2024 Regular Session

HOUSE CONCURRENT RESOLUTION NO. 64

BY REPRESENTATIVE ORGERON

ENERGY/ALTERNATE: Creates the Clean Hydrogen Task Force

1	A CONCURRENT RESOLUTION
2	To create and provide with respect to a Clean Hydrogen Task Force to study and make
3	recommendations with respect to growing the clean hydrogen industry in the state,
4	including its production, connective and storage infrastructure, and end use.
5	WHEREAS, Louisiana has historically been a lead energy carrier for the nation, a
6	top energy producer, and the primary energy consumer because of our leading industrial
7	sector; and
8	WHEREAS, Louisiana leads the nation in the energy transition with over one-third
9	of total industrial investments in clean energy or emissions reductions, and as a result,
10	employment in Louisiana's energy sector has grown and is expected to continue to grow in
11	coming decades; and
12	WHEREAS, over the last five years, the state of Louisiana has announced thirty-five
13	clean energy projects totaling \$45.6 billion in capital expenditure and these projects will
14	create twenty-three thousand new jobs with an average salary of \$79,700; and that \$23.3
15	billion of the total \$45.6 billion represent investments for renewable-powered industrial
16	projects; and
17	WHEREAS, Louisiana is expected to have exponential growth in demand for clean
18	hydrogen because of economic opportunity for industries, job growth, and energy
19	diversification; and
20	WHEREAS, Louisiana is already one of the largest hydrogen producers in the nation,
21	totaling 2.8 million metric tons of hydrogen in 2020, and is equipped to be a regional and
22	global leader of clean hydrogen production, transport, storage, and use; and

1	WHEREAS, hydrogen is a chemical element commonly used as a feedstock in
2	industrial processes like oil refining, fertilizer production, petrochemical, and steelmaking;
3	and
4	WHEREAS, hydrogen is an energy carrier and can store and deliver usable energy
5	derived from a variety of sources; and
6	WHEREAS, hydrogen can also be used as a substitute for conventional fossil fuels
7	in some use cases with considerably lower greenhouse gas emissions at its point of use; and
8	WHEREAS, hydrogen can be produced using multiple methods, each with varying
9	levels of carbon intensity based on the processes and inputs used; and
10	WHEREAS, the United States Department of Energy has issued guidance defining
11	a Clean Hydrogen Production Standard based on the carbon intensity of production, rather
12	than the method of production, with "well-to-gate" lifecycle intensity as less than or equal
13	to 4.0 kg CO2e per kg hydrogen; and
14	WHEREAS, "well-to-gate" refers to carbon intensity associated with a product or
15	process from the point of extraction or production of raw materials to the point where it
16	leaves the manufacturing facility gate; and
17	WHEREAS, the United States Department of Energy is targeting clean hydrogen
18	production costs in the \$1/kg range within ten years and Louisiana is well-positioned to lead
19	the seeking of this goal due to its vast industrial knowledge, facilities, research universities,
20	trained workforce, and feedstock assets; and
21	WHEREAS, the study of and policy development for production, infrastructure
22	buildout, and end uses for clean hydrogen will make the Louisiana market more competitive.
23	THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
24	create the Clean Hydrogen Task Force, herein referred to as the "task force", composed of
25	members as hereinafter provided, to study and make recommendations related to the
26	growing clean hydrogen industry in the state, including its production, connective and
27	storage infrastructure, and end use.

