

THE OFFICE OF CLEAN ENERGY DEMONSTRATIONS



Regional Clean Hydrogen Hubs Heartland Regional H2Hub Community Briefing

11/01/2023

Office of Clean Energy Demonstrations
U.S. Department of Energy



Welcome!

Welcome & Meeting Objectives

- The Office of Clean Energy Demonstrations (OCED) at DOE recently announced the selection of seven Regional Clean Hydrogen Hubs (H2Hubs)
- We at DOE wanted to connect to help clarify our process and the opportunities to plug in and help shape your community's energy future
- Engage with DOE and the partners involved in these H2Hubs



Introductions



Emmanuel Taylor, Facilitator



Crystal Farmer,Project Manager,
H2Hubs, OCED



Lydia Kubiak-Cardona, Community Engagement Specialist – H2Hubs, OCED



Charlie Gorecki, CEO, Energy and Environmental Research Center





Opening Remarks

- Welcome
- Opening Remarks
- OCED Overview
- H2Hubs Overview

Agenda

- Community Benefits and Engagement
- Heartland Regional H2Hub Project Overview
- Next Steps & Resources
- Feedback Session
- Wrap-up & Close



OCED Overview

OCED Mission

Deliver clean energy technology demonstration projects at scale in partnership with the private sector to accelerate deployment, market adoption, and the equitable transition to a decarbonized energy system.



OCED Mandate



SCALE EQUITABLE, CLEAN ENERGY

Help enable 100% clean electricity by 2035 and net zero emissions by 2050 through an equitable energy transition



UNLOCK NEW INVESTMENT

Unlock and scale trillion-dollar clean energy follow on investment from the private sector and other sources of capital



DE-RISK TECHNOLOGY

Maintain risk-based, balanced, and defensible portfolio of investments



SERVE AS CENTER OF EXCELLENCE

Serve as primary DOE office to deliver full scale clean energy demonstration projects and project management oversight excellence



ENGAGE & COLLABORATE

Leverage private sector and broader energy ecosystem to inform OCED and DOE technology commercialization efforts



OCED Scope



Regional Clean Hydrogen Hubs (\$8 billion)



Long-Duration Energy Storage Demonstrations (\$505 million)



Advanced Reactor Demonstrations (\$2.5 billion)



Energy Improvements in Rural or Remote Areas (\$1 billion)



Carbon Management (\$7 billion)



Clean Energy Demonstrations on Mine Land (\$500 million)



Industrial Demonstrations (\$6.3 billion)



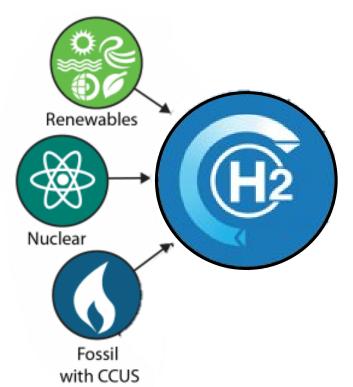
Other Initiatives (\$133 million)



H2Hubs Overview

What is Hydrogen?

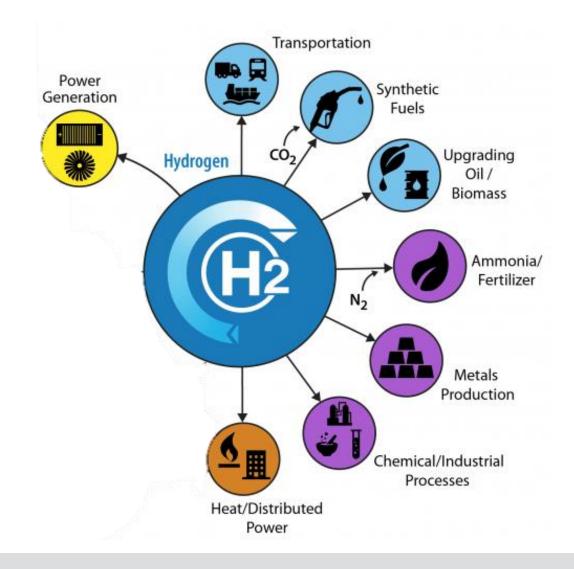
- Hydrogen (H₂) is the simplest and most abundant element known.
 - You might recognize it from the chemical formula for water H₂O!



