

AGREEMENT BETWEEN THE STATES OF LOUISIANA, OKLAHOMA, AND ARKANSAS ON COORDINATION OF A JOINT APPLICATION FOR REGIONAL CLEAN HYDROGEN HUB GRANTS PURSUANT TO THE INFRASTRUCTURE, INVESTMENT AND JOBS ACT

WHEREAS, hydrogen is readily available through well-established production processes and is a significant energy carrier, allowing the transportation of energy from one place to another; hydrogen can be produced from a variety of sources, including water, fossil fuels, non-recyclable plastics, or biomass and used as a source of energy or fuel; hydrogen has a key role to play in the diversification of energy sources, fostering business and technological innovation as drivers for long-term economic growth and carbon-neutral energy systems; hydrogen's unique properties make it a powerful enabler for energy-system transitions, with benefits for both the energy system and end-use applications like transport, power generation, energy storage, building heating and cooling, and industrial applications; and

WHEREAS, Louisiana, Oklahoma, and Arkansas have abundant resources for the production of hydrogen and significant infrastructure in place; hydrogen can help repurpose infrastructure, jobs, and resources to support Louisiana, Oklahoma, and Arkansas's positions as energy leaders and exporters to lead the country in the clean-energy transition; and

WHEREAS, all three states are engaged in the production of traditional and alternative energy sources with a goal of providing the world with lower carbon energy that is both reliable and affordable; and

WHEREAS, the energy assets of all three states, including generation sources, pipelines, underground storage availability, and end users are complimentary, each to the other states; and

WHEREAS, Louisiana, Oklahoma, and Arkansas strongly believe that the entire value chain of hydrogen production and an unmatched diversity of end uses can be fully demonstrated in this three-state regional hub (hereinafter referred to as "the Hub"), including but not limited to seaports, airports, intermodal rail, robust pipeline infrastructure, and extensive rights of way, and some of the most valuable interstate highways and crossings that connect these three states and make them strategically valuable; and

WHEREAS, Louisiana, Oklahoma, and Arkansas have a proven and historic forward pathway of utilizing all energy sources in a manner designed to reduce emissions as well as other emissions of CO₂ and criteria pollutants under the Clean Air Act such as SO₂, NO_x, and ground level ozone; and

WHEREAS, Louisiana, Oklahoma, and Arkansas desire to stimulate the rural economy in many areas across the Hub that are home to numerous first nations and some of the poorest and most underserved communities that stand to directly benefit from the economic and environmental benefits that result from the Hub's activities and intentional design to be inclusive of these

communities for the development of workforce, supply chain, and manufacturing facilities, as well as the environmental benefits of these emerging low/no emissions technologies and fuels; and

WHEREAS, Louisiana, Oklahoma, and Arkansas have all shown a desire to prioritize the production of hydrogen in all forms, including from renewable, low and carbon-neutral energy, and from natural gas feedstock prioritizing proper care and treatment of the remaining carbon-dioxide waste in deep geologic permanent sequestration or transportation of the CO₂ for utilization; and

WHEREAS, all three states have strong state agencies and research universities with demonstrated experience working with National Laboratories engaged in the research and applied sciences developing the technologies and applications for hydrogen, carbon capture, direct air capture, deep geologic storage, pyrolysis, and many other methods for producing clean energy affordably and at scale; and

WHEREAS, all three states are home to diversification of partners, including end users, first nations, many military installations, numerous and various industries and corporate partners that are engaged in all facets of the production, generation, transportation, delivery, agriculture, engineering, manufacturing, and distribution supply chains, and storage of hydrogen, traditional fuels, renewable energy, fertilizer production, refining of petroleum-based chemicals and fuels, hydrogen supply-chain equipment manufacturers, engineers, and other industries that make a regional partnership mutually beneficial and provide the United States with a nation-leading regional hub for the production, development, transportation, and infrastructure for the energy transition and low-carbon energy demand; and

WHEREAS, section 40314 of the Infrastructure, Investment and Jobs Act of the 117th U.S. Congress, Public Law 117-58, hereinafter referred to as the IIJA, directs the Secretary of the U.S. Department of Energy to solicit, select, and fund proposals through grant issuance of at least four regional clean-hydrogen hubs based on diversity of the proposed hub's feedstock, end use, and geographic locations, as well as the proposed hub's effect on employment and additional considerations; and

WHEREAS, Louisiana, Oklahoma, and Arkansas's robust state partnerships and cooperation between and among the states' respective research universities, state agencies, and category-leading industry partners, makes seeking selection and funding for a regional clean-hydrogen hub under the IIJA mutually desirable and worthy of pursuit in concert with Oak Ridge National Laboratory and other U.S. Department of Energy National Laboratories.

