
March 31, 2022

The Honorable Jennifer M. Granholm
Secretary
U.S. Department of Energy
1000 Independence Avenue SW
Washington, DC 20585

Dear Secretary Granholm:

Western Governors appreciate the efforts of the U.S. Department of Energy (DOE) to implement provisions of the Infrastructure Investment and Jobs Act (IIJA, Pub. L. 117-58) focused on developing regional clean hydrogen hubs. Western Governors' Association (WGA) Policy Resolution 2022-01, *Energy in the West* (attached), communicates Governors' interest in hydrogen technologies and contains the following statements:

- Western states are uniquely situated to produce low carbon intensity, clean hydrogen to facilitate greater economic development and decarbonization efforts; and
- Western Governors are committed to developing regional hydrogen hubs to spur economic development and add more clean energy sources to the region's resource mix.

Many western states plan to pursue federal funding opportunities to develop regional clean hydrogen hubs. The western energy economy is characterized by multiple factors that would support the development of multiple hydrogen hubs. These factors include: a balanced, diverse mix of energy resources; robust energy transport infrastructure; the presence of multiple national labs; and a high concentration of energy sector workers. Western Governors encourage DOE to leverage these existing resources as it designs and implements new hydrogen infrastructure programs and funding opportunities.

WGA Policy Resolution 2022-01 communicates Western Governors' intent to "make the West a leader in energy education, technology development, research, and innovation." Western Governors stand ready to work in partnership with DOE to leverage the IIJA and support the development of hydrogen and other advanced energy technologies.

Sincerely,



Brad Little
Governor of Idaho
Chair, WGA



Jared Polis
Governor of Colorado
Vice Chair, WGA

Attachment



Policy Resolution 2022-01

Energy in the West

A. BACKGROUND

1. Energy policy and the development of sustainable energy resources are major priorities for every Western Governor.
2. Western Governors recognize that approaches to energy use and development vary among our states and territories. However, the Governors remain committed to the development of policies and utilization of state energy endowments that result in sustainable practices that can benefit citizens, the region, the nation, and the world.
3. Electricity generation and delivery systems are undergoing rapid, significant change across the West. The increasing integration of renewable energy and distributed energy resources, electrification of vehicles and buildings, and retirement of traditional energy generating assets are all contributing to fundamental shifts in the electric sector. Several western states have accelerated these developments by enacting legislation to create targets or deadlines to further support renewable energy.
4. In addition, some energy systems face heightened threats from digital and physical sources, including wildfires, severe storms, heat waves, droughts, and other extreme weather events. Ensuring the reliability of energy generation and delivery systems despite these threats is a priority of every Western Governor.
5. Western states and communities are served by a diverse mix of electricity providers. Investor-owned utilities, public power utilities, and rural electric cooperatives all serve an invaluable role in delivering reliable, affordable power across the West. These electricity providers are characterized by differences in federal and state oversight, governance structures, capital assets, and geographic service territories.
6. The presence of federal lands affects energy projects and infrastructure deployment across the West. Planning, permitting, and siting energy generating assets and transmission and pipeline infrastructure can require close coordination between states, private developers, utilities, and one or more federal agencies. Western Governors are committed to working with federal agencies to create an effective state-federal partnership in energy development, land management, and environmental protection.
7. Western energy production is indispensable to meeting national energy demands. Because of this, the West is in a strong position to lead the development of energy systems that make the best use of land and resources and balance technical, economic, environmental and cultural considerations. The West provides a diverse range of energy resources:
 - a. Western states have the vast majority of high-yield geothermal energy capacity in the United States.

