H2Hubs Applicant Informational Webinar Transcript from Jan. 12, 2023

hello and welcome to the hydrogen Hub applicant webinar I'm Katrina Pielli

director of the engagement office in the office of clean energy demonstrations or OCED as we call it and I will be your

moderator for today first a few housekeeping items this team's webinar is being recorded and will be posted on

the US Department of Energy's OCED website all participants are in listen only mode and the names of attendees

will not be available in the recording to turn on live captions click on the

three dots for more in the top Banner and then select turn on live captions

note that we are not taking questions and feedback today however we include the link to the hydrogen hubs webpage

and Q&A email address at the end of the presentation finally a copy of today's presentation

and the recording of today's webinar will be posted on the OCED webpage shortly next slide please

the purpose of this hydrogen hubs webinar is to provide broad feedback and address certain themes that emerge

during the review of concept papers from applicants only publicly available information provided in the OCED funding

opportunity announcement or FOA will be discussed in the webinar attending this

webinar and watching the recording is completely voluntary and will not impact an applicant selection there are no

particular advantages or disadvantages in the evaluation process with respect to participating on the webinar today

this webinar is also not a rule or regulation and the recommendations it contains may not apply to a particular

situation based upon the individual facts and circumstances so if there are any inconsistencies between a specific

FOA and the statements in this webinar that FOA is the controlling document an

applicant should rely on that FOA language next slide please

for today's webinar we will first hear opening remarks from OCED director David crane then we will dive into the details

of applications and discuss Community benefits plans and energy Justice we

will close by discussing the U.S national hydrogen strategy and other related opportunities across the

department we would like to note that during the community benefits plan portion of our

webinar we do have two non-DOE officials whose views do not necessarily reflect

the views of the department and their discussion does not supplement or amend the requirements of the FOA now with all

that please join me in welcoming David Crane the director of the office of clean energy demonstrations David we

look forward to your remarks thank you Katrina and thank everyone who

2:43

is participating in this call for your interest in our H2 Hub program I

particularly want to thank the prospective H2 Hub sponsors who submitted an H2 Hub concept paper on our

before November 7th of last year and by so doing qualify themselves to submit a

full application on or before the due date of April 7th of this year we at the

DOE are very excited about the opportunity we have been given through multiple acts of Congress to catalyze

the transition to the hydrogen economy and we were gratified to find out from

3:20

the just concluded concept paper phase of our process that the privilege and

excitement we all feel at being at this pivot point in the energy history of our country is shared by so many of you 3:33

to put some numbers against what I am saying the Doe's office of clean energy demonstration was allocated eight billion dollars by Congress to this H2 Hub program making it one of the largest financial assistance programs in DOE history in September we committed six to 3:52 seven billion of that amount to a FOA which elicited in November 79 concept papers representing an aggregate total project cost of over 200 billion dollars 4.03 some 60 billion of which constituted a request for federal funds with the remaining 150 billion ish being a commitment of private sector capital 4.15 in December after thorough independent and internal review the sponsors 4:21 associated with those 79 potential concept papers each received encourage 4.26 or discourage letters from our office I am pleased to report that 33 of the 4:32 prospective applicants representing approximately 34 billion dollars of 4:37 requested federal funds were encouraged to submit full applications the depth 4:43 and breadth of the response to our FOA I believe eclipses by a significant margin 4:49 any of the hydrogen programs being pursued by our friends and other like-minded countries around the world 4:56 raising the prospect that all of you catalyzed by us at the DOE will secure 5:02 first mover Advantage for the United States in the race to fully commercialize hydrogen as the go-to 5:09 energy commodity of the 21st Century so today I have the privilege of kicking 5:15 off this informational webinar which I'm told is itself and unusual if not unprecedented feature of doe 5.22 solicitations there is one and only one purpose underlying this event and that is to give all of you the clearest possible steer that we can give you on how to strengthen your proposals between 5:33 now and the final submittal date of April 7th I encourage everyone to listen carefully to everything said on this call and if you miss something go back and listen again as Katrina said this 5.46 webinar is being recorded final proposals are going to be subject to an extremely rigorous review process and we want all of you to work as creatively and intelligently as possible to make our evaluation task as difficult as it 6.02 possibly can be to make every H2 Hub proposal a hundred percent worthy of federal funding before I pass the floor back to Katrina to introduce the experts who 6:14 really know what they're talking about let me very briefly give you food for thought on five topics first 6:21 somewhere in your proposal focus on the impact of your project of course 6:26 positive impact begins with giving us confidence that you can successfully Implement what you propose 6:33 but spend at least a little space elaborating your vision of what your project could unleash we are tasked by congress with using the hydrogen Hub funds to create sooner rather than later the pillars of a national hydrogen 6.48 economy and that guides us towards replicable long-term commercially viable hubs with the strongest possible ripple effect rather than one-off demonstrating 6.59 dismantle science projects second think carefully about the boundaries of your H2 Hub proposal and make sure they are clearly delineated for our consideration 7.12 per my first point above we are pleased to know what hydrogen related infrastructure outside the boundaries of

your proposal that you think may be catalyzed by us giving you federal funds 7:24 to direct inside the project boundaries but we need to have a clear idea what