- Hydrogen can be made using a variety of domestic energy resources.
- Hydrogen can be produced through several processes, including:
 - Electrolysis; Direct Solar Water Splitting
 - Steam Methane Reforming
 - Biological (e.g., algae)
- Currently, the U.S. produces 10 million metric tons of hydrogen each year.

What Can Hydrogen Do?

- Hydrogen is part of a suite of solutions that can help our nation achieve its net-zero goals.
- Helps hard-to-decarbonize sectors such as heavy-duty transportation, steel and chemicals manufacturing, and production of liquid fuels.
- Supports increased integration of renewable energy into the grid and offers multiple revenue streams for clean power generation.





Whole of Government Approach to Clean Hydrogen



U.S. National Clean Hydrogen Strategy and Roadmap



Hydrogen Shot (\$1/kg by 2031)



Clean Hydrogen Standard



H2Hubs Demand-Side Support Initiative



IRA tax incentives



Clean Hydrogen Pathways to Commercial Lift-Off Report



Coordination with
Canada and Mexico
on building out the clean
hydrogen supply chain and
economy across North America



Additional DOE funding: Clean H2 Electrolysis Clean H2 Manufacturing and Recycling

(additional \$1.5B)

AND...





Build regional clean H2Hubs across the country to create networks of clean hydrogen producers, consumers, and local connective infrastructure to accelerate use of clean hydrogen.

H2Hubs Demand-Side Support Initiative

- Sept 2023: Announced \$1B RFP. Responses were due on October 26, 2023.
- Learn more about the initiative here: https://www.youtube.com/watch?v=QgOL_Xg7K1Q

H2Hubs Current Status

 October 2023: DOE announced 7 projects selected for <u>award negotiations</u>.

What is a Regional Clean Hydrogen Hub?









Selected Regional Clean Hydrogen Hubs



Selected H2Hubs Overview

Unprecedented Investment in America's Hydrogen Infrastructure

To accelerate adoption of hydrogen technologies

Providing tangible benefits for Americans

Federal investment of \$7 billion

Approximately 3
Million Metric Tons of
Hydrogen Production
per Year

Dedicated Dollars for Community Benefits

Tens of Thousands of Jobs

Greenhouse Gas Reduction of 25 million Metric Tons Per Year



Community Benefits

Prioritizing Community Benefits in OCED Projects

OCED **requires** applicants to include a Community Benefits Plan (CBP) to help ensure broadly shared prosperity in the clean energy transition.

By prioritizing community benefits; we can ensure the next chapter in America's energy story is marked by greater justice; equity; security; and resilience.

Community & Labor Engagement



Diversity, Equity, Inclusion, & Accessibility



Investing in the American Workforce



Justice 40 Initiative



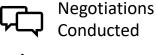


Community Benefit Commitments - Implementation Requirements per Phase

Selected projects Awarded projects move to Negotiation move to Phase 1

| Application | Negotiation | Phase 1: Detailed Plan | Phase 2: Project Development | Phase 3: Install, Integrate, Construct | Phase 4: Ramp-Up & Operate |
|--|---|---|--|--|-------------------------------|
| Pre-DOE funding | Pre-DOE funding | ~ 12-18 Months | ~ 2-3 Years | ~ 3-4 Years | ~ 2-4 Years |
| CBPs are evaluated by experts according to the FOA criteria and typically scored at 20% of the total score* | Selectees enter a negotiation phase that includes improvements to community benefits required for award | Community benefits ar are learned | re implemented during each replementation is evaluated t | before the start of each phase phase and updated as projects hroughout each phase, and ind | s progress and lessons |

^{*}CBPs are considered alongside assessments of engineering, procurement, and construction; business development and management; permitting and safety; and technical data and analysis.



