November 8, 2023 Hydrogen's Potential in New England <u>A Conversation</u> with the Massachusetts Clean Energy Center

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A Brief Overview of this Nascent Industry

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Overview & Outline

- DOE's Clean Hydrogen Roadmap:
 - Clean H2 can support 10% economy-wide emission reductions by 2050 compared to 2005;
 - > Create 100,000 jobs by 2030
 - Potential domestic demand of 50 million metric tonnes (MMT) by 2050

Outline

- > Production,
- > Transportation & Storage
- > End-Uses
- > Issues

Production

 Hydrogen is often categorized by color based on the method it was produced.

Green	Blue	Grey	Pink
 Produced from renewable energy resources electrolysis 	 From Natural Gas Steam Methane Reforming ("SMR") Paired With CCS 	 From Natural Gas via SMR similar to blue hydrogen Not Paired with CCS 	• From nuclear generation

 Possibility that "green hydrogen" will become more prevalent with addition of more renewables on grid lead to increase curtailment

> "inter-seasonal energy storage"

Transporting and Storage

Transportation

- Interstate and Distribution pipelines
 - Possibly start with blending, move on to fully dedicated pipelines
- Liquid Organic Hydrogen Carriers (LOHCs) liquids that can absorb and release hydrogen through chemical reactions.
- Tube Trailers (trucks) transport compressed H2 at 180 Bar

Storage

- On-site tanks Either compressed gas or liquid hydrogen (cryogenic temperatures)
- <u>Salt caverns</u>
- Other materials (including LOHCs)

End-Uses and Applications

Combustion

- Co-firing in natural gas turbines
 - Most gas turbines already tolerate low H2:NG blends (10-30%)
 - Retrofit of existing turbine fleet may lead to higher percentages of H2
- › Possible Residential Uses
 - For example, National Grid anticipates blending 20% green hydrogen in its network prior to 2040 (National Grid Roadmap Filing from DPU 20-80 proceedings available <u>here</u>)

Fuel Cells

- > Heavy duty vehicles
- Medium size plants (1-30MW in size)
- > Forklifts
- Feed stock for other fuels, such as ammonia, another carbon free fuel.

Important Developments

- Inflation Reduction Act provides 45V Production Tax Credit ("PTC") for clean hydrogen production
 - > Up to \$3 per KG based depending on the lifecycle greenhouse gas emissions rate that results from the production of the qualified clean hydrogen
 - IRS still has not provided guidance as to how lifecycle greenhouse emission will be determined.
 - > Credits can be "stacked"
- Tax credits for alternative fuel vehicle refueling property
 \$100,000 for each single item of property
- LDCs in Massachusetts submitted plans to blend hydrogen with distribution system.
- Connecticut seems to be early adopter of H2 <u>20 MW Fuel Cell</u> <u>facility</u> in New Britain, CT.
- DOE selected Hydrogen Hubs in October, awarding \$7 billion
 - > Northeast Hub was not selected.

Issues (To Name A Few)

- More volatile than natural gas
 - > Primarily issue with residential uses
 - > Tough to odorize
- Smaller molecule leading to higher losses when transported via pipelines
- Hydrogen content in interstate pipelines may lead to hydrogen embrittlement.
- Public perception H2 combustion is reminiscent to natural gas
- Low volumetric energy density

Helpful Resources

- U.S. Clean Hydrogen Roadmap
- <u>Center for Hydrogen Safety</u>
- Intermountain Power Project in Delta, Utah
 - > 1,800 MW Power Plant with Salt Dome Storage

Questions?

Thanks!

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