7:30 aspects of your project we are being asked to apply Federal funding to on this point let me reiterate a point that we tried to make clear in our encouraged discourage letters geographically adjacent or geographically overlapping hubs are absolutely permitted to combine 7:49 their efforts during this final application Phase if you the sponsors 7:54 believe that by so doing you create a one plus one equals three situation if 8:00 we agree that we are all for it but the decision to combine or not to combine at 8.06 this point is in the sole discretion of you the various sponsors third take very seriously the community benefits program section of the FOA as 8:17 set forth in the FOA the evaluation waiting assigned to this element is very significant and we take it very very seriously even if your institution as a sponsor likes to believe that being a good 8:31 neighbor is embedded in your institutional culture I would encourage you to consider a level of Outreach and inclusion of affected stakeholders that may be beyond anything you have previously contemplated and let me emphasize that we ask you to consider this not only because it simply is the right thing to do but also because from the DOE perspective to do so materially de-risk the project 8:58 timetable from delay due to state or local opposition the last thing we want to see at the DOE is a billion dollars of our precious hydrogen Hub Capital not 9:10 deployed because an otherwise worthy project ran into entrenched opposition from local communities which had been disregarded during this process fourth we have been asked repeatedly by 9:24 interested parties to describe what we At DOE consider to be the perfect H2 hub the answer to that question is that there is no such thing there is no 9:35 single DOE endurance prototype of an H2 Hub that we can point you to 9:41 Congress quite explicitly has directed OCED to fund a series of hydrogen hubs 9:46 which are geographically dispersed use a variety of input fuels and serve four 9:52 distinct addressable markets all within the overarching goal of laying the foundation of a national hydrogen economy as such in furtherance of congressional intent we will utilize 10:04 portfolio Theory not only to evaluate the proposals based on their intrinsic strengths but also on how they fit into the Mosaic of our overall hydrogen portfolio we recognize that this 10:18 introduces an element to this competitive process which is somewhat beyond your control but we nonetheless believe that if you remain mindful of oset's hydrogen Mission you can make strategic and 10:30 tactical decisions over the next couple months which will enhance the prospects of your application 10:37 and finally for those of you listening very carefully you will note that I have already mentioned the final proposal 10:43 submission date of April 7th 2023 twice during my uh remarks please 10:51 take that date April 7th 2023 very very seriously for reasons that are too 10:58 numerous to mention and too compelling to describe the chances that that due date April 7th 2023 gets extended are 11:07 extremely remote please do what it takes to get your submission in on or before that date to be a little more specific April 7th 2023 at 5 PM eastern time okay now I've

mentioned April 7th six times so with that Katrina let me pass the microphone

back to you with a final word of gratitude to each and every one of you thank you for applying your 11:32

extraordinary experience and expertise to our H2 Hub forward process and thank

11:37

you for the privilege of working with you to kick off the hydrogen transition for the benefit of all Americans and 11:43

ultimately for the benefit of all Humanity Katrina back to you

11:50

great thank you so much David next up we'll hear from Eric Miller Eric is the associate director for OCED 11:57

project management and also the division lead for hydrogen hubs Eric the floor is yours

12:06

good morning I'd like to first thank all the applicants for preparing and submitting concept papers the papers gave us great 12:13

insight into how parties are working on their hubs and how the hubs are likely to materialize my comments today are 12:19

largely based on what we learned reading those concept papers first thing I want to talk about is the

12:25
need for specifics in the applications in many of the concept papers we saw descriptions of hubs with multiple

elements and by elements I mean production plants end uses storage and

12:37

connective infrastructure and we saw a wide range of Technologies capacities and combinations of these elements which 12·44

highlights David's point that hydrogen hubs will not be a one-size-fits-all situation

12:50

somewhat understandably since this was only for concept papers we did not see many specifics on cost and other items 12:57

for each of the elements but in the applications we will want to see these specifics so we want to see we want you 13:04

to be clear on costs schedules risks community community benefit plans for

13:10

each and all elements of your hub let's talk a bit about the scope of your

13:17

applications and again this is echoing a comment that David made in preparing

13:23

your applications consider classifying the elements of your Hub are the elements I should say into two 13:28

categories first are elements which you are proposing for joint funding those are the elements for which DOE

13:35
needs the most information I'm going to call these your proposed elements or your proposed hub

13:41

second are elements and activities that are in the same vicinity as your proposed Hub but for which you are not 13:47

proposing to be part of DOE funding these could be elements that maybe already exist or they will be built in

the future without any assistance from DOE I'm going to refer to these as out of scope activities

14:01

ideally your application will describe the out-of-scope activities and how they will help Foster a regional Marketplace 14:08

but we won't need the same level of information about them as we need for the elements of your Hub proposal 14:15

in concept papers there was a little bit of uh lack of clarity on

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whether elements were part of the proposed Hub or the out of scope activities again it's somewhat

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understandable at the concept paper stage but in your applications please distinguish between these types of 14:33

elements next I want to talk about cost estimates

14:38

we expect in your applications to see the most information on cost for phases 14:44

one and two as those are relatively near term for phase three which is the

14:49 construction phase and our terminology we understand the cost estimate will be

14:54

less certain at the time of application and it but it should become more certain as we progress through phases one and 15:01

two your application still needs to give us an estimate of construction costs and

15:07

when you're putting that estimate together and describing it please also discuss your plans for funding your 15:13

portion of the costs and also your plans or your proposed plan for handling cost overruns eue is not accepting the cost 15:20

overrun risk and therefore we want to see your plan for handling it and your ability to fund your portion of the

construction and frankly all costs will be a factor we consider in selecting recipients

15:33

and one more point on costs for your proposed elements give us both

the total cost and the amount you're asking DOE to pay and if for some reason and this is

15:44

acceptable if for some reason you are proposing different DOE funding levels for different facilities or different 15:51

budget categories please be be clear on that as well

15:56

so ultimately DOE wants to fund projects that get built and your application should help us assess How likely this is 16:03

to occur towards that end you should discuss where your Hub stands on key development activities and especially on 16:10

Commercial agreements for off take and Feed Supply we realize these kinds of agreements and