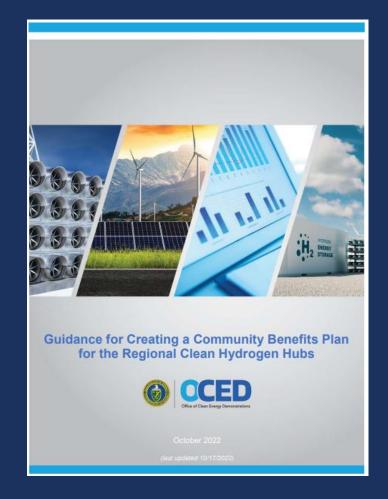


Go/No-Go Decisions



Strong Community Benefits Commitments

- Demonstrate moving beyond a vision or assessment into actionable goals, outcomes, and implementation steps supported by adequate money, people, and time resources
- Include mechanisms for accountability to and transparency with impacted communities
- Propose clear metrics to measure success
- Match proposed actions to the needs and priorities of impacted communities
- Robustly address all four topic areas
- Minimize and mitigate negative impacts and harm, especially to already overburdened communities
- Create quality jobs, equitable access, and invest in workforce development
- **Evolve** to incorporate community and worker feedback
- Build toward lasting and enforceable Community and Labor Agreements



OCED FOA CBP Guidance docs available with each FOA at:

https://oced-exchange.energy.gov/



Heartland Regional Clean Hydrogen Hub



Heartland Hydrogen Hub HH2H

Community Briefing November 1, 2023

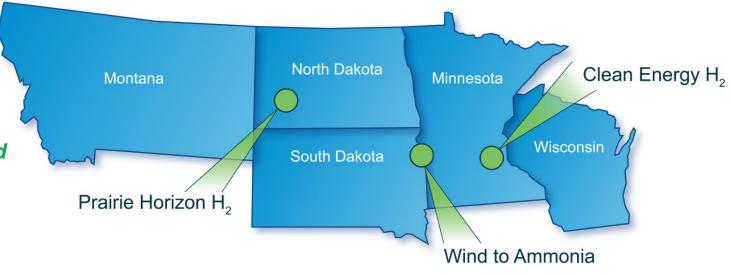
Heartland Hydrogen Hub, LLC

HH2H VISION



TO CATALYZE THE CLEAN HYDROGEN ECONOMY IN THE HEARTLAND OF AMERICA

Mission: To produce clean hydrogen using diverse technologies, bridge east and west markets with infrastructure, supply multiple end uses in existing regional markets, and provide shared prosperity with local communities and other stakeholders.





Structural Partnerships



Supportive Policies



Proven, Viable Geology



Link to Enable Regional Interconnectedness



Committed to Community

HH2H STRUCTURE





PRIME APPLICANT Heartland Hydrogen Hub, LLC (Heartland, LLC)

North Dakota Limited Liability Corporation

SUBRECIPIENT

EERC FoundationHH2H Program Management

Energy & Environmental Research Center (EERC)



