

11/20/2023

To: Representative Marian Matthews From: Travis Kellerman, Chief Commercial Officer, Somos Solar, Inc. Subject: Support the Clean Fuels Act in the 2024 session

Representative Matthews,

I am writing to ask for your support of a critical piece of legislation being introduced in the upcoming 2024 legislative session: the Clean Fuels Act. My company is actively developing 100% green hydrogen and renewable energy projects in Questa, Hatch, and many other communities in need of new economic opportunities in clean energy. The Clean Fuels Act would greatly accelerate the energy transition of NM—and affirm the regulatory power necessary to grow a tremendous new clean energy market here.

We have strong evidence of an Act like this creating an impactful, new clean fuels industry after passage. In California, the Low Carbon Fuel Standard (LCFS) had a similar origin story. The LCFS has been a huge driver of decarbonization in the state via market incentives for low-carbon and renewable fuels like green hydrogen. It has spurred innovation and substantial investment throughout the state. Clean fuel production has created thousands of new, high-paying jobs, improved air quality, and has generated a notable reduction in California's dependency on fossil fuels. The same and more is possible for New Mexico—and our story starts with passage of the Clean Fuels Act.

In Questa, the National Renewable Energy Laboratory (NREL) conducted a year-long study alongside Kit Carson Electric and community leaders to measure the feasibility and impact of green hydrogen production in the area. The results were clear: Questa is ready for green hydrogen and the new economy it will create. My company is in the early and active stages of developing these clean fuel projects, with plans to establish a green hydrogen training center in the Questa Economic Development Fund's Business Park. We see the potential economic impact extending and sustaining well beyond the 50-100 construction jobs, and the dozen or so permanent jobs cited in the NREL study. Once operations are established, Questa has proximity to I-25 and a growing potential customer base. Their expansion as a node in the hydrogen hub network of New Mexico is possible with the regulatory support in the Clean Fuels Act. Total economic impact at this stage is an estimated \$20-50M.

New Mexico green hydrogen also has a serious, leading role to play in the future of US long-haul transport. Due to its concentrated energy profile, green hydrogen enables a



semi-truck to run for 2000 miles between fueling stops, and replaces diesel fuel with zero-emission green hydrogen. An estimated 800,000 heavy-duty, hydrogen-fuel-cell semi-trucks will be criss-crossing the nation on highways like I-25, I-10, and I-40 by 2035. Places like Hatch, Lordsburg, and Tucumcari are poised to become primary stops on the zero-emissions, zero-carbon fueling networks of the near future. Each of these nodes, with green hydrogen facilities powered by local solar energy installations, are capable of generating tens of millions of dollars in economic impact over the next decades.

Somos Solar is an NM-born, based, and grown company focused on developing the renewable energy economy of New Mexico. In the projects we develop and build, we measure our carbon reduction, our clean energy production, and the sustained, positive community impacts from our efforts in the energy transition of New Mexico. We see profound, sustainable economic opportunities for communities across New Mexico made possible by the emerging green hydrogen economy—an emergence and growth that requires your support for the Clean Fuels Act in 2024.

Respectfully,

<u>Travis Kellerman</u> CCO, Somos Solar