190 Carondelet Plaza
Suite 1530
Clayton, Missouri 63105

February 26, 2024

VIA The Federal eRulemaking Portal at www.regulations.gov

Internal Revenue Service
CC:PA:LPD:PR (REG-117631-23)
Room 5203
P.O. Box 7604
Ben Franklin Station
Washington, DC 20044

Re: Comments on IRS REG-117631-23

Ladies and Gentlemen:

Olin Corporation ("Olin") appreciates the opportunity to respond to the request from the Department of Treasury for Comments on the Proposed Regulations relating to Credits for the Production of Clean Hydrogen as established and amended by the Inflation Reduction Act of 2022.

Olin is a leading vertically integrated global chlor-alkali producer and distributor of chemical products and is North America's largest producer of electrolytic hydrogen. Olin has proven itself as a market leader over its 130-year history of producing hydrogen as part of our chlor-alkali production process.

Olin views its role as a catalyst within the global clean hydrogen economy as it brings the untapped potential of its clean hydrogen supply capabilities from across North America to meet rapidly growing demand. Given our existing production capabilities, Olin and the chlor-alkali industry are uniquely positioned to serve the fuel cell market and make a lasting impact on the global carbon reduction efforts of the Biden Administration. With the appropriate regulatory framework, our unmatched ability to bring clean hydrogen to market in the near term has the potential to greatly accelerate the energy transition.

Olin is a demonstrated leader and innovator in the new hydrogen economy by announcing a first-of-its-kind partnership with clean hydrogen industry leader Plug Power to produce, market, and deliver clean hydrogen from our plant in St. Gabriel, LA. Olin recognizes the important role the chlor-alkali industry can play in rapidly creating a sustainable clean hydrogen economy. This project represents only a small fraction of our total hydrogen capacity. Olin anticipates additional projects would become viable within a supportive policy environment.

This letter focuses on certain questions within the proposed regulations pertaining to the clean hydrogen production tax credits under Section 45V.

Lifecycle greenhouse gas emissions rate – 45VH2-GREET Model and Provisional Emissions Rate Petition (PER)

Olin is currently reviewing the 45VH2-GREET Model and the many benefits it provides with its significant repository of vetted and verified data and assumptions for calculating the lifecycle greenhouse gas emissions to produce clean hydrogen across various pathways. The 45VH2-GREET Model appears to provide a singular scientifically tested lifecycle GHG emissions rate for determining qualification for Section 45V clean hydrogen credits. However, the 45VH2-GREET Model does not provide a fair and equitable process to determine lifecycle GHG emissions for all known production pathways of clean hydrogen. The 45VH2-GREET model specifically excludes production pathways that the Argonne National Laboratory has previously reviewed and published lifecycle GHG emission reports on as viable clean hydrogen sources. Taxpayers utilizing these production pathways are left with the administrative uncertainty and timing of an undefined Provisional Emissions Rate process and emissions value requests to the Department of Energy. These Taxpayers have no statutorily available alternative to determine their qualification for claiming credits under Section 45V.

Olin strongly recommends the Treasury immediately incorporate these excluded production pathways[1] into the 45VH2-GREET Model or allow Taxpayers to utilize Argonne National Laboratory's more robust GREET R&D Model to determine lifecycle GHG emissions rates for qualification under Proposed §1.45V-4. Either of these options would eliminate the immediate uncertainty of taxpayers related to their qualification to timely claim credits under Section 45V and allow for the immediate investment in current, known, viable hydrogen producing technologies. This certainty will drive the early-stage development of hydrogen as a viable clean energy source and serve as the launchpad for the Biden Administration's Department of Energy in meeting its stated production goal of 50 million metric tons of clean hydrogen by 2050.

Olin appreciates the opportunity to provide these comments on the production tax credit for clean hydrogen as requested by the proposed regulations of Section 45V. We are dedicated to supporting the Administration in ensuring the Inflation Reduction Act guidance on clean hydrogen tax incentives is successful. If you have any questions or comments regarding this submission or any other hydrogen related matter, please feel free to contact Mike Meenan at (314) 719-1780 or mmeenan@olin.com.

[1] See Guidelines to Determine Well-to-Gate Greenhouse Gas (GHG) Emissions of Hydrogen Production Pathways using 45VH2-GREET 2023 Manual (December 2023) which lists the currently excluded production pathways: Reformation of RNG from animal lagoons, wastewater treatment plants, municipal solid waste (MSW) is diverted from landfills, and food waste diverted from landfills; Reformation of coal mine methane; Methane pyrolysis; Byproduct hydrogen from chlor-alkali processes; and Gasification of other types of biomass (willow, poplar, switchgrass, and miscanthus).