SUBRECIPIENT

Prairie Horizon
Energy Solutions LLC



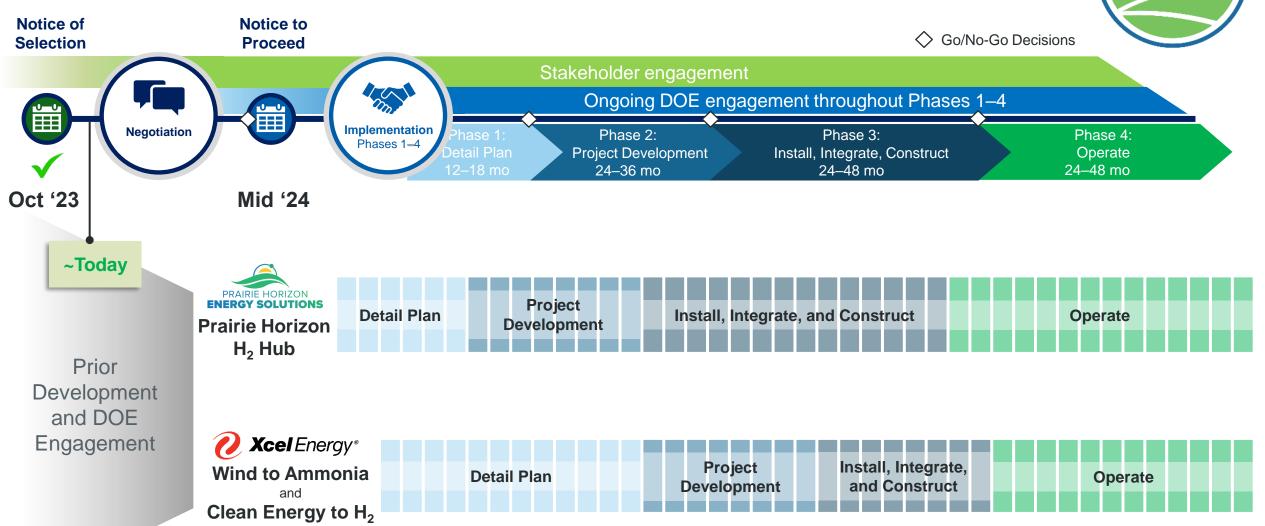


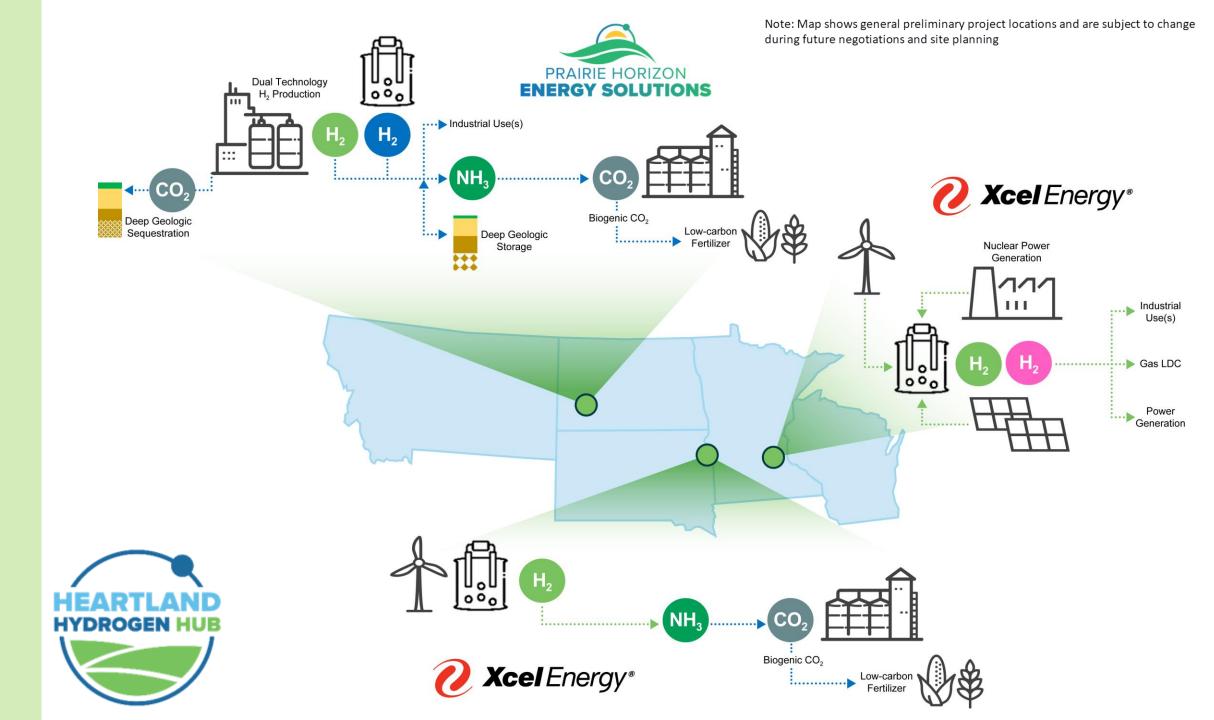
SUBRECIPIENT Xcel Energy, Inc.



