

In Support of Federal Incentives for Utility-Scale Hydrogen Energy Storage Projects

1 Demand is building for hydrogen as heavy industrial sectors seek practical solutions for decarbonization
2 amid growing environmental demands from customers, governments, and financial players. In addition,
3 interest in hydrogen is growing within the utility sector in areas such as generation, storage, and
4 transportation. Utilities can leverage surplus renewable energy to produce hydrogen, can facilitate clean
5 energy integration, and can use hydrogen as a medium for long duration energy storage. Some utilities are
6 also exploring the deployment of hydrogen fueling stations for the transportation sector.

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8 A growing number of utilities, including public power utilities, are exploring and investing in hydrogen
9 projects. Yet, hydrogen remains an expensive alternative as there are currently limited options for
10 securing, storing, and transporting hydrogen fuel. Hydrogen production and storage must reach sizeable
11 scale to provide operational confidence and drive down project cost. Just as solar and wind technologies
12 benefited from various federal incentive programs, meeting the immediate and long-term energy and
13 environmental goals of individual states and the nation demands an aggressive federal investment in
14 hydrogen for utility, transportation, and industrial purposes.

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16 Recently, the U.S. Department of Energy released its Hydrogen Program Plan to provide a strategic
17 framework for the Department’s hydrogen research, development, and demonstration activities. This
18 program should be supported and expanded to provide funding for utility-scale demonstration projects
19 and evaluation of hybrid systems that blend renewable hydrogen and natural gas to fuel electric
20 generation. It should also provide for the integration of electric generation and transportation uses of
21 hydrogen, hydrogen storage for non-automotive applications, and federal incentives—available equally to
22 all utilities and non-utility developers—to help drive down the cost of deployment.

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24 **NOW, THEREFORE, BE IT RESOLVED:** That the American Public Power Association (APPA)
25 urges federal policies to increase the research, development, and deployment of hydrogen technology for
26 the electric utility sector, in addition to transportation and industrial uses; and

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28 **BE IT FURTHER RESOLVED:** That APPA believes that the hybrid use of renewable hydrogen and
29 natural gas would help reduce greenhouse gas emissions and allow for the widespread adoption of and
30 assessment of hydrogen use in electric generation; and

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32 **BE IT FURTHER RESOLVED:** That APPA urges Congress to provide equal incentives to all segments
33 of the utility industry, including public power, in any programs to advance hydrogen deployment.

Adopted at the Legislative & Resolutions Committee meeting

March 2, 2021

Sunsets in March 2029