, and Mr. Hanlon:

Thank you very much for the opportunity to provide these high-level guidance as finalized.

As the Japan accreditation body, we welcome the upcoming guidance to harmonize the quantification of GHG and the related measures for clean hydrogen that our country might import the clean fuels, for example, e-methane from United States. In such case, as to avoid trade barrier, we need common standardization for clean hydrogen's MRV.

In order to quantify the appropriate GHG emission in the process of clean hydrogen production, as such clean fuels might export to Japan, we support the approach to address the scope as life cycle GHG emission and related report is important. And we also support the draft is also be in line with ISO TS 19870 for the GHG quantification approach.

We recommend to require facility to include equipment that is used to condition or transport hydrogen beyond the point of production or electricity production equipment used to power the hydrogen production process to make transparent.

In addition to this, we recommend to apply for the verification approach as of ISO 14064-3, and the accreditation standards of ISO/IEC 17029 and ISO14065 which already applied for many regulations in United States and other 32 countries for precise GHG emission reports and accredited verification opinion. As to avoid the potential trade barrier issue of clean hydrogen and harmonize with WTO TBT agreement to export the clean fuels from United States, we recommend to use with international accreditation and verification approach with the appropriate ISO standards and use the accreditation by IAF MLA; the internationally mutual recognition among accreditation bodies.

We hope this can become the start of an ongoing dialogue with the Administration and the accreditation bodies and verification bodies on implementation of these critical industrial emissions reduction incentives. If you have any questions or would like more information on our accreditation and the role these tax incentives will play in our members' emissions reduction efforts, please feel free to contact me.

Sincerely,



Chikako Makino
Technical Fellow
Planning and Control Division
Japan Accreditation Board