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Contact: Michiganinfrastructure@michigan.gov

Lt. Gov. Garlin Gilchrist and Biden Administration Announce Combined \$75 Million in Funding to Nel Hydrogen to Establish Clean Energy Facility in Metro Detroit

Manufacturing facility will create good-paying high-tech clean energy jobs, support Michigan's commitment to achieving the MI Healthy Climate Plan

LANSING, Mich.— Lt. Governor Garlin Gilchrist II and the U.S. Department of Energy (DOE) today announced the State of Michigan and Biden Administration have awarded a combined \$75 million to Nel Hydrogen to establish a U.S. electrolyzer manufacturing facility in Plymouth. Nel Hydrogen received \$50 million from the DOE's Hydrogen and Fuel Cell Technologies Office <u>Clean Hydrogen Electrolysis</u>

Program and a \$25 million matching grant from the <u>Make it in Michigan Competitiveness Fund</u>. The facility will create more than 500 local high-tech jobs, help bring the supply chain back home and further position Michigan as a national leader in the clean energy transition. The facility will create more than 500 local high-tech jobs, help bring the supply chain back home and further position Michigan as a national leader in the clean energy transition.

"By harnessing our Make it in Michigan Competitiveness Fund and partnering with the Biden-Harris Administration, we are creating more than 500 good-paying, high-tech jobs in Plymouth," said **Governor Whitmer**. "Today's investment in Nel Hydrogen will create a hydrogen production facility and ensure we stay on the cutting-edge of clean energy production and advanced manufacturing. Let's keep working together to bring jobs and projects home as we grow our economy and deliver for Michigan families."

U.S. Deputy Secretary of Energy David M. Turk, Lt. Gov. Garlin Gilchrist, Nel Hydrogen CEO Håkon Volldal, Macomb Community College President Jim Sawyer and local and industry leaders gathered at Macomb Community College to announce the investment and highlight how America's growing clean hydrogen industry is delivering good-paying, high-quality jobs and accelerating a manufacturing renaissance in communities in Michigan and across the nation. The event included remarks and a tour of the college's Skilled Trades and Advanced Technology Center.

"Today's announcement is another example of how Michigan is leading America's technology and clean energy future," said **Lieutenant Governor Garlin Gilchrist II**. "Because of a matching investment from the Michigan Competitiveness Fund, this federal grant will enable our partners to create more than 500 good-paying, high-tech jobs in Plymouth. Governor Whitmer and I will keep working to create jobs and win projects that will grow our economy and help more people 'make it' in Michigan."

"The Biden-Harris Administration is propelling an American-led clean hydrogen economy that is delivering good-paying, high-quality jobs and accelerating a manufacturing renaissance in communities across America," said **U.S. Secretary of Energy Jennifer M. Granholm**. "The projects announced today—funded by the President's Investing in America agenda—will supercharge our progress and ensure our leadership in clean hydrogen will be felt across the nation for generations to come."

Through electrolysis, hydrogen can be produced from water and renewable energy; as the most abundant and lightest element in the universe, hydrogen can play a significant role in accelerating Michigan's clean-energy transition away from fossil fuels.

"Building a hydrogen economy depends on the reliable supply of electrolyzers, so being home to the largest electrolyzer manufacturing facility in North America is a game-changer for our state that will create jobs, help us meet our healthy climate goals, and strengthen our economy," said **Zachary Koldin, Michigan's chief infrastructure officer and director of the Michigan Infrastructure Office.** "This investment is a great example of how partnerships between the state and federal government are driving clean energy innovation and investment in Michigan."

Nel's facility will manufacture electrolyzer stacks, which are key tools for producing, storing and/or utilizing clean hydrogen. The production line will provide a critical supply of affordable and automated electrolyzers built by a strong local workforce.

"The support from the Department of Energy and the state of Michigan is crucial for realizing our factory, which will create new green industrial jobs and be a significant contribution to the energy transition," **Nel's President and CEO**, **Håkon Volldal** said. "It is encouraging to see the Department of Energy taking these strategic steps to stimulate a clean energy economy, and we appreciate their long-time support to take our products from R&D to commercial products."

In May 2023, Gov. Whitmer joined officials from Nel Hydrogen at SelectUSA to announce the company had selected Michigan to establish its gigafactory, creating more than 500 good-paying, clean energy manufacturing jobs in the state. The \$400 million investment in the 507,000 square-foot gigafactory in Plymouth Township was secured through <u>support from the Michigan Strategic Fund</u>, as well as access to a highly skilled workforce and access to strategic partners in the ecosystem, including universities and research institutions.

"We are thrilled Nel Hydrogen's gigafactory is calling our state home as we continue to Make It in Michigan as a leader in clean technology," said Quentin L. Messer, Jr., CEO of the Michigan Economic Development Corporation and President and Chair of the Michigan Strategic Fund. "Thanks to Governor Whitmer for her willingness to take the Michigan story on the road, ongoing legislative support for economic development tools that work and the work of the Michigan Infrastructure Office to help secure critical federal funds, we've been able to secure this transformational investment in support of Michigan's clean energy future.

Michigan Leads on Clean Energy

With the passage of the Bipartisan Infrastructure Law (BIL), Inflation Reduction Act (IRA), and CHIPS and Science Act, Michigan has a once-in-a-generation opportunity to bring transformative infrastructure, clean energy and economic development to Michigan. The Make it in Michigan Competitiveness Fund is a pool of state money that provides matching grants to bring home federal investments that will boost the economy, create middle-class jobs and improve the state's infrastructure.

The investments in Nel Hydrogen follow the <u>Midwest Alliance for Clean Hydrogen</u> (MachH2) being awarded up to \$1 billion by the DOE to develop regional supply chains for the production, distribution and use of hydrogen in trucks and heavy-duty vehicles. The project, in partnership with a consortium including Michigan, Illinois and Indiana, is anticipated to create 13,600 direct jobs—12,100 in construction jobs and 1,500 permanent jobs.

Additionally, the DOE, through its SuperTruck 3 program and Hydrogen and Fuel Cell Technologies Office, recently awarded General Motors Co. \$26 million to develop a pilot program for hydrogen-based worksite products for medium-dirty fuel-cell powered trucks. With this recent project, GM is leading the effort for applications of fuel cells in fleet and commercial products right here in Michigan.

When it comes to the number of clean energy workers, Michigan leads the Midwest. The 2023 Clean Jobs America Report stated that clean energy businesses in Michigan added more than 5,400 workers in 2022 and now employ 123,983 Michiganders. According to the World Resource Institute, by the year 2040, the state could create 41,000 new jobs as it advances electric vehicle manufacturing and with the build-out of renewable energy, like solar and wind.

For more information about the Michigan Infrastructure Office, please visit www.michigan.gov/whitmer/issues/michigan-infrastructure-office.

ABOUT THE MICHIGAN INFRASTRUCTURE OFFICE

The Michigan Infrastructure Office is responsible for organizing and executing Governor Whitmer's vision for infrastructure, coordinating across state government, marshaling resources, and partnering with local officials, federal partners, and outside stakeholders to ensure resources sent to Michigan through BIL, also known as the Infrastructure Investment and Jobs Act (IIJA), are used efficiently and effectively.