16:15

other development activities are likely a work in progress at the time you are preparing your application but the more 16:22

you can help us understand their status the better so for instance if you have started discussions on your off take 16:28

agreement let us know that if you have an MOU in place tell us that and of

16:34

course if you have a signed off take agreement let us know about that and this doesn't just apply to off-take 16:40

agreements if your production plan requires electricity or natural gas or some other feedstock

give us an update and let us know where your work stands on

16:53

obtaining an agreement to obtain those feedstocks next I want to talk about the prime and

17:00

sub recipients or prime and sub applicants in your application please be

17:05

clear on the parties or the party that will serve as the prime recipient and if

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there's any sub-recipients identify those as well ultimately any award would be between

17:16

the prime recipient and DOE and the prime recipient is going to be responsible for implementing the project 17:23

the prime is also the one that will submit invoices to DOE that will receive payments from DOE and will be 17:30

responsible for ensuring all federal requirements for financial assistance are met so again be clear on who is 17:36

going to play the role as Prime recipient and describe the qualifications of that entity to both

17:42

execute the project and to comply with requirements for federal financial assistance

17:49

and while we're talking about Prime and sub-recipients please note that in the hydrogen hubs FOA there are requirements

that both the prime and the subrecipients be domestic entities and to be a domestic entity as it's laid

18:02

out in the FOA the entity must be formed under laws of a U.S state or territory

18:07

and have majority domestic ownership and control and have a U.S place of business 18:13

to streamline our review process we would like applicants to declare their domestic entity status in their

applications this is a slight change to the FOA and we will issue a minor modification on this point and as has 18:27

been discussed in the some of the questions and answers that have been submitted we will consider waivers to

the domestic entity requirements but we can only do so as part of the application reviews and we'll have to 18:39

consider each one on a case-by-case basis we've also received several questions on

18:46

confidentiality of information submitted in applications as a former developer I'm familiar with these kind of concerns 18:53

I suspect many of the questions come from concerns about Freedom of Information or FOIA requests being made 18:59

to DOE you should know that confidential business information received by DOE as

19:05

part of an application is generally Exempted from being released under FOIA and DOE will protect your confidential 19:11

information to the maximum extent Allowed by law after the selections are made the final

agreement and award documents may be releasable under FOIA but we will continue to work to protect the 19:23

underlying confidential information containing your applications if you have information you're especially concerned about please follow 19:29

the instructions of the FOA and the Q&A log about clearly marking documents and files that contain confidential

19:35

information next I want to talk about two topics that are related in a way uh NEPA are

the National Environmental Protection Act and financing milestones DOE's funding actions are subject to

19.51

NEPA and DOE will need to complete its neighbor review prior to the start of construction

19:57

again phase three and our timeline our NEPA review will need to consider the potential impacts of DOE funded 20:04

activities including any connected actions the decision on what counts as a

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connected action will be made by DOE based on the specifics of each Hub and the proposed activities

20:17

for hubs with many elements DOE could potentially complete NEPA reviews separately for some elements

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but only if DOE can determine that those elements have independent utility meaning those elements can and would

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operate independently from other elements in the hub if applicants want to facilitate this

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kind of analysis they miss this DOE determination by describing how certain elements may meet the criteria for 20:45

independent utility you could do this in your application or you could also do it afterwards as part of phase one 20:52

activities but keep in mind the decision as to whether a set of Hub elements have 20:57

independent utility will be does in a similar vein financing Milestones

21:04

may need to be met by the entire Hub or could be done for select elements

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again prior to approving the start of phase three DOE will want to see Milestones completed similar to what

21.16

would be needed for a private project financing again if you're proposing a hub with

many elements DOE can consider allowing a subset of the hubs elements to move

21.28 into construction according to their own progress but only to the extent it can be shown that those elements are

economically viable on their own this is similar to NEPA and the DOE will

21:39

determine if the elements are economically independent but recipients can assist with us with making that case

last topic I want to cover is permits and regulations again we want to fund

21.52

projects and hubs that get built and obviously receipt of permits will be critical to this 21:58

and we expect that in many cases to receive your permits there will need to be some progress made on State and local

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regulations as they relate to hydrogen and this work could also be important to

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helping us move towards a national hydrogen Network for these reasons we want applications

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to assess both the need both permits needed for the project and development of any accompanying regulations

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so to give an example if your Hub involves installing the first Hydrogen

22:29

refueling stations in a given State and you are uncertain how the state's Regulators May apply their rules to

22:36

hydrogen then your work plan should factor in the time the effort and perhaps the risk needed to clarify the

regulations and obtain any necessary approvals hopefully that helps explain what we are

22.49

thinking of when we're talking about regulations and permits those are all the topics I have for

today one final point though please take note of the content in the encourage

23:00

discouraged messages we posted in exchange at the completion of the concept paper reviews as that message

was carefully crafted again thank you for your attention and

23.11

interest in hydrogen hubs now I'll hand it back to Katrina

great thank you so much Eric now I would like to introduce Dr Catherine Clark who

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is an energy Justice liaison for o said Catherine will describe several themes from our review of the community

benefits plan components of the concept papers Catherine over to you

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thank you Katrina as Katrina mentioned today I'm going to

23:43

talk about some things to consider When developing a community benefits plan or CBP this is not meant to provide a 23:51

comprehensive overview of CBP requirements but like Eric who we were just hearing from my comments today are 23:58

largely based on what we learned reviewing the concept papers wants to fund hubs that get built

