February 18, 2025

The Honorable John Thune
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Mike Johnson
Speaker
United States House of Representatives
Washington, D.C. 20515

The Honorable Mike Crapo
Chairman
Finance Committee
United States Senate
Washington, D.C. 20510

The Honorable Jason Smith
Chairman
Committee on Ways and Means
United States House of Representatives
Washington, DC 20515

RE: Maintain the Section 45V Credit for Production of Clean Hydrogen

Dear Speaker Johnson, Majority Leader Thune, Chairman Crapo, and Chairman Smith,

On behalf of the below signed businesses and organizations, representing the full diversity of the American hydrogen industry, we stand ready to work with you to implement President Trump's bold energy dominance agenda.

This is a unique moment that offers the United States the opportunity to become the undisputed world hydrogen leader, and that success will be underpinned by maintaining the 45V tax incentive. Section 45V is essential for this emerging industry and will serve as a catalyst to propel the United States to global energy dominance while advancing American competitiveness in energy technologies that our adversaries are actively pursuing.

As the 119th Congress moves forward processing a historic tax and budget bill in 2025, we would like to work with you to highlight all of the economic and other advantages that the Nation will achieve with the growth of the hydrogen economy, as incentivized by Section 45V.

Section 45V is Driving Economic Growth: The hydrogen industry has tremendous promise in driving domestic economic growth through U.S. manufacturing as we scale-up. With supply chain and original equipment manufacturers (OEMs) located across the country, a McKinsey report states that with the right policies in place the hydrogen industry could generate 700,000 jobs by 2030 and generate $140 billion in revenue.[1] Our country already possesses the infrastructure and workforce proficiency across incumbent industries and supply chains to lead the global hydrogen economy, with the oil and gas industry chief of among them. These investments are also supported by the Regional Clean Hydrogen Hub program which are locating large-scale hydrogen projects in Michigan, Ohio, Pennsylvania, North Dakota, South Dakota, Indiana, Illinois, Montana, Texas, West Virginia, and more.

Section 45V is Delivering Energy Dominance: The hydrogen market is growing at a rapid pace internationally and the U.S. has a unique opportunity to solidify and advance its leadership in this global commodity. To ensure our country retains its leading position, we need continued policy support, particularly as other countries are investing billions in hydrogen. The Hydrogen Council[4] reports that

[1] https://fchea.org/press-releases/new-report-offers-road-map-to-us-hydrogen-energy-leadership/
[4] https://hydrogencouncil.com/en/hydrogen-insights-2024/

globally there has been a seven-fold increase in investment for hydrogen projects reaching financial investment decisions since 2020, representing $75 billion USD in investments. The United States is not alone in pursuing dominance in this next generation energy source. China has made global leadership in clean hydrogen a priority, as evidenced by their investments, particularly in the manufacturing of hydrogen production technologies. **In 2020, China accounted for less than 10% of global manufacturing capacity, [2] but has now grown to over 60% of global capacity**.[3] American policy – including clear and effective incentives like 45V – will help determine whether the United States leads or cedes investment and manufacturing to global competitors.

Section 45V is Enabling American Energy Abundance and National Security – Hydrogen is complementary to established energy sources, and the growth of the industry will only boost American energy abundance at the time when energy demand is projected to skyrocket. Hydrogen provides an opportunity to utilize all our domestic resources across the country as the fuel can and is being produced from natural gas, biogas, biomethane, as well as any electricity source (i.e. nuclear energy). Hydrogen offers an opportunity to more efficiently use our abundant resources, including natural gas, and tap into the nation's extensive existing pipeline infrastructure. As energy demand from data centers increases, fuel cells are already being employed by leading tech innovators to increase reliability and efficiency, while reducing emissions. As hydrogen can be produced here in the United States, it reduces our reliance on foreign countries for energy, and offers export opportunities, while ensuring that our existing resources are used more efficiently.