- b. Western states supply the majority of non-federal United States petroleum.
 - c. Western states are at the forefront of unconventional natural gas production and produce the majority of the nation's natural gas. Natural gas currently accounts for approximately 40 percent of the nation's electricity generation mix.
 - d. The West produces the largest output of hydropower in the nation.
 - e. Western states have the largest contiguous areas of land-based wind power resources in the nation and have over two-thirds of the nation's installed capacity. In addition, the Pacific Ocean offers some of the best offshore wind resources in U.S. waters.
 - f. The West has some of the highest-identified solar energy resource areas in the country and the majority of installed solar capacity.
 - g. Western states produce the largest portion of coal in the United States.
 - h. The West has the largest contiguous areas of high-yield biomass energy resource potential in the nation.
 - i. Western states are uniquely situated to produce low carbon intensity, clean hydrogen to facilitate greater economic development and decarbonization efforts.
 - j. Western states have conventional nuclear power generation facilities, produce all domestic uranium, and are at the forefront of advanced nuclear reactor technology development.
8. Western states are also leading the way in the development and deployment of innovative energy storage technologies. Utilities across the West have installed a range of battery technologies to improve grid function, flexibility, and resilience.
 9. Western states and Pacific territories have the resources to drive job creation and economic development through broad growth in the energy industry.
 10. The Merchant Marine Act of 1920 has prevented certain noncontiguous states and territories from being supplied with domestically produced energy commodities.

B. GOVERNORS' POLICY STATEMENT

Governors' Energy Priorities

1. Western Governors recognize the following as energy policy priorities for the West:
 - a. Secure the United States' energy supply and systems, and safeguard against risks to cybersecurity and physical security.
 - b. Ensure energy is clean, affordable, equitable, and reliable by providing a balanced portfolio of resources.

- c. Increase energy efficiency associated with electricity, natural gas, and other energy sources and uses to enhance energy affordability and to effectively meet environmental goals.
- d. Advance efficient environmental review, siting, and permitting processes that facilitate clean energy development and the improvement and construction of necessary energy infrastructure, while ensuring environmental and natural resource protection.
- e. Improve the United States' electric grid's reliability and resiliency.
- f. Protect western wildlife, natural resources, and the environment, including clean air and clean water, and reduce greenhouse gas emissions.
- g. Make the West a leader in energy education, technology development, research, and innovation.
- h. Utilize an all-of-the-above approach to energy development and use in the West, while protecting the environment, wildlife, and natural resources, and reducing emissions.

Grid Modernization and Resilience

- 2. A robust, resilient, and well-maintained energy delivery system is vital to the economy and quality of life in the West. Grid infrastructure in the West faces potential disruptions due to natural disasters, particularly wildfires, as well as growing cyber threat landscape. Increased grid threats due to wildfires and extreme weather events highlight the need to use and develop energy systems that are both reliable and combat climate change. Upgrades to transmission and distribution infrastructure, including information technology systems, are needed to properly address these risk factors, as well as anticipated increased electricity demand. Coordination between electricity providers and states in energy markets can lead to cost-effective energy for ratepayers and leverage regional resources.
- 3. Transmission infrastructure in western states often crosses one or multiple federal lands jurisdictions. In these situations, close coordination between states, utilities, and federal agencies is needed to ensure that projects are planned, permitted, and sited in a timely, efficient manner. Western Governors encourage federal agencies to streamline project-permitting reviews to minimize timelines without compromising environmental and natural resource protection or states' roles in those processes.
- 4. Western Governors encourage Congress to provide federal agencies, particularly the Bureau of Land Management (BLM), the Environmental Protection Agency, the Department of Energy (DOE), the Federal Energy Regulatory Commission, U.S. Forest Service (USFS), Bureau of Ocean Energy Management, and U.S. Fish and Wildlife Service with additional support to enhance staff and resource capacity to conduct environmental review and permitting activities associated with transmission infrastructure.
- 5. Western Governors recommend federal agencies leverage designated West-wide Energy Corridors to support the effective and efficient permitting and siting of energy infrastructure assets. Where applicable, Western Governors encourage the BLM and USFS to integrate designated corridor specifications into local land use plans.

6. Western Governors believe clear, coordinated and consistent wildfire mitigation strategies including application of federal vegetation management practices is integral to maintaining the health of western forests, preventing dangerous and damaging wildfires, and maintaining grid reliability. The Governors support effective and efficient cross-jurisdictional coordination that enables vegetation management for federal transmission rights-of-way.