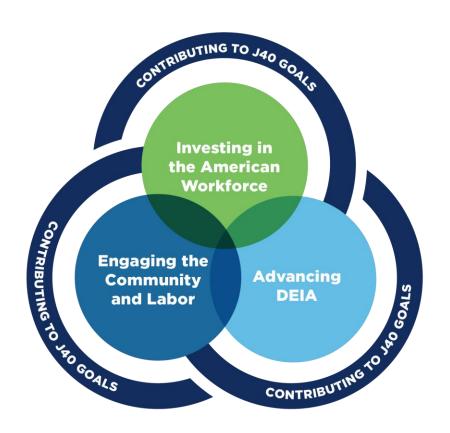
EARLY STAGES OF DEVELOPING HUB







INTEGRATED AND HOLISTIC COMMUNITY BENEFITS PLAN (CBP)



60 letters of support signed by strategic partners.

Foundation for Community Collaboration

Community and Labor Engagement

Expand and strengthen existing relations with communities, Native Americans, labor, and other stakeholders.

American Workforce

Invest in and develop the talent to drive the low-carbon energy economy in partnership with learning institutions.

Diversity, Equity, Inclusion, and Accessibility

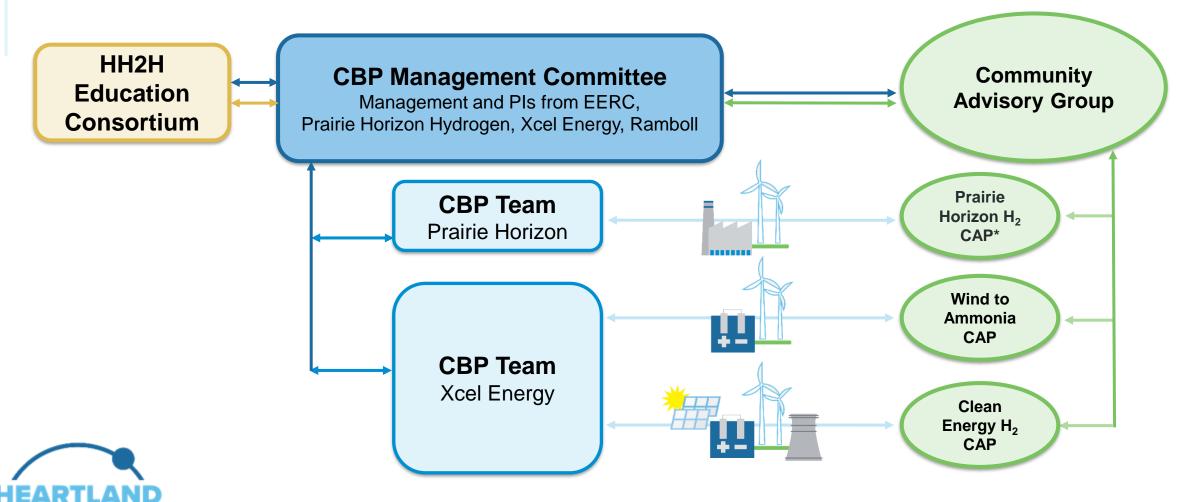
Advance programs to increase opportunities for small and diverse-owned businesses.

Justice 40

Implement strategies to increase net benefits to disadvantaged and Native American communities.

CBP ORGANIZATIONAL CHART

HYDROGEN HU



CBP organization is designed to enable two-way communication and input to hub development.



THANK YOU!

