CONTENTS

About the author **1**
Contents **2**
Executive Summary **4**
Introduction **7**
1. The Bipartisan Infrastructure Law is a game changer for clean hydrogen **8**
1.1 Policy developments are a turning point for hydrogen 8
1.2 The BIL lays the foundations for an ambitious clean hydrogen strategy and invests billions in clean hydrogen 9
1.2.1 Clean hydrogen: "Technology push" through RD&D and deployment 9
- A technology-neutral approach: clean $H_2 \leq 2$ $kgCO_2e/kgH_2$ 10
- RD&D and deployment: a pillar of the new hydrogen program 10
- Regional clean hydrogen hubs: at least four hubs to efficiently scale up demand 11
- Clean hydrogen electrolysis program: production cost under \$2/kgH_2 by 2026 12
- Equipment manufacturing: creating a domestic manufacturing and supply chain 12
- National clean hydrogen strategy and roadmap to be published by 15 May 2022 13
- Cooperation between national laboratories: NETL as the national coordinator 13

1.2.2 The BIL also invests billions in CCUS 13
1.3 The BBB Act's tax credits for clean hydrogen and CCUS 15
1.3.1 The clean hydrogen tax credits would complement the BIL with a strong "market pull" 15
1.3.2 The increased 45Q tax credit would provide significant support to CCUS 17
1.4 Green procurement policy 20
1.5. DOE hydrogen program: from R&D to deployment at scale 21
1.5.1 A strong hydrogen research program and funding 21
1.5.2 Major recent DOE clean hydrogen initiatives: H2 Shot and H2 MatchMaker 22
1.5.3 Regional clean hydrogen hubs: competition is heating up 23
2. Domestic market development: A huge potential **27**
2.1 Current hydrogen demand: 13% of global demand 27
2.2 Future clean hydrogen demand: 60 MtH_2/y, or even more by 2050 27
2.3 Feedstock for industry 29
2.3.1 Refining and chemical industry: the greatest near-term opportunity 29
2.3.2 Iron and steel industry: several alternatives in competition 31
2.4 Transport sector 33
Road transportation: heavy trucking the most promising segment for FCEVs development 33
Rail transport 36
Shipping 36
Aviation 37
2.5 Injection of hydrogen into natural gas pipelines 38
2.6 Power sector 41
2.6.1 Over 20 GW of existing and new capacity plan to burn hydrogen/natural gas blend 41
2.6.2 Energy storage: massive storage capacity under development 43
2.6.3 Distributed power generation: off-grid and backup power 46
3. Hydrogen production: the US has a vast potential for all production pathways **47**
3.1 Current production: The US is the world's second largest producer, behind China 47
3.2 Hydrogen: The energy carrier that unites all US energy resources and regions 47
3.3 Cost, scale, emissions, and delivery challenges 49
3.3.1 Costs: DOE's hydrogen shot: \$1 per 1 kilogram in 1 decade 49
3.3.2 Scale and timing 51
3.3.3 GHG emissions of clean hydrogen over the life cycle and methane emissions 51
3.3.4 Delivery challenges 53

3.4 Big plans for blue hydrogen and ammonia 55
3.4.1 The deployment of blue hydrogen projects is taking off 55
3.4.2 Blue and turquoise hydrogen production to reach close to 2 MtH_2/y by 2026 57
3.5 Green hydrogen production: first giga-scale projects 58
3.5.1 Power-to-X: a rapid catch up 58
3.5.2 First giga-scale projects announced 63
3.5.3 Biomass-to-hydrogen: testing new technologies 66
3.5.4 Green hydrogen production to reach around 1 MtH_2/y by 2030 66
3.6 A huge clean hydrogen production potential by 2030 67
3.7 Towards a leading position in export of clean hydrogen and hydrogen-based fuels 67
Conclusion 71
Annex 1: Focus on key regional hubs 72
Annex 2: Blue and turquoise hydrogen projects in the US 78
Annex 3: Power-to-X projects in the US (electrolyzers) 83
Annex 4: Biomass-to-hydrogen projects in the US 85
Main Abbreviations 86
List of Tables, Figures, Maps and Boxes 88