NOW THEREFORE, the states of Louisiana, Oklahoma, and Arkansas, hereinafter referred to as the Parties, through their respective Governors, do agree, authorize, and direct all departments, commissions, boards, offices, entities, agencies, and officers of their respective states and any political subdivisions thereof to cooperate in the planning, studying, and development of a regional clean-hydrogen Hub to propose to the Secretary of the U.S. Department of Energy, and in furtherance of this purpose to:

Promote significant investment of infrastructure for the production and transportation of low-carbon hydrogen, stimulate demand for commercialization for long-term viability as a fuel source; and

Prioritize Direct Air Capture and the development of all phases of hydrogen production to advance the scale and production of hydrogen as a fuel and energy source and become a regional hub for all phases of development; and

Rely upon, utilize, and partner with Historically Black Colleges and Universities (HBCUs) and Native American tribes and tribal members to advance this partnership and grow and cultivate expertise in the production and transportation of hydrogen as a multifaceted fuel source and clean-energy transition fuel; and

Work to incorporate hydrogen production and transportation in all facets of regional hub development and maximize cooperation with industrial partners, transportation networks, ports, and all major industrial partners to prioritize infrastructure investment and connect major facilities that have high CO₂ footprints with hydrogen infrastructure for fuel blending and reduction of CO₂ emissions; and

Work with major energy producers and providers to prioritize the production of clean hydrogen, as defined by the IJJA, from traditional, nuclear power, and renewable energy sources; and

Work to advance all phases of hydrogen production to support the transportation industry for freight, ports, and all phases of transportation that can utilize hydrogen as a fuel source; and

Prioritize safety, energy security, reliability, energy equity, fair labor standards, environmental justice, labor, water recycling and conservation, and minimize any environmental impacts to communities; and

Seek to work with any governmental agencies, subdivisions, or entities outside the direction of the signatory Governors toward the promotion of this joint proposal.

In support of the aims and execution of this memorandum of understanding, each Governor does hereby assign the following respective Cabinet Secretaries, or their designee, as the point of contact for all matters related to this agreement. The respective Secretaries and their designees shall be responsible within their respective state for directing and coordinating the efforts of their state's governmental agencies and research institutions and individuals involved in proposing, promoting, and managing the regional clean-hydrogen hub proposal, which person shall be authorized to organize, coordinate, and direct through subsequent agreements and memoranda, where necessary, each state's work toward the purposes of this agreement.

Louisiana hereby assigns the Secretary of Natural Resources, Thomas Harris, or his designee;

Oklahoma hereby assigns the Secretary of Energy & Environment, Kenneth Wagner, or his designee; and

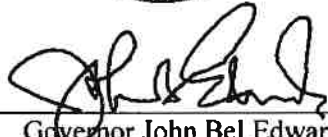
Arkansas hereby assigns the Secretary of Energy & Environment, Becky Keogh, or her designee; and

The Parties designate Jason Lanclos, in his official capacity as the Director of the State Energy Office, and the Louisiana State Energy Office as the official contact and repository of executed agreements for the Hub with copies to be distributed amongst the Parties.

This Agreement shall continue until such time as the Parties agree to terminate, but any State may withdraw by giving written notice to each of the signatory States.


Executed, delivered, and shall become effective upon the date of the last signature below.



BY: 
Governor John Bel Edwards
State of Louisiana


Dated 3/10/2022



BY: 
Governor J. Kevin Stitt
State of Oklahoma

Dated 3/10/2022



BY: 
Governor Asa Hutchinson
State of Arkansas

Dated 3/10/2022