



## OFFICE OF THE GOVERNOR

207 STATE HOUSE  
SPRINGFIELD, ILLINOIS 62706

**JB PRITZKER**  
GOVERNOR

February 26, 2024

Internal Revenue Service  
Department of Treasury  
Room 5203, Internal Revenue Service  
P.O. Box 7604, Ben Franklin Station  
Washington, DC 20044

*[Submitted electronically via Federal eRulemaking Portal]*

**Re: Section 45V Credit for Production of Clean Hydrogen; Section 48(a)(15) Election to Treat Clean Hydrogen Production Facilities as Energy Property (REG-117631-23)**

To whom it may concern:

Clean hydrogen is both an important tool for our climate efforts in difficult-to-decarbonize sectors of our economy, and an important future engine for innovation and economic growth in Illinois.

As of today, Illinois' most substantive opportunity to participate in the clean hydrogen economy is through the Midwest Alliance for Clean Hydrogen (MachH2) hub, which the Department of Energy selected as one of seven clean hydrogen hubs nationally. MachH2 has proposed to power electrolysis in the hub with a mix of resources that includes an existing nuclear facility.

Given the proposed role of this facility in MachH2 and Illinois' great interest in the success of the MachH2 hub, determinations on how generation from this facility and facilities like it in Illinois are treated for the 45V tax credit are of great interest to our state.

We share the proposed rule's aim of avoiding induced emissions and the health, environmental, and climate harms that would come with them. We are also encouraged by the Department of Energy opinion cited in the rule that "there are circumstances during which diversion of existing minimal (that is, zero or near-zero) emissions power generation to hydrogen production is unlikely to result in significant induced [greenhouse gas] emissions."

In the draft rule, the Department of Treasury and the Internal Revenue Service state that they are "considering providing, in the final regulations, alternative circumstances under which an



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[energy attribute credit] may be deemed to satisfy the incrementality requirement,” and contemplate several potential approaches to do so.

We urge the Treasury Department and the IRS to provide clear, workable circumstances under which existing zero-emission generators can receive the 45V tax credit in the final rule, such that the MachH2 hub remains economically viable.

We hope that it is possible to design an approach that achieves this without significant induced emissions (as the Department of Energy opinion suggests) and encourage Treasury and the IRS to pursue the lowest emissions approach possible which allows for MachH2’s economic viability.

Sincerely,

A handwritten signature in black ink, appearing to read "JB Pritzker".

JB Pritzker  
Governor, State of Illinois