24:05

and this will depend on engagement with and support from host communities

24:10

relevant laser partners and workforces and other impacted groups I would note

24:16

that in the United States there have already been hydrogen projects canceled due to community pushbacks and concerns 24:23

hydrogen hubs Community benefits plans which include community and labor

24:29

engagement investing in the American Workforce diversity Equity inclusion and accessibility and the justice 40 24:35

initiative will help projects be successful and long-lasting while driving the creation of good paying jobs

tackling the climate crisis and ensuring stronger access to economic environmental and other benefits for 24:49

underserved and overburdened communities well the community benefits plan for

24:55

requirements are intentionally flexible to generate the best approaches from applicants and their partners that are 25:02

appropriate for their Hub and responsive to the communities workers and groups impacted by their proposed Hub

applicants should ensure that they are addressing all four CBP topic areas with

25:14

thoughtfulness and depth DOE wants to see HUD proposals that

proactively address both benefits and negative impacts on of hubs on

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communities and workforces many of the concept papers describe

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potential benefits of hubs to communities and workforces and understandably since this was only the 25:37

concept paper phase we didn't see many specifics especially on potential negative impacts that could occur from

25:44 these hubs in applications we want to see specifics for both benefits and

potential negative impacts each application should include detailed

25:56

description of benefits and negative impacts with special attention to existing cumulative burdens historic

harms and priority concerns raised by impacted groups this is especially critical for cases in 26:10

which hubs will impact communities already facing significant burdens finally these specific benefits and

negative impacts should be specific and measurable and to the greatest extent possible include metrics and methods to 26:25

track Monitor and Report each impact over time you'll notice that the requirement is

for a community benefits plan and not a community benefits assessment

26:37

and that's because the core purpose is really to move Beyond sort of a vision or assessment and towards concrete goals 26:44

outcomes and implementation plans in other words really answering the

26:50

question what will the project team do to ensure projects deliver meaningful

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benefits and minimize and mitigate any negative impacts these clear and concrete implementation

27:02

strategies should be matched with milestones and metrics to measure their success

and finally of course a plan wouldn't be meaningful without the capacity to implement it so DOE asks applicants to 27:14

outline what resources including staff with relevant expertise and budget will be used to implement the CBP

high quality implementation plans will include robust methods to ensure

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accountability to impact communities and workforces providing real Pathways for

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their priorities and feedback to impact decisions in All Phases of the Hub

for example applicants could discuss how citing decisions could be made based on

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community input and demonstrate plans to enter into negotiated Workforce and Community agreements

Community benefits plans should include transparent mechanisms for two-way engagement and accountability to 27:58

impacted groups do we recognize that there are many ways to develop hubs in partnership with

labor and community we also recognize that some of these approaches may be new to applicants 28.12

in addition to this webinar we've developed a guidance document that is posted with the FOA that provides 28:19

detailed information and examples all applicants are encouraged to read the

28:24

community benefits plan guidance under application forms and templates in 28:29

exchange as they develop their Community benefits plans thanks so much for your attention and

28:35

Katrina I'll turn it back to you excellent thank you so much Catherine so

28:42

next we will have a deep dive from two experts who will share some of their observations about implementing projects 28:47

to ensure Community benefits and minimization of farms but first I'd like to provide some framing remarks about 28:53

the transformative and historic opportunity that we are embarking on together the bipartisan infrastructure law or 29:00

Bill is a long overdue investment in our nation's energy and transportation infrastructure the hydrogen hubs overall 29:07

program represents eight billion dollars to advance a national clean hydrogen Network that will contribute sustainably 29:14

and substantially to decarbonizing multiple sectors of the economy and help us meet our climate goals the bill

programs will be incredibly important not only for addressing our infrastructure needs but tackling the

climate crisis while also providing good jobs and benefits to communities that have traditionally been excluded from 29.33

these opportunities this includes communities of color and low-income communities who have unfortunately

disproportionately bore the environmental burdens of the energy system while reaping so too few of its 29:46

economic benefits and so as DOE strives to reinforce and Revitalize our energy infrastructure it 29:53

is incumbent on all of us to ensure that our Energy Systems in the future are not nearly functional but just 30.00

and this means that we must seek to remediate the historic harms on our Frontline communities and strive to 30:06

ensure that our future energy systems are more equitable accessible affordable clean and consider 30:12

the input and voices of those who have historically lacked access to the decision-making process in the past 30:18

this is energy Justice and energy Justice is fundamentally about ensuring

30:23

the benefits and burdens of the energy system are equitably distributed these benefits are broadly defined to include 30.30

more than just dollars they Encompass activities and outcomes that improve communities and create more 30:36

opportunities for access to clean affordable energy we've identified eight policy priorities that projects can 30.43

directly Target to meet the goals of the justice 40 initiative by identifying measurable trackable

benefits that flow to underserved overburdened communities such as dollars

30:54

invested jobs created energy costs lowered and more we can achieve the essence of the justice 40 initiative and 31:01

transform communities for the better and so as we think about implementation of our hydrogen hubs we must think 31.08

critically about how commercial scale facilities can be more inclusive of the feedback expressed by communities with

energy Justice concerns and underrepresented groups and we must also ensure that we design programs to ensure

minimal environmental impact including impacts that risk exposure to additional pollution and already overgrown 31:27

communities and mechanisms for accountability to and transparency with those communities

31:33

as Catherine mentioned again and again research shows that communities of color are routinely exposed to more 31:38

environmental hazards and pollutions than they create and these Frontline communities understand that new projects 31:44

even if they're designed to avert catastrophic climate change could mean increased exposure to these 31:50

environmental hazards and harms for their communities and their families and so because of this history and these 31:56

patterns and the legacy of the impact of our Energy System our efforts must extend beyond simply hearing Community 32:02

feedback to be effective we must also acknowledge the potential environmental harms associated with our hydrogen hubs

including safety considerations potential for increased emissions of non-greenhouse gas pollutants and our 32:15

host communities we also must be forthright I've been committed to answering how these

possible harms can be addressed and mitigated from Project beginning to end and so this means we need to get Broad 32:27

and meaningful participation from all areas of society involved and make a special effort to include those

communities that are now most burdened by our existing Energy System and so here at DOE we're working hard to 32:39

ensure that communities impacted by the legacy of pollution will have the support that they need to actively 32:45

participate in shaping our future and so all of us have the responsibility to

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ensure that communities on the front line receive the benefits of our clean energy transition and so I really appreciate you taking

the time to join us today and as you think about the Innovation and Ingenuity that we need to make all this possible I 33:03

really want to impress upon each of you that your work must be inclusive and it must consider carefully the things that 33:09

we've highlighted today I encourage you to put all of the levers at your disposal to creatively conduct

