

# Caller Times

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## Opinion: Texas has the chance to become a hydrogen energy hub

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Published 6:31 a.m. CT Nov. 11, 2022

With over 1600 miles of hydrogen pipeline already built along its coast, Texas is the only state in the country with the ability to become a hydrogen hub at a rapid clip. And by putting the regulatory structure and incentives in place, the Texas legislature can make this happen.

The Houston Energy Transition Initiative (HETI), through their collaborative of the Greater Houston Partnership and Center for Houston's Future, forecasted that Texas could build a \$100 billion hydrogen economy, with 180,000 jobs by 2050, through initiatives focused on policy, infrastructure, innovation, and talent.

There is no doubt that hydrogen will play a key role in our nation's energy future. As the federal government and large financial institutions and regulatory agencies push companies to reduce their emissions, Texas must do what it has always done when it comes to energy -- pioneer new technology leading to enhanced energy output and more jobs for Texans.

The Legislature could authorize state government, specifically the Office of the Governor and TCEQ, to consider investments in hydrogen fueling infrastructure and the production of sustainable hydrogen as a transportation fuel. They could also consider defining transportation electrification to include hydrogen used as a transportation fuel. Relatively small changes to the Texas Emissions Reduction Program alternative fuel requirements could open underutilized funds currently allocated exclusively to compressed natural gas vehicles.

The Bureau of Economic Geology at the University of Texas identified a need for an inventory of carbon storage reservoirs sites for use to make progress on hydrogen storage; the identification of such sites could also help further other low-carbon initiatives such as CCUS, by locating storage that could be utilized for both long term sequestration and immediate term hydrogen storage. Any initiatives for the expansion of the state's

underground natural gas storage capacity should include hydrogen storage as well.

There are also federal opportunities. In October of 2021, Sen. John Cornyn and others introduced a bipartisan bill package to incentivize hydrogen infrastructure and the adoption of hydrogen in certain sectors. The three-bill initiative creates research and grant programs for advancements in hydrogen infrastructure.

To make matters even more important for the Legislature to establish this regulatory structure is the fact that the Lone Star State has the private sector know-how to work alongside the Legislature to accomplish this. As the *Texas Engineer* points out, "the state's expertise in oil and gas and renewables like wind and solar gives it a leg up on potential competitors. And the skillset for hydrogen fits well with the current oil and gas workforce."

Companies are already investing heavily in this energy of the future. Toyota, Shell and Frontier Energy are just a few of the companies that have partnered with the University of Texas at Austin to explore greater uses for hydrogen beyond a clean power source.

In February of 2022, the Port of Corpus Christi and energy innovators such as Apex Clean Energy, Ares, and EPIC Midstream entered into an agreement to explore development of gigawatt-scale green hydrogen production, storage, transportation, and export as part of PCC's burgeoning hydrogen hub.

Other companies such as Sempra, an energy leader, are seeking ways to support green hydrogen initiatives, with goals to support the expansion of electric grids, with increased flexibility, with low or zero carbon energy such as hydrogen.

The opportunities are exciting and significant for the future of our country.

The combined energy expertise and existing infrastructure in Texas should encourage the Legislature to help create a new sector of the economy that will benefit our state and environment for decades to come.

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