For the past two and a half years, the hydrogen industry has been hamstrung by delays in the regulatory guidance for this credit by the Biden Administration. With the final rulemaking just being issued this January, our industry is now poised to invest billions of dollars in deployments and manufacturing facilities across the country. However, that private sector investment is at risk due to the uncertainty around this crucial incentive. There are hundreds of companies and thousands of jobs at stake for this sector and without this tax incentive, many of these deployments, jobs, and opportunities will shift from the United States to countries around the world. We need to ensure that we do not miss this hydrogen moment and respectfully request that you maintain the Section 45V tax credit.

As you consider important tax legislation this year, our companies and organizations stand ready to serve as a resource and share our industry's experience. Thank you for your consideration.

Sincerely,

Trade Associations and Business Group

American Petroleum Institute
American Biogas Council
American Chemistry Council
American Council on Renewable Energy
Business Council for Sustainable Energy
US Chamber of Commerce

[2] https://www.iea.org/reports/global-hydrogen-review-2023/executive-summary
[3] https://www.woodmac.com/news/opinion/the-competitive-edge-of-chinas-electrolysers

California Hydrogen Business Council
Center for Houston's Future
Citizens for Responsible Energy Solutions
Clean Energy Buyers Association
Clean Hydrogen Future Coalition
ClearPath Action
Compressed Gas Association
Fuel Cell and Hydrogen Energy Association
Hydrogen Fuel Cell Bus Council
Methanol Institute
National Hydropower Association
Nuclear Hydrogen Initiative
Ohio Fuel Cell & Hydrogen Coalition
Open Hydrogen Initiative
Pennsylvania Chamber of Business and Industry
Renewable Hydrogen Alliance
Renewable Natural Gas Coalition
Southeast Hydrogen Energy Alliance
Texas Hydrogen Alliance

Regional Clean Hydrogen Hubs

Mid-Atlantic Clean Hydrogen Hub
Heartland Hydrogen Hub, LLC
Pacific Northwest Hydrogen Hub

Corporate Entities

174 Global
AGFA
Airbus
Air Company
Air Liquide USA LLC
Air Products
Air Water America, Inc.
Ambient Fuels
Ballard Power Systems
Bennett Pump Company
BOSAL Energy
Calvera Hydrogen SA
Carbon TerraVault Holdings, LLC
Chart Industries, Inc.
Center for Transportation and the Environment
The Chemours Company
Cummins Inc.
DG Fuels
Dow
Eastward H2

EcoEngineers
Electric Hydrogen
ENGIE North America, Inc.
Engineering, Procurement & Construction, Inc.
Entergy Texas, Inc.
Fidelis
First Ammonia
First Public Hydrogen Authority
Fortescue Future Industries
FRIEM America Inc.
FuelCell Energy
General Motors
Green Stewardship, LLC
Heraeus Precious Metals North America
Hexagon Purus
HIF Global
Honeywell
HyAxiom
HydroFleet, Inc
Hyundai Motor North America
Infinium
Ivys Inc.
Joby Aviation
John Cockerill
Johnson Matthey, Inc.
Koloma
LanzaTech
Luxfer Gas Cylinders
Lydian
Monolith
Millenium Reign
Mitsubishi Power Americas, Inc.
M.R.S. Enterprises, LLC
Nel Hydrogen
Neuman & Esser USA, Inc.
Neuventus
Nikkiso Clean Energy & Industrial Gases Group
NovoHydrogen
Nuvera Fuel Cells
Olin Corporation
PDC Machines
Peaks Renewables
Plug Power Inc.
Port of Victoria, Texas
Power To Hydrogen
PowerCell Inc.
Proteum Energy, LLC
RIC Development LLC

Renewable Innovations
Saoradh Enterprise Partners
Schaeffler Group USA, Inc
Siemens
StormFisher Hydrogen
SunGas Renewables
Taylor-Wharton America
TECHNIP ENERGIES
thyssenkrupp nucera USA Inc
Topsoe, Inc.
Toyota Tsusho America, Inc.
Twelve
Versallis Tech Services LLC
Verdagy, Inc.
Victoria Economic Development Corporation
Virginia Transformer
W. L. Gore & Associates
Yosemite Clean Energy