33:15

this work building these hydrogen hubs so that it is respectful our environment our resources and our people that is our 33:22

Collective goal and so thank you so much for the work that you do and the work that you're about to do and so now we 33:28

have a wonderful opportunity to hear from two Workforce energy Justice engagement and tribal experts about 33:34

their experiences with implementation of community benefits activities and so just a quick reminder I do want 33:40

to flag again that these panelists are not DOE officials and so their views do not necessarily reflect the views of the 33:46

agency and again the discussions of this webinar do not amend or supplement the requirements of the FOA and the FOA is

the controlling document an applicant should rely on that language so thank you so much now I would like to 33:59

introduce our first speaker we're excited to have Doug block principal and strategic consultant with

block strategies with us today so Doug the floor is yours

34:11

thank you very much Katrina and I want to thank the department of energy for the opportunity to participate today it

is a pleasure to be here in my nearly 30 years of doing this work

34:23

I've often found myself sitting at a table with employers labor unions and Community

34:30

groups and each group is looking at the other one like they're speaking a foreign language

34:35

in my experience this is particularly true for the employer side of the table because truth be told they're just not 34:43

as many American workers and unions as there used to be for many employers the union is outside 34:49

their realm of experience so when a union person says

34:56

different language now I've also seen employers come in excited to talk about the work they

they're doing or things like their bottom line and competitive disadvantage

35:08

and the community-based organization comes back at them with historical grievances that actually predate the

35:15

employer's very existence I want to applaud the DOE for their comprehensive approach to trying to 35.21

bridge these gaps and my hope is to demystify some of the language around the community benefits

plan but first let me tell you what a union is a union is an organization formed by

35:35

workers who are employed by the same employer for the purposes of securing better wages benefits and working

conditions and let me tell you what a union is not a union is not a third party who takes

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over management of your employees or sets company policies you still get to

35:55

do that if your workers form a union the union simply advocates for workers when 36.02

they feel like management is being unfair and a good union is a partner because a

36:08

good union recognizes that an If an employer isn't making money then there's nothing to share with the workers 36.16

now I'm a Storyteller so let me tell you a story that resulted in one of the most robust Community benefits agreements

36:23

I've seen there were four parties involved a government agency a team of developers

36:30

labor unions and community-based organizations the government agency had land they

36:36

wanted to lease for development it was Prime real estate next to a port so they wanted to develop it for trade and

36:43

Logistics to keep the port competitive they also wanted the guaranteed revenue

36:48

of a long-term lease and good jobs for the local community second was a group of developers that

36:55

wanted to lease that land build some warehouses on it sublease them out and

37.00

do some other Port related development third were the labor unions who wanted

good jobs for workers they not only wanted their members to build everything they wanted to 37.12

represent the workers in the permanent operations jobs after things were built

and fourth were the groups in the adjacent Community who carried a serious grudge against the port

37.23

this was primarily a community of color who saw very little of the port's economic benefits and got all of its

problems they suffered much higher asthma rates than the rest of the area due to poor 37:36

related pollution and this community opposition was politically potent

37.42

all this developer had was an exclusive negotiating agreement with the agency they still had to finalize the deal and 37:50

the agency told them they needed to include a community benefits agreement to do that

37:56

does that sound familiar to the applicants so negotiations begin

38:02

and agency officials set the broad terms of the agreement they used their power to convene the different parties and 38:09

assign staff to help where possible the unions and the developers started

38:15

meeting and very early on came to a project labor agreement or Community Workforce agreement which established 38.22

the terms and conditions for all the construction work on the project

this was good for the unions because it mandated that all contractors and subcontractors on the project hire

38:34

workers through the various union hiring halls and pay them union wages and benefits

it was good for the developers because not only were they guaranteed a supply of skilled and trained labor 38.47

they also got labor peace meaning the unions agreed to no strikes or labor 38:53

disputes during the project and finally the unions agreed to

38.58

publicly support the project and I cannot stress the importance of that enough because the elected officials

