

Washington State Legislature

April 2, 2025

Secretary Chris Wright U.S. Department of Energy 1000 Independence Ave. SW Washington, D.C. 20585

RE: PNWH2 and Hydrogen Hubs program

Dear Secretary Wright,

On behalf of the below signed state legislators, we urge you to continue funding for the Pacific Northwest Hydrogen Hub (PNWH2), and other regional hydrogen hubs. The PNWH2 is a multistate nonprofit organization made up of public and private partners dedicated to establishing the Pacific Northwest as a global leader in energy innovation. The \$1 billion of committed federal funds will unlock \$5 billion in non-federal and private investment for a generational \$6 billion investment in local infrastructure and our region's nascent hydrogen industry.

Energy Dominance and Global Competitiveness: The global hydrogen market is growing rapidly, and the U.S. has a unique opportunity to build a robust domestic industry. To ensure our country retains its leading position, we need continued policy support, particularly as other countries are investing billions in hydrogen technology leadership. PNWH2 is an essential launchpad to spur manufacturing and reduce reliance on foreign energy and goods through successful low-carbon intensity and economically viable hydrogen production. Strategic benefits include:

- Enhanced energy security through expanded, domestically produced energy options
- Reduced foreign dependence by developing local production capabilities and supply chains
- Market competitiveness and innovation as the U.S. keeps pace with global hydrogen investments, which reached \$570 billion in 2023
- Fortified regional manufacturing through stable, locally produced energy that reduces costs for consumers

Economic Growth: The hydrogen industry has tremendous potential to drive domestic economic growth through U.S. manufacturing and energy production. With supply chain and original equipment manufacturers (OEMs) located across the country, a McKinsey report states that with the right policies in place the hydrogen industry could generate 700,000 jobs by 2030 and generate \$140 billion in revenue.¹ The PNW enables critical access to Asia-Pacific fuel and commodity markets, and the development of a successful alternative fuels economy in the region positions the US to unlock billions of additional investment opportunity in the coming years.

¹ <u>https://fchea.org/press-releases/new-report-offers-road-map-to-us-hydrogen-energy-leadership/</u>

It is estimated the PNWH2 Hub will create over 10,000 quality, good-wage direct jobs across the Pacific Northwest. The PNW is already home to nation-leading hydrogen-based manufacturing and alternative fuels production companies. The investments of the PNWH2 will enable the scaling of these essential industries and position the region to achieve global leadership in a rapidly maturing hydrogen economy.

American Energy Abundance and National Security: The PNWH2 is positioned to support this administration's focus on energy independence and domestic energy production. Hydrogen is an all-of-the-above energy tool, and the growth of the industry will only boost American energy abundance at the time when demand is projected to skyrocket. This is especially true in the Pacific Northwest, where serving energy demands of data centers is a matter of national security and technology leadership. Hydrogen provides an opportunity to utilize all our domestic resources, create energy freedom and flexibility for local communities, and leverage existing energy infrastructure during an essential juncture for our region.

The proposal from our hub has earned support from multinational giants like Amazon and PACCAR, while securing billions of foreign direct investments within the region from companies like Mitsubishi Heavy Industries, Atlas Agro, Air Liquide and AltaGas. These investments will help to secure reliable, resilient domestic energy supply for years to come.

This is an essential moment for American technology leadership, and the Pacific Northwest hydrogen economy will be a critical factor in its success. We encourage you to support the continuation of all the H2 Hubs, but especially the PNWH2 hub, to help America retain its energy dominance.

Sincerely,

Senator John Braun Senate Republican Leader 20th Legislative District



Rep. Peter Abbarno House Republican Caucus Chair 20th Legislative District

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Senator Judy Warnick Senate Republican Caucus Chair 13th Legislative District

Hannah Bannah

Rep. Stephanie Barnard 8th Legislative District

Senator Shelly Short Senate Republican Floor Leader 7th Legislative District

Senator Curtis King 14th Legislative District

Senator Drew MacEwen Republican Deputy Leader 35th Legislative District

Senator Phil Fortunato 31st Legislative District

KeithW. Gozhazk

Senator Keith Goehner 12th Legislative District

Keith L. Wagones

Senator Keith Wagoner Senate Republican Whip 39th Legislative District

Revel E Muggall Haul Harris

Senator Ron Muzzall **Republican Deputy Caucus** Chair 10th Legislative District

McCune

Senator Jim McCune 2nd Legislative District

Senator Paul Harris 17th Legislative District

Senator Matt Boehnke 8th Legislative District

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Senator Perry Dozier Senate Republican Deputy Whip 16th Legislative District

Senator Nikki Torres **Republican Deputy Floor** Leader 15th Legislative District

cc: Steven Winberg, Acting Secretary for Infrastructure, Department of Energy Audrey Robertson, Assistant Secretary for Energy Efficiency and Renewable Energy, Department of Energy Louis Hrkman, Principal Deputy Secretary for Renewable Energy and Energy Efficiency, Department of Energy