

The Honorable Janet Yellen
Secretary of Treasury
U.S. Department of Treasury
799 9th St NW
Washington, DC 20001

The Honorable Jennifer Granholm
Secretary of Energy
U.S. Department of Energy
1000 Independence Ave, SW
Washington, DC 20585

Dear Secretary Yellen and Secretary Granholm:

February 16, 2024

We write in response to the recently released Section 45V Treasury guidance and the release of the 2023 updates to the Greenhouse gases, Regulated Emissions, and Energy use in Technologies (GREET) model. This guidance, and the accompanying release of 45VH2-GREET, represent a critical step forward for the clean hydrogen industry.

As geologic hydrogen production and technology companies, we applaud many features in the proposed regulations and the supporting documents, including the direct mention of geologic hydrogen and the clarity created for the Provisional Emissions Rate determination process, both of which can help ensure that the law is implemented consistent with Congress's technology neutral intent.

As the geologic hydrogen industry matures, we look forward to continued work with the Departments of Energy and Treasury to advance the domestic clean hydrogen industry. While we are encouraged by aspects of the proposed regulations, we also believe there is still work to do. As currently proposed, the Department of Energy has a critical role managing the PER process for evaluating the carbon intensities for hydrogen production technologies that are not represented in the 45VH2-GREET model. We agree that the Department of Energy is the appropriate body to complete this work but emphasize that this process needs to balance expediency and thoroughness. The 45V credit is a crucial policy for companies deploying emerging technologies. As such, the PER process must be both predictable and speedy to enable companies to raise capital that will fund technology development and deployment. Lengthy PER determinations would unfairly disadvantage emerging technologies and result in delays or project cancellations.

Finally, we urge the Department of Energy to continue to take all necessary steps to ensure a geologic hydrogen pathway is developed and released in 45VH2-GREET as soon as possible. Clean hydrogen production is accelerating rapidly in the U.S., largely due to the Inflation Reduction Act and Bipartisan Infrastructure Law. The GREET model must be nimble and adaptable to enable novel technologies and production methods.

Thank you for your consideration of our request and we're available to answer any questions you have.

Sincerely,

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