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39:04
valued Labor's views on the project still with such intense Community
39.10
opposition that support was not enough the community groups were very focused
on Equity issues making sure that workers from the local community and those with disadvantaged backgrounds
39:22
could get equal access to the jobs they also wanted assurances that the project would not increase the
39:29
environmental impact of the port on the nearby community and again this is where the community
39:35
Workforce agreement came into play because it provided a legal framework to
39:40
incorporate the community's equity goals into the project but before we could do that we needed to
39:48
get people talking the labor unions and Community groups had some historical
39:53
issues but through a lot of hard work they eventually joined forces and negotiated jointly with the developers
40:00
in the agency it was not always pretty in the process but in the end the project won unanimous
40:07
approval and we all got to stand at a press conference where we shared the terms of a groundbreaking Community
benefits agreement half of the construction jobs would be for local residents
40:21
all new production of the jobs had to be for
40:26
newly hired people every worker on the project was guaranteed the local living wage and
40:33
seeing as we wanted good jobs we negotiated a first in the nation standard limiting the use of temp
agencies in the warehouses employers are prohibited from asking
40:44
about criminal backgrounds when hiring so the more people from the nearby community could get jobs
40:51
on top of that half of all the permanent jobs on the project had to go to workers
40:56
from the local community we set up a One-Stop shop with seed
41:02
funding from the local agency so workers know where to go to get jobs and training and employers know where to go
41:10
to find workers we leveraged that seed funding to get a half a million dollar planning Grant
41:16
from the state to establish a training program with the unions and a local community college and that has since
41:24
secured even more funding the developers got approval for a 66-year lease and development agreement
41:31
and the local agency gets 66 years of Revenue in return
and furthermore the elected officials got to hang their hat on an agreement that was not only
41:43
good for the local and National economy but one that had support from Community
41:48
groups labor unions and the business community that's a win-win-win
41:55
now I won't lie the negotiations were not easy nobody got everything they
wanted but in the end everyone understood that if they didn't agree to something then they would get nothing at
42:07
all and that understanding along with an open mind honest communication integrity
42:14
and the same sort of strong leadership we see from the Biden Administration is what got this done
42:21
it took a lot of people like me doing shuttle diplomacy who could speak everyone's language so I encourage you
42:28
to seek out help the DOE can offer suggestions and resources to that end
42:34
as I said this community benefits agreement was a win-win and my hope is
42:40
that many of you can come back and take my place on a future panel to tell a similar story
42:45
thank you for your time and I hope this was helpful and now I'm going to turn it back over to Katrina
42:53
great thank you so thanks Doug and uh non-DOE speaker Dr Ginger Gibson
43:01
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Dr Gibson is the director and negotiation lead with the firelight group Dr Gibson the floor is yours

thank you so much and good morning everyone thanks to the DOE for the invitation today I'm going to talk about

43:13

something that's a little bit different than Community benefit agreements but has many similarities in Canada we call 43.19

these impact and benefit agreements next slide please as I noted I'm within an indigenous

owned company in Canada um we're called the firelight group and we provide Research Services and support 43:32

on community benefits agreements and impact benefit agreements across Canada and in the United States on these kinds

of issues we work with communities to provide community-based research to support indigenous rights interests and 43:46

values and today I'm coming to you from treaty six territory next slide please

in Canada impact and benefit agreements started in the 1990s it we call them

43:57

IBAs impact and benefit agreements they deal with the impacts environmental and social and otherwise and the benefits

44.04

it's a contract that is set out between a company and a community that provides

44:09

indigenous consent and support for a project they play an important role in

44:15

maintaining indigenous rights and directing specific benefits that communities choose into their 44:20

communities they can also mitigate social impacts so they give project

44:25

certainty to the proponent and they're very much a part of the proponent's social license they're even required in

legislation so in Nunavut and the Northwest Territories these Agreements are legally required and are are being 44:39

conducted and concluded all across the country next slide please there's all of these types of Provisions 44:46

so my the previous speaker spoke to some of the employment and training benefits the procurement benefits but there's 44.53

also Financial benefits that are required there's Environmental Management and environmental controls

44:58

that communities have over projects in addition these kinds of agreements can touch on culture and cultural heritage 45:06

all of these things are negotiated it takes some time and that most of the Agreements are confidential a few

agreements in Canada are public and we use them as the standards out there next slide please

45.21

one particular area I'll dig into is employment benefits can

assist industry there can be many different kinds of benefits that are unlocked the focus can be across uh diff 45:34

all of the different salary price points all of the different types of areas that so communities in

the Northwest Territories for example are accessing as a result of community benefit agreements all different areas 45.47

of employment from and we have Targets in these agreements that set out

45:53

how many indigenous employees are going to be are going to be brought along and

45:58

included in the project this means that employment is local it also means that there's a strong and

46:05

secure Workforce that's set in place for the proponent many of the agreements also touch on the 46:11

barriers so they look specifically through research and understanding what those barriers are they set out a 46.18

program to address those barriers that deal with recruitment retention and advancement being a very

46:25

tricky one in particular because of the kinds of training and education requirements that are often required for

46:32

indigenous employees these are all mitigated through the IBA next slide

46:38

please a particular area that was raised to me as um of concern for uh the hydrogen

46.45

hubs was the question of restorative justice so today I'm going to focus briefly on three different cases where

46:51

restorative justice or that question of how do you reach the vulnerable populations and how do you address

historic loss I'm going to touch on three cases that address that issue so

the first case is an abandoned uranium mine operating in the 1950s and 60s in Northern Canada through

47:09

government-to-government agreements so this shows really a clear role for the federal government there has been a

restorative justice addressed this began in the early 2000s but now in the last

47:21

two years agreements have been put in place between the indigenous government and the federal government to address 47:27

the historical loss of area the contaminated site and the remediation of

47:33

that site the proponent themselves also have to pick up many of the obligations that have been set out in the federal 47:40

government agreement such as employment requirements the restorative justice

47:45

approach in this case focuses on a range of topics first of all control over

47:50

decision making so the indigenous government has the opportunity with the federal government to Control

47:55

Contractors that are selected uh employment targets for example

48:00

they also have an opportunity to recognize and heal both the land but also the people who have been excluded 48:07

from that area so oftentimes when you have an area that is in as they call it in the United States a Superfund Site we 48:14

don't use that same language in Canada but the um the opportunity to address recognize and think about the

historic Health impacts that were experienced by the indigenous population the story is being told and uh and the 48:30

federal government and the proponent along with the indigenous government are co-developing that story and telling the

story of loss through a co-developed museum exhibit their truth-telling about

48:40

the experience of impacts and they are uh engaging in joint monitoring that's

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going to be led by the indigenous government this is accompanied by funds for monitoring to ensure that there's an 48:52

ability of the indigenous group to reserve resume their cultural activities on the land

