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Western Interstate Hydrogen Hub Submits Application for U.S. Department of Energy Funding Grant

\$1.25B grant will build clean hydrogen hubs across four western states

SANTA FE —The Western Interstate Hydrogen Hub LLC (WIH2) submitted an application last week for a \$1.25 billion grant from the U.S. Department of Energy (DOE) to advance the hydrogen economy in Colorado, New Mexico, Utah and Wyoming. The submission is in response to the DOE's [Regional Clean Hydrogen Hubs \(H2Hubs\) Funding Opportunity Announcement \(FOA\)](#) to establish infrastructure-based hydrogen economies across America. WIH2's H2Hub proposal identifies eight projects across the four states, with at least one project in each state.

Spanning 408,000-square-miles, Colorado, New Mexico, Utah and Wyoming produce approximately one-sixth of the nation's energy. In February 2022, governors from the four states signed a [Memorandum of Understanding](#) to create the Western Inter-State Hydrogen Hub (WISHH) coalition to coordinate and develop a regional clean hydrogen hub. WISHH project manager [Atkins](#) — a world-leading design and engineering firm and government contractor — was hired to identify qualified projects and to develop and submit a proposal to the DOE's Office of Clean Energy Demonstrations (OCED) by the April 7, 2023, deadline. WIH2 was formed in pursuit of that objective.

Through a competitive application process, Atkins and the states selected eight qualified project partners for WIH2's application. Universities, national laboratories, and private-sector developers and technology providers helped inform the decision-making process. Project developers awarded the federal grant have committed to significantly exceed the DOE's requested minimum 50% grant match.

"Through bipartisan collaboration with states and project partners, we are advancing a vital economic development initiative that will power the nation and create thousands of jobs — all while reducing emissions," said **Governor Michelle Lujan Grisham**. "I look forward to the Department of Energy approving our plans for the premier hydrogen hub in the nation."

According to **Anja Richmond, WISHH program director**, the four states worked in a concerted and collaborative way over the past several months to select projects which will significantly advance the use of hydrogen. Each project highlights the unique culture and economy of the home state. She is confident the WIH2 proposal meets OCED's goals outlined in the FOA, such as requirements to address workforce, economic development and sustainability. "We have conducted social characterization assessments for each impacted

community and are confident that hydrogen will benefit these communities and their workforces for many years to come,” said Richmond.

The projects identified in the WIH2 H2Hub application are as follows:

- **AVANGRID** will leverage its experience in renewables to produce hydrogen in New Mexico (Navajo Nation in San Juan County and in Torrance County).
- **AVF Energy** will produce renewable natural gas/clean hydrogen from biomass harvested as part of fire mitigation and environmental restoration in Utah (Duchesne, Iron and Sevier counties).
- **Dominion Energy Utah’s ThermH2** project blends hydrogen into a high-pressure natural gas system in Utah (Juab and Utah counties).
- **Libertad Power** will produce clean hydrogen in New Mexico to serve off-takers across the Southwest in heavy haul transportation and power generation/storage (San Juan and Lea counties).
- **Navajo Agricultural Product Industries (NAPI)**, a 275,000-acre Navajo Nation-owned commercial farm is seeking to become energy self-sufficient and raise produce in greenhouses for the benefit of Tribal members in the Navajo Nation and San Juan County, New Mexico.
- **Tallgrass Energy** will produce clean hydrogen serving the power, transportation, and other industrial markets through its eH2Power project in New Mexico and Front Range Hydrogen project in Colorado and Wyoming.
- **Xcel Energy Colorado** will produce hydrogen on the eastern plains of Colorado using wind and solar and will support hydrogen use in the electric sector and hard to decarbonize segments of the economy.

“We’re very excited to see three hydrogen projects interested in locating in San Juan County, New Mexico,” said **San Juan County Commission Chair Steve Lanier**. “The opportunity to land high-wage jobs and replace some of the property tax base lost with the closure of the coal-fired San Juan Generating Station is exactly the kind of energy transformation and economic development we need.”

“The opportunity to have NAPI become energy self-sufficient with the support of clean hydrogen energy is vital to the future of the farm,” said **Dave Zeller, CEO of NAPI**. “This energy investment stages us to continue fulfilling the NAPI vision of farming sustainably across generations to cultivate a healthy Nation.”

“Libertad Power welcomes the opportunity WIH2 provides for us to accelerate and expand our commercial clean hydrogen deployment in New Mexico and across the Southwest,” said **Joe Merlino, managing partner at Libertad Power**. “Clean hydrogen builds on New Mexico’s long history powering the West and brings sustainable economic growth to communities throughout the state.”

“Congratulations to our partners in the Western Interstate Hydrogen Hub on submitting a proposal for U.S. Department of Energy’s Regional Clean Hydrogen Hubs program,” said **Pedro Azagra, AVANGRID CEO**. “We’re proud to be a part of this collaborative effort to advance clean hydrogen projects in New Mexico and welcome the opportunity to leverage our experience in renewables. Clean hydrogen will be key to fight climate change and reduce greenhouse gas emissions across the Southwest and our country.”

WIH2 will bring more than 26,000 jobs, including approximately 7,000 construction-related jobs, across the four states. According to the DOE, hydrogen energy has the power to slash emissions from multiple carbon-intensive sectors and open a world of economic opportunity to clean energy businesses and workers across the country. Getting hydrogen right would mean unlocking a new source of clean, dispatchable power, and a new method of energy storage. It would mean another pathway for decarbonizing heavy industry and transportation. The total funding available for the H2Hubs is \$7 billion.

Following the DOE’s review of the applications, it is anticipated that the DOE will invite applicants to pre-selection interviews this summer and announce and negotiate awards later in the year. Due to the proprietary nature of the information disclosed in the application, WIH2 does not plan to make the application available for distribution.

For more information about WIH2 or its partners, contact the New Mexico Environment Department Climate Change Bureau at climatechange@env.nm.gov. A website will be available following the DOE's grant funding award notification.

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