HLS 24RS-2033 **REENGROSSED**

2024 Regular Session

HOUSE CONCURRENT RESOLUTION NO. 64

BY REPRESENTATIVE ORGERON

ENERGY/ALTERNATE: Creates the Clean Hydrogen Task Force

A CONCURRENT RESOLUTION

To create and provide with respect to a Clean Hydrogen Task Force to study and make recommendations with respect to growing the clean hydrogen industry in the state, including its production, connective and storage infrastructure, and end use.

WHEREAS, Louisiana has historically been a lead energy carrier for the nation, a top energy producer, and the primary energy consumer because of our leading industrial sector; and

WHEREAS, Louisiana leads the nation in the energy transition with over one-third of total industrial investments in clean energy or emissions reductions, and as a result, employment in Louisiana's energy sector has grown and is expected to continue to grow in coming decades; and

WHEREAS, over the last five years, the state of Louisiana has announced thirty-five clean energy projects totaling $45.6 billion in capital expenditure and these projects will create twenty-three thousand new jobs with an average salary of $79,700; and that $23.3 billion of the total $45.6 billion represent investments for renewable-powered industrial projects; and

WHEREAS, Louisiana is expected to have exponential growth in demand for clean hydrogen because of economic opportunity for industries, job growth, and energy diversification; and

WHEREAS, Louisiana is already one of the largest hydrogen producers in the nation, totaling 2.8 million metric tons of hydrogen in 2020, and is equipped to be a regional and global leader of clean hydrogen production, transport, storage, and use; and

WHEREAS, hydrogen is a chemical element commonly used as a feedstock in industrial processes like oil refining, fertilizer production, petrochemical, and steelmaking; and

WHEREAS, hydrogen is an energy carrier and can store and deliver usable energy derived from a variety of sources; and

WHEREAS, hydrogen can also be used as a substitute for conventional fossil fuels in some use cases with considerably lower greenhouse gas emissions at its point of use; and

WHEREAS, hydrogen can be produced using multiple methods, each with varying levels of carbon intensity based on the processes and inputs used; and

WHEREAS, the United States Department of Energy has issued guidance defining a Clean Hydrogen Production Standard based on the carbon intensity of production, rather than the method of production, with "well-to-gate" lifecycle intensity as less than or equal to 4.0 kg CO2e per kg hydrogen; and

WHEREAS, "well-to-gate" refers to carbon intensity associated with a product or process from the point of extraction or production of raw materials to the point where it leaves the manufacturing facility gate; and

WHEREAS, the United States Department of Energy is targeting clean hydrogen production costs in the $1/kg range within ten years and Louisiana is well-positioned to lead the seeking of this goal due to its vast industrial knowledge, facilities, research universities, trained workforce, and feedstock assets; and

WHEREAS, the study of and policy development for production, infrastructure buildout, and end uses for clean hydrogen will make the Louisiana market more competitive.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby create the Clean Hydrogen Task Force, herein referred to as the "task force", composed of members as hereinafter provided, to study and make recommendations related to the growing clean hydrogen industry in the state, including its production, connective and storage infrastructure, and end use.

BE IT FURTHER RESOLVED that the task force shall be composed of the following members:

(1) The chairman of the House Committee on Natural Resources and Environment, or his designee.

(2) The chairman of the Senate Committee on Natural Resources, or his designee.

(3) The secretary of the Department of Energy and Natural Resources, or his designee.

(4) The secretary of the Department of Environmental Quality, or his designee.

(5) The secretary of the Department of Economic Development, or his designee.

(6) The chairman of the Public Service Commission, or his designee.

(7) Two appointees from the clean hydrogen industry.

(8) Two representatives from regulated electric power generation and distribution companies, one of whom shall be appointed by the chairman of the House Committee on Natural Resources and Environment and one by the chairman of the Senate Committee on Natural Resources.

(9) Two appointees from the Louisiana higher education system with relevant expertise.

(10) One appointee from a regional economic development organization with relevant policy and ecosystem expertise.

(11) No more than three appointees that represent the interests of the community.

BE IT FURTHER RESOLVED that the task force shall be chaired by the chairman of the House Committee on Natural Resources and Environment or his designee and the chairman shall appoint members unless noted otherwise above.

BE IT FURTHER RESOLVED that the task force shall meet at least quarterly, with an initial meeting no later than July 31, 2024.

BE IT FURTHER RESOLVED that a majority of membership shall constitute a quorum for the transaction of business, and any official business shall require an affirmative vote of the majority of the quorum present and voting.

BE IT FURTHER RESOLVED that the task force shall develop a plan of recommendations for the governor and the legislature on Louisiana's future in clean hydrogen no later than December 1, 2025.

BE IT FURTHER RESOLVED that in developing this plan, the task force shall research and address the following topics:

(1) Assess the growing clean hydrogen economy and workforce in the nation and in the State of Louisiana.

(2) Provide transparency on hydrogen production, connective infrastructure, end use, and impacts on local communities.

(3) Review active and planned clean hydrogen projects, policy initiatives, public and private investments, tax incentives, project permitting, state procurement, pilot projects, projected workforce needs, and regulatory structures in Louisiana.

(4) Assess public and private policy mechanisms to incentivize clean hydrogen specifically for high-opportunity end uses for the State of Louisiana like ammonia and chemical products, oil and gas refining, maritime fuel production, power production, and port facility operations.

(5) Recommend policy strategies to accelerate the production and use of clean hydrogen, including processes such as electrolysis and steam methane reforming with carbon capture. Policy recommendations may include recommendations on how to overcome market and technical barriers and accelerate progress in clean hydrogen production; scaling and use, including use of public-private partnerships or demonstration projects; financing mechanisms; incentives; or other policies.

(6) Assess the largest sources of emissions in Louisiana, the divergence of Louisiana's emission sources compared to other states, and the opportunity of clean hydrogen production to decarbonize sectors of the state economy, reduce emissions and improve air quality.

(7) Assess opportunities for and barriers to deployment of clean hydrogen in the state economy and policy environment.

BE IT FURTHER RESOLVED that the task force shall submit this plan of recommendations for Louisiana's future in clean hydrogen to the governor, the House

Natural Resources and Environment Committee, and the Senate Natural Resources Committee by December 1, 2025 and submit a progress report by March 1, 2025.

BE IT FURTHER RESOLVED that following the submission of the final plan of recommendations the task force shall be disbanded.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the secretary of the Department of Energy and Natural Resources, the secretary of the Department of Environmental Quality, the secretary of the Department of Economic Development, and the chairman of the Public Service Commission.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Creates the Clean Hydrogen Task Force, to study and make recommendations related to the growing clean hydrogen industry in the state, including its production, connective and storage infrastructure, and end use. Requires the task force to develop a plan of recommendations for the governor and the legislature on Louisiana's future in clean hydrogen no later than Dec. 1, 2025.

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on House and Governmental Affairs to the engrossed resolution:

1. Make a technical change.