Charlie Gorecki

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Next Steps & Resources



involvement

ends*

involvement

ends*

Email the H2Hub

engage_H2Hubs@hq.doe.gov

DOE will use feedback from engagements

Attend local engagements

Read Initial CBP summary

to inform the negotiation process

Email DOE at

(details TBD)

- concerns
- Reach out to H2Hub teams any time
- Participate in H2Hub engagements: workforce or community agreements; or advisory boards H2Hubs may have as part of their CBP activities
- Reach out to DOE if any questions or concerns are not being adequately addressed engage H2Hubs@hq.doe.gov
- Each phase has a go/no-go where DOE will assess project performance including CBP your feedback matters!

- Act (NEPA) and related requirements for the Hubs.
- Feedback via early engagement will inform initial scope of NEPA reviews.
- Stakeholder engagement throughout the NEPA process, including at scoping and draft NEPA document review stages.

^{*}Communities and labor can still engage with the applicant based on the information they released to date to explore a path forward without this specific source of federal funding.

OCED Engagement

OCED aims to support meaningful community-awardee-OCED engagement through the life of the awarded H2Hub. How?

Local Engagements



Small community dialogues



Deliberative forum

Outcomes



Establish process for longterm engagement



Co-develop priorities

Next Steps – Virtual H2Hub Community Briefings

OCED will hold seven community briefings to share information with the communities hosting H2Hubs.

Information and to register: https://www.energy.gov/oced/h2hubs-local-engagement-opportunities

Appalachian Hydrogen Hub

Tuesday, October 24, 2023 6:00-7:30 p.m. ET

Mid-Atlantic Hydrogen Hub

Wednesday, October 25, 2023 6:00-7:30 p.m. ET

California Hydrogen Hub

Wednesday, October 25, 2023 8:00-9:30 p.m. ET

Gulf Coast Hydrogen Hub

Monday, October 30, 2023 6:00-7:30 p.m. ET

Pacific Northwest Hydrogen Hub

Monday, October 30, 2023 8:00-9:30 p.m. ET

Midwest Hydrogen Hub

Wednesday, November 1, 2023 6:00-7:30 p.m. ET

Heartland Hydrogen Hub

Wednesday, November 1, 2023 8:00-9:30 p.m. ET

^{*}Subject to change based on negotiations. Negotiations may take several months.

Next Steps – Negotiations

Award Negotiations: OCED will commence negotiations with project selectees.

After Award: IF the projects receive an award (successful negotiations)

- Selectees enter into cooperative agreement with OCED
- Detailed Project Plan begins
- OCED will work with selectees to ensure compliance with the National Environmental Policy Act (NEPA)
- Significant engagement with OCED and awardee

