

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.<sup>[1]</sup> 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<sup>[2]</sup> reports that

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<sup>[1]</sup> <https://fchea.org/press-releases/new-report-offers-road-map-to-us-hydrogen-energy-leadership/>

<sup>[2]</sup> <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,<sup>[3]</sup> but has now grown to over 60% of global capacity.<sup>[4]</sup>** 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 Groups**

American Petroleum Institute  
American Biogas Council  
American Chemistry Council  
American Council on Renewable Energy  
Business Council for Sustainable Energy  
US Chamber of Commerce  
California Hydrogen Business Council  
Center for Houston's Future

Citizens for Responsible Energy Solutions  
Clean Energy Buyers Association  
Clean Hydrogen Future Coalition  
ClearPath Action  
Colorado Hydrogen Network  
Compressed Gas Association  
Fuel Cell and Hydrogen Energy Association  
Hydrogen Fuel Cell Bus Council

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<sup>[3]</sup> <https://www.iea.org/reports/global-hydrogen-review-2023/executive-summary>

<sup>[4]</sup> <https://www.woodmac.com/news/opinion/the-competitive-edge-of-chinas-electrolysers>

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  
Center for Transportation and the Environment  
The Chemours Company  
Cummins Inc.  
DG Fuels  
Dow  
Eastward H2  
EcoEngineers  
Electric Hydrogen  
Element Resources Inc.  
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  
Syensqo

Taylor-Wharton America  
TECHNIP ENERGIES  
Teledyne Energy Systems, Inc.  
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