Comments Submitted By:

Clean Energy Buyers Association
1425 K Street Northwest, Suite 1110
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For Internal Revenue Service Request for Comments on Credits for Clean Hydrogen and Clean Fuel Production (Notice 2022-58)

Dear Secretary Yellen,

Thank you for accepting public comments on this important matter. The Clean Energy Buyers Association (CEBA) would like to offer market insights on the Internal Revenue Service's (IRS) Request for Comments on Credits for Clean Hydrogen and Clean Fuel Production (Notice 2022-58) to support the Administration's efforts to scale and deploy clean hydrogen. CEBA is submitting these comments as an addendum to the comments submitted by the Clean Energy Buyers Institute (CEBI) on November 17, 2022.

The Clean Energy Buyers Association, a 501(c)(6) business association with over 330 energy customer and solution provider member companies representing more than $7 trillion in revenues and 16 million employees, represents a community committed to achieving decarbonized electricity system. Its counterpart, the Clean Energy Buyers Institute (CEBI), is a 501(3)(c) non-profit organization focused on solving the toughest market and policy barriers to achieving a customer-driven, carbon-free energy system for all. CEBI works in collaboration with customers, solution providers, policymakers, leading philanthropies, and energy market stakeholders to develop insights and solutions that solve these barriers. Together, the two entities form the Clean Energy Buyers Alliance (Alliance). The Alliance's aspiration is to achieve a 90% carbon-free U.S. electricity system by 2030 and cultivate a global community of customers driving clean energy to deliver clean energy access for all.

With this additional submission from CEBA, we hope to amplify our recommendation for the creation of a voluntary market for clean hydrogen where customers can engage and verify their clean hydrogen procurement. In response to 1(e)(ii), CEBA seeks to highlight the importance of publicly available greenhouse gas (GHG) emissions data for every megawatt hour of electricity to strengthen clean hydrogen credentials. CEBA offers the IRS the following recommendations as an addendum to CEBI's separate response to question 1(e)(ii):

1(e)(ii) What granularity of time matching (that is, annual, hourly, or other) of energy inputs used in the qualified clean hydrogen production process should be required?
To enable and incentivize the clean hydrogen producers to optimize the impact of their carbon-free energy (CFE) procurement and the associated CFE credentials for their

respective clean hydrogen product, U.S. energy attribute certificate (EAC) registries must capture new attributes—namely, an hourly (or sub-hourly) timestamp and grid carbon intensity metrics to ensure that clean hydrogen is verifiably clean-powered at the most granular level possible and catalyzes demand for CFE. As per Princeton University's research, this will also help avoid the unintended potential impact of new electrolyzers increasing local grid emissions. The addition of these attributes to EACs should follow emerging industry standards, namely the Energy Tag Granular Certificate Scheme Standard. By enabling and encouraging clean hydrogen producers to power their electrolysis to optimize the decarbonization impact of their CFE procurement, clean hydrogen producers will send more powerful, targeted market signals that better align the expansion of clean hydrogen production with systemic grid decarbonization.

To facilitate the availability of hourly timestamped and carbon stamped EACs and resulting next generation CFE procurement products, the Department of Treasury and Department of Energy should compel local registries to add hourly timestamps, tags for all CFE resources, tags for CFE storage events, and average grid carbon intensity information to EACs. **To further support the development of these registries, the Department of Energy needs to accelerate the development of a publicly available dashboard detailing the GHG emissions data of every megawatt hour of electricity generated and harmonize the data it collects with data from the Environmental Protection Agency and other federal agencies, as outlined in the Infrastructure Investment and Jobs Act (IIJA).** By producing this granular level of GHG emissions data, EIA will be able to provide consistent, timely, and accessible information detailing the hourly emission data that can support next generation CFE procurement solutions that use these enriched EACs to enable clean hydrogen producers to send the most powerful market signals possible for systemic grid decarbonization. Failure to develop this dashboard invites diminished confidence that hydrogen will be clean and weakens the potential of market signal impacts.

CEBA welcomes feedback on our comments, as well as the comments originally submitted for consideration by CEBI. CEBA can also serve as a partner to provide further insights on energy customers' perspectives and address any current gaps in research and educational resources to reflect the unique role of customers and voluntary markets in maximizing the efficacy and impact of the CHPS and broader U.S. decarbonization strategy.

We look forward to continuing to inform and support the Administration's wider efforts to accelerate the clean energy transition.

Sincerely,

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