48:57

so that's one example of restorative justice as practiced in uh

49:03

in this one case in the next slide I'll talk about another case that last case looked uh at the 49:11

um at a case of uranium mining back in the 1950s this case now looks at impacts

49:18

that will be experienced so when an extractive project in Northern Alberta 49:24

was considered what the parties realized was that there would be 40 Years of loss

was c

of use for an indigenous group of peoples that loss of use was recognized

49:35

and while the proponent had a community benefits agreement that they held with the community the federal government 49:41

also set out an agreement to address the cumulative impacts outside of the

49:47

project site so when the project area was discussed was discussed it was recognized that the proponent and the 49:54

community could control impacts in the smaller area where the project was going to be whereas the federal government and 50:02

the community could address project effects that were more extensive that went outside of the project area

50:08

so in this case restorative justice was prospective what I mean by that is it was looking at

50:15

the restorative justice for potential loss of cultural use and rights practice of Rights in an area that was very broad 50:22

outside of the project area and that would be experienced if the project proceeded for 40 years

50:28

so the program of work focused on a forward-looking redress of loss of practice of culture due to those 50:35

industrial impacts and a fund was set aside for the indigenous government the indigenous Community to continue to 50:41

practice their rights for a 40-year period so this gives you an example of looking

50:48

forward understanding that there will be impacts and setting out a program of work that will allow the indigenous 50:54

government and the parties to address that loss of use in the final case it's a very similar

51:02

issue in the next slide which looks at Marine shipping in this case where there

51:07

was Major Marine shipping infrastructure in a First Nations territory the lands are going to be completely and 51:13

irreversibly transformed the nation's kitchen sink um their entire area will be

51:20

transformed in a way that they cannot access their lands or their Waters in

51.25

this case the recognition was made that the impacts would be so severe that the project proponent cannot address them in

the foreshore of the Marine shipping area again restorative justice was is being

51:39

addressed through long-term investments in infrastructure so the nation has the capacity to move into different areas 51:46

and has the capacity to practice their rights the long-term impacts were also

51:52

documented recognized by the parties and uh and addressed through a long-term fund again a prospective long-term fund 51:58

as a part of the restorative justice approach in my last slide I'll reflect on some of

52:04

these um these issues and what they mean for Community benefit agreements and explicitly what they might need for the 52:10

DOE hydrogen hubs approach so Community impact agreements

52:17

um in Canada we as we as I said we call them IBAs and we explicitly consider

52:22

environment and culture uh and in this case most of the IBAs are actually

52:27

transacted with indigenous people as you call them tribal peoples in the United States uh it's a there's an explicitly 52:35

different Focus for indigenous people where the focus is on environment and on culture as well as the other benefits 52:42

expect I suggest that you may want to expect that these kind of issues will emerge in CBAs with indigenous peoples 52:49

in Canada restorative justice has reviewed past harms and addressed losses restoring those losses and attempted 52:56

we've been attempting to Monitor and remediate against past losses I'll note a few patterns

53:04

first of all where there has been tremendous loss and people have been not able to access their lands there often 53:11

is a period of truth-telling and acknowledgment that is required this requires an open heart and an open mind 53:17

and often requires that hard truths are discussed and described I encourage

53:23

people not to shy away from these hard truths but to acknowledge them I've also told you about two cases where 53:30

we've talked about addressing future losses it's absolutely fundamental to understand what the nature of impacts 53:37

will be and then to consider ways to address those impacts that means they need to be clearly described and clearly 53:44

understood and as I noted for you there's a rule for federal governments to address those historical harms and to 53:51

address future losses through government-to-government agreements in Canada the practice now is to have 53:57

government to community agreements that address harms that cannot be addressed by a proponent 54:03

this often requires joint decision making as well as monitoring and Remediation that monitoring and 54:09

Remediation can be years and years of work that is jointly developed by the community and by the proponent requires 54:17

oversight and Community employment and allows a community to connect to their

54:22

lands provides meaningful long-term employment as well as the ability for people to gain trust and regain a 54:30

connection and relationship to the land that they hold their rights to with that I'll thank everybody for their 54:37

time and uh turn it back to you Katrina

54:42

great thank you so much Dr Gibson so next we'll move into our U.S national

54:48

hydrogen strategy discussion we will hear from Dr Sunita Satyapal director of

54:53

the hydrogen and Fuel Cell Technologies office and the DOE hydrogen program coordinator Sunita will cover the

55:00 national hydrogen strategy and opportunities Sunita over to you great thank you Katrina and if we go to the next slide I would just like to emphasize this is such a critical time for hydrogen and for the nation and a big thank you to all the stakeholders 55:19 who've been interested in hydrogen over the decades we have an all hands on deck approach and the hydrogen program as a 55:26 reminder is coordinated across all DOE offices covering basic science to 55:32 applied research developments demonstration and deployments and it includes the entire value chain from 55:38 hydrogen production through end use as shown in the h28 at scale graphic which 55:45 includes hydrogen production from all of our domestic resources Renewables 55:50 nuclear fossil with ccs for clean hydrogen and then we can use that 55:55 hydrogen across sectors it provides us with that versatility again especially 56:01 in those hard to decarbonize sectors the hydrogen energy Earth shot is also a 56:07 critical piece of the program is launched by the Secretary of Energy last year it includes bold ambitious goal of 56:14 one dollar for one kilogram of clean hydrogen in one decade and that includes research all the way through deployment so getting to scale such as through the hydrogen hubs is a critical piece of 56:26 that activity so we have a number of resources such as the DOE wide program plan and the draft National clean 56:34 hydrogen strategy and road map which I summarized on the next slide 56:41 and as a reminder we released the draft for public comments in September now the 56:48 comment period closed in December so we're reviewing all of the stakeholder feedback and plan to publish the final 56:54 uh later this year but it really had three critical components first is 57:00 Target strategic high impact end uses for hydrogen so especially those heart 57:06 decarbonized sectors and seize the potential for 10 million metric tons of 57:12 clean hydrogen by 2030 and as much as 50 million metric tons for the United 57:18 States by 2050 which is aligned with our long-term climate strategy as released 57:25 by The White House second is reduce the cost of clean hydrogen so there of 57:30 course the hydrogen shots the hubs are extremely critical because again we have 57:35 to get to scale to drive the cost down and enable commercial viability and then three another critical component of the strategy is focus on Regional networks 57:47 which includes the bipartisan infrastructure law provision on deploying at least for regional clean hydrogen hubs and ramping up scale now 57:59 of course we have a number of enabling activities as shown in the bottom Workforce Development is critical safety codes and standards we have new policies incentives such as the tax credits 58:11 stimulating private sector Investments such as through our Loan program office and then of course in everything we do 58:18 we want to emphasize the importance of energy and environmental justice 58:23 so if we go to the next slide I would like to end with just highlighting a few 58:29 additional opportunities that some of the stakeholders out there may be interested in if you missed the 58:35 announcements so as we all know there's 8 billion for the hydrogen hubs but in the bipartisan

