



November 10, 2023

The Honorable Greg Vitali
Majority Chairman, House Environmental Resources and Energy Committee
30 East Wing
Harrisburg, PA 17120

The Honorable Martin Causer
Republican Chairman, House Environmental Resources and Energy Committee
47 East Wing
Harrisburg, PA 17120

RE: Pennsylvania Chemical Industry Council Support for Hydrogen Hubs

***transmitted via email**

Dear Chairman Vitali and Chairman Causer:

On behalf of the members of the Pennsylvania Chemical Industry Council (PCIC), I am writing to express our support for the development of hydrogen hubs in Pennsylvania, including the ARCH2 hub that will positively impact Southwestern PA, and the MACH2 hub located in Greater Philadelphia. These investments are expected to support more than 41,000 well-paying jobs and position Pennsylvania as a national energy and environmental leader for generations to come.

For the past 30 years, PCIC has served as the industry trade group representing Pennsylvania's chemical and plastics manufacturing operations. We represent 25 members who operate plants and employ thousands of workers throughout Pennsylvania, and 11 associate members who supply materials and environmental, engineering, and legal services to the industry.

Our industry is critical for manufacturing everyday products ranging from nearly every healthcare product to the building blocks for cleaner energy options, high-performing building materials, food packaging, electronics, personal care products, and more. In short, manufacturing starts with chemistry and modern society needs our industry to continue to grow while finding new and innovative ways to make their products more sustainable.

PCIC members are advancing sustainability, expanding recycling and reuse, decarbonizing supply chains, and transitioning to clean energy sources which are all driving substantial environmental benefits. Our industry understands the importance of sustainable production and responsible

use. This focus on and commitment to sustainability is why PCIC supports the development of ARCH2 and MACH2 hydrogen hubs in Pennsylvania.

Achieving the economic and environmental goals that we are collectively working towards will require investments in many new technologies, including hydrogen. The development of hydrogen hubs throughout the United States, including Pennsylvania, will play a critical role in growing the clean energy economy.

Hydrogen has countless end uses and can be used for power generation, transportation, and to decarbonize carbon-intensive industries like steel and ammonia production. It's a versatile energy source as well with the ability to expand opportunities to convert carbon-intensive transportation emissions sources to hydrogen fuel sources including fleet vehicles, warehousing equipment and more.

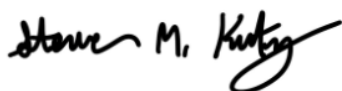
The opportunity for economic and environmental advancement is why hydrogen development has received bipartisan support at the federal and state levels. This includes significant federal investments from the Biden Administration's Department of Energy which has set a goal to produce 50 million metric tons of clean hydrogen fuel by 2050.

Meeting this aggressive goal is going to require an all-of-the-above approach when it comes to the feedstocks needed to produce hydrogen at this volume. It will also require a commitment to providing regulatory certainty and a predictable permitting process for the infrastructure projects necessary to create these hydrogen and carbon capture ecosystems.

Pennsylvania is blessed with abundant natural resources and a skilled workforce to take full advantage of the opportunity that these hydrogen hubs represent. Whether it is the ARCH2 hub making use of carbon capture to produce clean blue hydrogen from natural gas, or the green and pink hydrogen produced by the MACH2 hub, the creation of a hydrogen economy has broad positive implications both for our environment and our economy.

Our industry has a strong track record of working with legislators and regulators to develop solutions and advance innovations to achieve real economic and environmental progress. On behalf of our members, PCIC stands ready to serve as a resource to the Committee in this regard.

Sincerely,

A handwritten signature in black ink that reads "Steven M. Kratz". The signature is fluid and cursive, with the first name being the most prominent.

Steven Kratz
President
Pennsylvania Chemical Industry Council