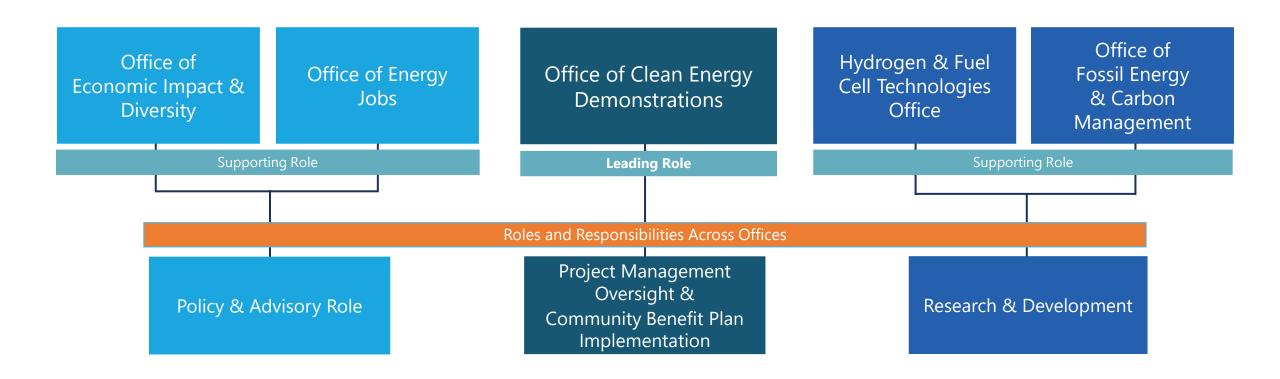


Selectee Webpages

| Appalachian Hydrogen Hub | https://www.arch2hub.com/ | | |
|--------------------------------|-------------------------------|--|--|
| California Hydrogen Hub | https://archesh2.org/ | | |
| Heartland Hydrogen Hub | www.HeartlandH2Hub.com | | |
| Gulf Coast Hydrogen Hub | https://www.hyvelocityhub.com | | |
| Mid-Atlantic Hydrogen Hub | https://mach-2.com/ | | |
| Midwest Hydrogen Hub | https://machh2.com/ | | |
| Pacific Northwest Hydrogen Hub | https://pnwh2.com/ | | |



Key DOE Offices for H2Hubs





H2Hubs Resources

Regional Clean Hydrogen Hubs

- Program Page
- Press Release
- Overview of Selected Projects
- Local Engagement Opportunities
- OCED CBP fact sheet

Demand-Side Support Initiative for Clean Hydrogen

- Request for Proposals (RFP)
- Video: OCED Update on Demand-Side
 Support Initiative

Additional Clean Hydrogen Resources

- U.S. National Clean Hydrogen Strategy and Roadmap
- Clean Hydrogen Pathways to Commercial Liftoff Report
- Hydrogen Shot

Additional DOE Resources

- Office of Economic Impact and Diversity
 assistance to advance equity & CBP in
 communities
- Office of Energy Jobs technical assistance to advance CBP jobs, labor & skilled workforce



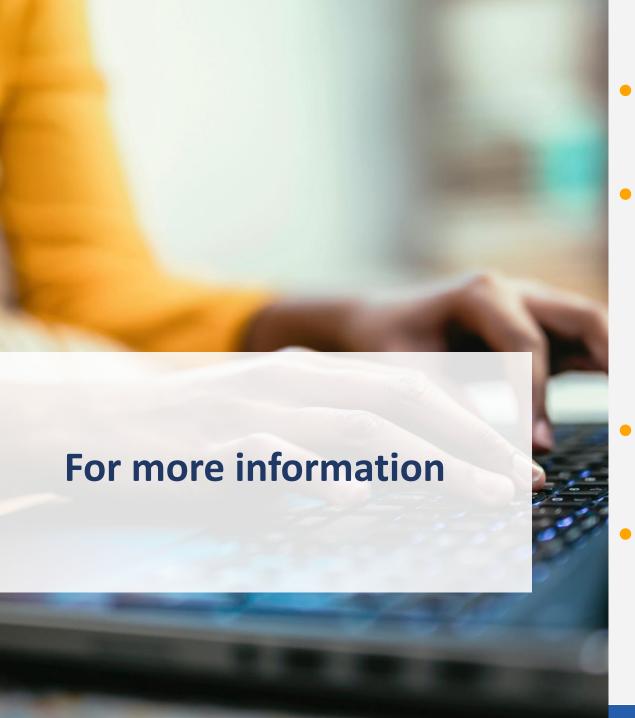


Feedback Session

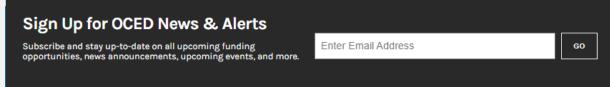
Ground Rules for Discussion

- Submit questions using the Q&A feature.
 - You can also see and upvote other questions that have been asked.
- Reserve judgement
- One idea at a time
- It is okay to build on the ideas of others
- Clarifying questions are okay





- Reach OCED about the H2Hubs <u>HeartlandH2Hub@hq.doe.gov</u>
- OCED Website & Newsletter Sign-up energy.gov/oced
 Scroll to bottom to sign up here:



- OCED Exchange (RFIs, NOIs, and FOAs) oced-exchange.energy.gov
- Follow us on LinkedIn linkedin.com/company/doe-oced/





For more information; please visit energy.gov/OCED