

HOUSE COMMITTEE OF REFERENCE REPORT

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Chair of Committee

April 20, 2023  
Date

Committee on Energy & Environment.

After consideration on the merits, the Committee recommends the following:

HB23-1281 be amended as follows, and as so amended, be referred to the Committee on Finance with favorable recommendation:

- 1 Amend printed bill, page 3, line 7, after "goals" insert "from 2030 to
- 2 2050".
  
- 3 Page 3, line 9, after "down" insert "for deployment of innovative
- 4 technologies both for emission reductions of end uses and".
  
- 5 Page 3, line 22, strike "and".
  
- 6 Page 4, line 1, strike "2040." and substitute "2040; and
- 7 (f) The inclusion of clean hydrogen as an element in
- 8 decarbonization pathways should include comprehensive assessments of
- 9 clean hydrogen in comparison to alternatives, including consideration of
- 10 life cycle emissions, costs, impacts on communities, including
- 11 disproportionately impacted communities, and environmental impacts on
- 12 water, air, land, and biodiversity."
  
- 13 Page 4, line 9, after "reduction" insert "and environmental justice".
  
- 14 Page 4, line 13, strike "**application process -**".
  
- 15 Page 5, strike lines 8 through 27.
  
- 16 Strike page 6.
  
- 17 Page 7, strike lines 1 through 5 and substitute:
  
- 18 "(2) THE COMMISSION SHALL INITIATE A PROCEEDING, NO LATER
- 19 THAN AUGUST 1, 2023, AND ADOPT RULES, NO LATER THAN SEPTEMBER 1,

1 2024, TO ADDRESS:

2 (a) AN APPROPRIATE REGULATORY FRAMEWORK, INCLUDING  
3 GREENHOUSE GAS EMISSIONS, ECONOMIC, WORKFORCE, ENVIRONMENTAL,  
4 AND ENVIRONMENTAL JUSTICE CONSIDERATIONS, FOR POTENTIAL FUTURE  
5 CLEAN HYDROGEN PROJECTS;

6 (b) REQUIREMENTS FOR A POTENTIAL APPLICATION BY A UTILITY  
7 FOR A CLEAN HYDROGEN PROJECT;

8 (c) A PROCESS FOR REVIEWING AND EVALUATING AN APPLICATION  
9 BY A UTILITY FOR A CLEAN HYDROGEN PROJECT; AND

10 (d) REQUIREMENTS NECESSARY TO ENSURE THE HYDROGEN USED  
11 IN CLEAN HYDROGEN PROJECTS MEETS THE DEFINITION OF CLEAN  
12 HYDROGEN PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION, INCLUDING  
13 EMISSIONS ACCOUNTING FOR ADDITIONALITY, CURTAILMENT,  
14 DELIVERABILITY, AND HOURLY TEMPORAL MATCHING."

15 Page 8, strike lines 4 through 8 and substitute:

16 "(c) (I) "HARD TO ELECTRIFY INDUSTRIAL USE" MEANS INDUSTRIAL  
17 USES THAT INCLUDE:

18 (A) THE GENERATION OF HEAT OF AT LEAST ONE HUNDRED FIFTY  
19 DEGREES CELSIUS FOR INDUSTRIAL PURPOSES; AND

20 (B) ADDITION AS FEEDSTOCK FOR INDUSTRIAL PURPOSES,  
21 INCLUDING MANUFACTURE OF STEEL, AMMONIA, FERTILIZER, AND  
22 CHEMICALS.

23 (II) "HARD TO ELECTRIFY INDUSTRIAL USE" DOES NOT INCLUDE  
24 THE DIRECT USE OF HYDROGEN FOR RESIDENTIAL OR COMMERCIAL  
25 HEATING."

26 Page 8, line 18, strike "INDUSTRIAL OPERATIONS;" and substitute "HARD  
27 TO ELECTRIFY INDUSTRIAL USES;"

28 Page 9, line 14, strike "FIFTY" and substitute "THIRTY-THREE".

29 Page 10, line 11, after "(a)" insert "(I)".

30 Page 10, line 15, strike the second "USE" and substitute "USE AND THAT  
31 THE HYDROGEN USED MEETS THE DEFINITION OF CLEAN HYDROGEN  
32 PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION".

33 Page 10, after line 18 insert:

34 "(II) THE APPLICATION DESCRIBED IN SUBSECTION (4)(a)(I) OF THIS  
35 SECTION MUST ALSO INCLUDE VERIFICATION FROM THE HYDROGEN

1 PRODUCER PASSED TO THE USER AT THE POINT OF SALE THAT THE  
2 HYDROGEN USED MEETS THE DEFINITION OF CLEAN HYDROGEN PURSUANT  
3 TO SUBSECTION (2)(a) OF THIS SECTION."

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