Innovation and Technology

7. Western Governors encourage innovation and application of energy storage, including battery, hydrogen, pumped hydropower, and compressed air technologies, where cost-effective.
8. The U.S. has the opportunity to continue global leadership in carbon capture and storage (CCUS) research and technology development, while further deploying CCUS technologies, where cost-effective, that provide financial benefits to our nation's entire value chain.
9. The President and Congress should consider federal incentives to expand cost-effective deployment of carbon dioxide (CO₂) capture at power plants and other industrial sources.
10. Federal policies aimed to limit CO₂ emissions should promote, and not impede, development and deployment of CO₂ capture and commoditization. Federal regulations should allow states to create programs tailored to individual state needs, industries and economies and consider permanent CO₂ storage that results from enhanced oil recovery in meeting federal regulatory objectives.
11. Western Governors are committed to considering advanced and small modular reactors as an energy resource.
12. Western Governors are committed to developing regional hydrogen hubs to spur economic development and add more clean energy sources to the region's resource mix.
13. The developing floating offshore wind industry presents a strong economic and sustainable energy generation opportunity for the West. Western states can work collectively, and in consultation with Tribal governments and in coordination with stakeholders, to address workforce, economic, infrastructure, social, environmental, and manufacturing challenges associated with offshore wind planning, siting, and deployment.
14. Western Governors commend efforts by the United States Geological Survey and state geological surveys to identify potential, critical minerals deposits for alternative energy technologies and other consumer products vital to modern society.
15. Governors also support development of emerging tools and technologies that address barriers to mineral supply chain reliability, including technologies that help recycle or reuse existing critical mineral resources for use in electric vehicles and other clean energy technologies.
16. Western Governors are committed to leveraging the vast expertise in the West's industry, academic institutions, and national laboratories to make the region an international hub for new energy technology research and development, as well as energy education.

17. Western Governors encourage Congress and DOE to support and fund research, development, demonstration, and deployment of advanced energy technologies.
18. Western Governors support the creation of public-private research and development partnerships among industry, academia, the national labs, and federal agencies to identify promising new technologies, including energy efficiency technologies that advance clean energy with reduced environmental impacts.

Economic and Workforce Development

19. Western Governors and states are committed to encouraging training and education in energy-related fields and ensuring there is an adequate workforce operating under the highest safety standards.
20. Many western states and communities have been affected by localized job losses due to changes in the energy sector and the closure of coal power plants. Western Governors and states are working diligently to facilitate the creation of employment opportunities for displaced energy sector workers.
21. Western Governors offer their support for the U.S. Department of Agriculture (USDA) Rural Energy for America program, which has benefited farmers, ranchers and rural businesses that are often underserved by other federal energy efforts.
22. Western Governors support funding and long-term authorization for the State Energy Program (SEP), Weatherization Assistance Program (WAP), and Low-Income Home Energy Assistance Program (LIHEAP).
23. Western Governors support legislative measures that promote flexibility for rural electric cooperatives to refinance or adjust loans secured through the USDA Rural Utilities Service.
24. Western Governors support increasing the development and use of energy storage and low- and zero-emissions vehicles and associated infrastructure. WGA's Electric Vehicles Roadmap Initiative [Report](#) provides valuable insights on strategies to effectively integrate electric vehicle charging equipment with local grid infrastructure.
25. Western Governors call on the federal government to lift a barrier to domestic free trade between the contiguous United States and the noncontiguous states and territories by the Merchant Marine Act of 1920 by allowing those jurisdictions to receive energy commodities produced in the mainland but transported by foreign vessels, should those jurisdictions, and the jurisdictions whose ports are being used to ship these materials, desire it.
26. Redundant federal regulation of energy development, transport, and use is not required where sufficient state or territorial regulations exist. Existing state authority should not be replaced or impeded by Congress or federal agencies. Where additional regulations are necessary, federal agencies should consult and coordinate with states and tribes to ensure collaboration and understanding of unique circumstances within individual states and tribal nations.

C. GOVERNORS' MANAGEMENT DIRECTIVE

1. The Governors direct WGA staff to work with congressional committees of jurisdiction, the Executive Branch, and other entities, where appropriate, to achieve the objectives of this resolution.
2. Furthermore, the Governors direct WGA staff to consult with the Staff Advisory Council regarding its efforts to realize the objectives of this resolution and to keep the Governors apprised of its progress in this regard.

This resolution will expire in December 2024. Western Governors enact new policy resolutions and amend existing resolutions on a semiannual basis. Please consult <http://www.westgov.org/resolutions> for the most current copy of a resolution and a list of all current WGA policy resolutions.