1	BE IT FURTHER RESOLVED that the task force shall be composed of the
2	following members:
3	(1) The chairman of the House Committee on Natural Resources and
4	Environment, or his designee.
5	(2) The chairman of the Senate Committee on Natural Resources, or his designee.
6	(3) The secretary of the Department of Energy and Natural Resources, or his
7	designee.
8	(4) The secretary of the Department of Environmental Quality, or his designee.
9	(5) The secretary of the Department of Economic Development, or his designee.
0	(6) The chairman of the Public Service Commission, or his designee.
1	(7) Two appointees from the clean hydrogen industry.
12	(8) Two representatives from regulated electric power generation and distribution
13	companies, one of whom shall be appointed by the chairman of the House Committee on
4	Natural Resources and Environment and one by the chairman of the Senate Committee on
15	Natural Resources.
16	(9) Two appointees from the Louisiana higher education system with relevant
17	expertise.
18	(10) One appointee from a regional economic development organization with
19	relevant policy and ecosystem expertise.
20	(11) No more than three appointees that represent the interests of the community.
21	BE IT FURTHER RESOLVED that the task force shall be chaired by the chairman
22	of the House Committee on Natural Resources and Environment or his designee and the
23	chairman shall appoint members unless noted otherwise above.
24	BE IT FURTHER RESOLVED that the task force shall meet at least quarterly, with
25	an initial meeting no later than July 31, 2024, and be staffed by the Louisiana Department
26	of Energy and Natural Resources, office of energy, if such office is created on or after July
27	1, 2024, by House Bill 810 of the 2024 Regular Session of the Legislature and otherwise by
28	the discretion of the secretary of the Louisiana Department of Energy and Natural Resources.

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improve air quality.

1 BE IT FURTHER RESOLVED that a majority of membership shall constitute a 2 quorum for the transaction of business, and any official business shall require an affirmative 3 vote of the majority of the quorum present and voting. 4 BE IT FURTHER RESOLVED that the task force shall develop a plan of 5 recommendations for the governor and the legislature on Louisiana's future in clean 6 hydrogen no later than December 1, 2025. 7 BE IT FURTHER RESOLVED that in developing this plan, the task force shall 8 research and address the following topics: 9 (1) Assess the growing clean hydrogen economy and workforce in the nation and 10 in the State of Louisiana. 11 Provide transparency on hydrogen production, connective infrastructure, end (2) 12 use, and impacts on local communities. 13 Review active and planned clean hydrogen projects, policy initiatives, public (3) 14 and private investments, tax incentives, project permitting, state procurement, pilot projects, 15 projected workforce needs, and regulatory structures in Louisiana. 16 (4) Assess public and private policy mechanisms to incentivize clean hydrogen 17 specifically for high-opportunity end uses for the State of Louisiana like ammonia and 18 chemical products, oil and gas refining, maritime fuel production, power production, and 19 port facility operations. 20 (5) Recommend policy strategies to accelerate the production and use of clean 21 hydrogen, including processes such as electrolysis and steam methane reforming with carbon 22 capture. Policy recommendations may include recommendations on how to overcome 23 market and technical barriers and accelerate progress in clean hydrogen production; scaling 24 and use, including use of public-private partnerships or demonstration projects; financing mechanisms; incentives; or other policies. 25 26 Assess the largest sources of emissions in Louisiana, the divergence of (6) 27 Louisiana's emission sources compared to other states, and the opportunity of clean 28 hydrogen production to decarbonize sectors of the state economy, reduce emissions and

- 1 (7) Assess opportunities for and barriers to deployment of clean hydrogen in the 2 state economy and policy environment.
- BE IT FURTHER RESOLVED that the task force shall submit this plan of
- 4 recommendations for Louisiana's future in clean hydrogen to the governor, the House
- 5 Natural Resources and Environment Committee, and the Senate Natural Resources
- 6 Committee by December 1, 2025 and submit a progress report by March 1, 2025.
- 7 BE IT FURTHER RESOLVED that following the submission of the final plan of
- 8 recommendations the task force shall be disbanded.
- 9 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
- 10 secretary of the Department of Energy and Natural Resources, the secretary of the
- 11 Department of Environmental Quality, the secretary of the Department of Economic
- 12 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)]

HCR 64 Re-Reengrossed

2024 Regular Session

Orgeron

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. Specifies that the task force will be staffed by the La. Dept. of Energy and Natural Resources, office of energy, if it is created by July 1, 2024. Otherwise, the task force will be staffed at the discretion of the secretary.

Summary of Amendments Adopted by House

The Committee Amendments Proposed by <u>House Committee on House and Governmental Affairs</u> to the <u>engrossed</u> resolution:

1. Make a technical change.

The House Floor Amendments to the reengrossed bill:

1. Specify that the task force will be staffed by the La. Dept. of Energy and Natural Resources, office of energy, if such office is created on or after July 1, 2024, by House Bill 810 of the 2024 R.S. and otherwise by the discretion of the secretary of the La. Dept. of Energy and Natural Resources.