

PORT OPPORTUNITIES WITH ENERGY, RESILIENC ND SUSTAINABILI

Department of Energy Issues Update on Hydrogen Hubs Program

The Bipartisan Infrastructure Law (BIL) included \$8 billion in funding over five years for the new Hydrogen Hubs grant program, administered by the Department of Energy (DOE). DOE last month released a "Notice of Intent to Issue" a Funding Opportunity Announcement (FOA). This Notice outlines what to expect from the forthcoming FOA, which will start the formal grant application process. The Hydrogen Hubs program will fund "a network of clean hydrogen producers, potential clean hydrogen consumers, and connective infrastructure located in close proximity."

The program aims to award grants to at least four Hydrogen Hub projects, each in a different region, relying on a different fuel source, and serving a different industry. The Notice specifies that one of the Hubs should serve the transportation industry.

Between the 2022 to 2026 fiscal years, \$8 billion will be available to assist the development of six-ten Hubs, each receiving between \$400 million and \$1.25 billion in grant funding. Grants will require a minimum 50 percent non-federal cost share.

However, for the initial FOA, the DOE envisions that it will select six to ten H2Hubs with a total of \$6-7 billion. The DOE may even issue another round of FOA, but it is possible the aforementioned \$8 billion is their only funding from the Infrastructure Investment and Jobs Act (IIJA). Thankfully, if funded throughout all four phases, the DOE envisions the H2Hubs will prove — and each H2Hub should remain — financially viable, even after the DOE stops providing them with funds and even with a minimum of a 50 percent non-federal cost share.





@aapa-ports

www.aapa-ports.org

The initial FOA will issue in September or October 2022 and will likely request concept papers for submission six to eight weeks after the FOA is released. The FOA and DOE would then respond to the concept papers about four to six weeks afterwards either encouraging or discouraging an application. Full applications will likely be due four months after that notification is sent out. DOE anticipates that it will give awards to applications that are led by a single applicant, but that incorporate multiple entities that will work together to produce, transport, and use hydrogen. DOE encourages potential applicants to utilize the H2 Matchmaker tool to find potential partners.

Find a press release outlining the Notice of Intent to Issue the FOA <u>here</u>. Find the full Notice <u>here</u>.

