

July 27, 2022

The Honorable Jennifer Granholm  
Secretary of Energy  
U.S. Department of Energy  
1000 Independence Ave., Southwest  
Washington, D.C. 20585

Dear Secretary Granholm,

We write as members of the Texas delegation to express our support for hydrogen development and to highlight the Houston area as uniquely suited to advance critical technologies both in a meaningful manner and at scale. We are pleased to write you regarding the announcement of the Notice of Intent (NOI) to issue funding for the implementation and design of the regional hydrogen hub program authorized in the *Infrastructure Investment and Jobs Act* (PL. 117-58).

**There is simply no better place in the United States to establish a large-scale hydrogen hub than Houston.** The energy capital of the world, Houston has a unique concentration of industries, manufacturing, and expertise that is unmatched. Texas already produces approximately one-third of the nation's hydrogen and has provided America with energy for over a century.

Over the years, Texas has developed world-class energy infrastructure, and Houston leads in the country's most expansive hydrogen infrastructure built to date. The hydrogen is transported through hundreds of miles of specialized pipelines by a variety of companies. Located along the Gulf Coast, these companies all have access to the area's geologically unique and vast salt caverns, the world's largest subsurface hydrogen storage site.

Texas is poised to use more hydrogen in its well-developed manufacturing sector, making the technology economically viable. Houston's major economic center, with its concentration of industries, engineering expertise, and manufacturing capabilities feeds a wide variety of consumers and supply chains. Houston-area manufacturing contributed to a regional GDP of \$488 billion in 2020.

Further, Texas is uniquely suited to support a hydrogen hub because of its proximity to the largest carbon storage opportunities in the United States – both onshore and offshore. Carbon Capture and Sequestration hubs near Houston and along the U.S. Gulf Coast could be used by the area's existing industry to drastically lower emissions profiles for carbon products.

Most important, Houstonians strongly support the creation of a hydrogen hub in the Houston region. A collaborative group from the private sector and our manufacturing plants, area academic institutions, and state and local governments have come together to support a detailed plan to make Houston the epicenter of the global hydrogen future. The Greater Houston Partnership, an association of 900 member companies in the 12-county Houston region, has

prioritized efforts that will position Houston to lead the world in reliable, low carbon energy sources.

A recent report commissioned by the Greater Houston Partnership and the Center for Houston's Future, prepared by McKinsey & Co., concludes that the city of Houston and the state of Texas are strong candidates for developing a regional hydrogen hub because of the convergence of the many elements vital to the success of such a hub. We are pleased to enclose a copy of this report for your consideration.

A Houston hydrogen hub can produce hydrogen supplies while driving down production costs. Fueled by abundant wind power and natural gas, Texas is poised to become a prime user of hydrogen, with strong potential for demand growth across sectors and energy. In addition, Texas is well-positioned to be the global hydrogen export hub of the U.S. as worldwide demand is expected to grow between 6-8% each year on average between 2030 and 2050.

Our region is positioned to further build and develop hydrogen infrastructure and technology while also helping address the dual challenge of developing and expanding the energy economy, and simultaneously providing increased economic opportunities for disadvantaged communities.

The United States and our businesses are leaders in hydrogen technologies, and large-scale hubs can be leveraged to ensure that we secure jobs associated with this new frontier, maintaining our competitive advantage on the global stage. We will continue to work with our colleagues to ensure that policies appropriately support hydrogen hubs, including the evaluation of regulatory barriers.

As members of the Texas delegation, we know how well positioned our region and state are for further establishing the United States as worldwide leader for advanced energy technologies that will bring jobs, reduce emissions, and provide a more prosperous future for all. We look forward to seeing the progress at the Department of Energy to advance these priorities, and to collaborating with you on the development for a Houston hydrogen hub.

Sincerely,

Lizzie Fletcher  
Member of Congress

Dan Crenshaw  
Member of Congress