infrastructure law there are two additional Provisions one billion for electrolysis research development and

58:43

demonstration that some of you may be interested in and then half a billion for manufacturing and recycling 58:56 activities related to hydrogen and through end use and there are additional opportunities as well so across offices again as a reminder this is uh all hands 59.06 on deck approach across DOE in our office of Technology transitions which collaborates across offices includes the technology commercialization fund or TCF 59.18 there's an open funding opportunity announcements now on the street and that includes collaborations with National Laboratories so 59.29 facilitating the technology transfer for example from our National Labs to the 59:35 private sector and then their additional opportunities again across multiple offices including 59.43 Energy Efficiency and renewable energy fossil energy and carbon Management's nuclear energy the office of science 59:50 ARPA-E, the Loan program office and so stay tuned and then very exciting if you 59:56 missed the announcement just a few weeks ago the notice of intent that we issued 1:00:01 uh two one is 750 million dollars a planned FOA or funding opportunity 1:00:08 announcements which will include clean hydrogen electrolysis manufacturing and Recycling and then the hydrogen and Fuel 1:00:15 Cell Technologies office FOA supportive hydrogen shot which also includes component development relevant to 1:00:22 hydrogen infrastructure and other technologies that stakeholders may be interested in so if we click once more 1:00:29 just want to end with there are many resources available such as our h2iq monthly webinars where we publicize 1.00.37 eyes all of the activities across DOE hydrogentools.org the center for 1.00.42 hydrogen safety the newsletters and then finally if you'd like to save the date we have our annual Merit review or AMR 1:00:50 for the first time in person since covid so the week of June 5th to 8th again we 1.00.56 showcase across DOE all of the hydrogen related activities so we hope to see you 1:01:02 there in person and again the hydrogen.energy.gov is uh the main 1:01:09 portal website where you can stay tuned to all the various hydrogen activities so again this is a very exciting and 1:01:17 unprecedented time in history for hydrogen for the nation and even globally and I want to again emphasize 1.01.23 and thank all of you involved as we work together to address our climate crisis 1.01.30 so with that thank you Katrina I'll turn it back to you great thank you so much Sunita and 1.01.37 finally we'll hear from Todd Shrader who is the director of the project management division at OCED who will 1:01:43 reiterate key themes and closing thoughts on the floor is yours thank you Katrina, I think you have 1:01:50 seen today among all our speakers a tremendous excitement for this program as David mentioned at the 1:01:58 beginning this is a pivot point potentially in this country for energy production and how we do work 1:02:05 moving forward this program has support throughout the department of energy 1.02.10 and even throughout the government I think you also realize based on what Sunita said and others this is a all of 1:02:16 DOE and all of government and frankly all of society effort we are on we realize with Cooperative agreements it's 1.02.24 very important that the government has their role but industry also has a role and we look forward to working with 1:02:29 industry on these Partnerships again we understand excellent hard work 1.02:35 that's going into this these are lots of lots of effort lots of resources we put

again thank you for all the hard work and we realize there's more to come I will emphasize again the April

in as Eric said the concept papers provided lots of information and we

1:02:40

1.02.46

1:02:52

deadline for the submittal of the application this webinar we hope has

1:02:58

been helpful giving you more information again there's a Q&A website any questions you have please submit it we 1:03:05

Endeavor to answer those as quickly as possible going forward also as Katrina

1:03:10

said there are lots of opportunities here even if in the end a hydrogen Hub is it doesn't work out for a certain 1:03:17

industry certain community certain area there are other opportunities uh both with funding opportunity announcements 1:03:23

within OCED and with hydrogen specific activities throughout the department of energy and so I encourage you to look at 1:03:30

both the OCED website and DOE websites in general for other opportunities that might be there again thank you for 1:03:37

everyone I think this is an exciting time there's lots of opportunities going forward and I look forward to a few 1:03:44

years down the line seeing projects being built project coming online and

1:03:49

addressing the pressing needs of this country so that Katrina I'll turn it back to you 1:03:55

great thank you so much Todd and thank you again to all of our presenters on 1:04:00

behalf of the entire department of energy hydrogen hubs team we thank all of the attendees for listening to this 1:04:06

hydrogen hubs application discussion we sincerely hope this webinar format helps

illuminate some of the content and our thinking in the FOA and a final reminder the FOA does Remain the controlling 1:04:18

document if information was presented differently in today's webinar from the FOA the FOA is the guiding document an

applicant should refer to the FOA the recording of This webinar will be posted to the OCED website shortly and finally 1:04:32

as Todd mentioned our team continues to welcome questions and comments at the email you see on this slide which is the 1:04:39

formal FOA question and answer email so thank you again for attending we wish you a great rest of your day take care.