

Shell, Equinor team up to apply for federal hydrogen and carbon capture funding

By [Paul J. Gough](#) – Reporter, Pittsburgh Business Times

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The Houston area has another competitor for federally funded energy projects.

United States Steel Corp., Shell US Gas & Power LLC and Equinor US Holdings Inc. on Aug. 16 announced plans to collaborate on an application for up to \$2 billion in U.S. Department of Energy funding for a hydrogen and carbon capture and storage hub in Appalachia.

The nonexclusive cooperative agreement means Shell US Gas & Power, a division of Shell (NYSE: SHEL), and Equinor (NYSE: EQNR) would apply for the funding when the application becomes available later this year, while U.S. Steel (NYSE: X) would be involved as well.

The announcement marks another potential Appalachian entrant in the competition for one of four hydrogen/carbon capture and storage hubs to be funded across the United States under last year's big infrastructure bill. It's believed that Appalachia has a good chance to secure funding for one of the hubs.

"Establishing a low-carbon hub in this region could have a profound impact on both the climate and the economy, creating sustainable jobs that will support families for many years to come," said [Grete Tveit](#), senior vice president of Equinor Low Carbon Solutions.

Equinor and Shell — which both have significant operations in Houston — have done other clean energy projects around the world and would be able to bring to bear that experience in Appalachia, and with U.S. Steel as either a customer of the hydrogen and carbon capture hub, supplier, partner or funder.

"U.S. Steel is investing significant resources to achieve the sustainability goals in our 'Best for All' strategy, and we know we cannot do it all alone," U.S. Steel Chief Strategy/Sustainability Officer **Richard L. Fruehauf** said in a statement. "Successfully addressing the climate crisis requires public and private collaborations."

The companies, including Shell Polymers, are already working on a collaboration **called Appalachian Energy Future** that is helping to guide a potential carbon capture/storage and hydrogen hub in either Pennsylvania, Ohio or West Virginia. Appalachian Energy Future, however, wouldn't be putting together its own application, the group has told the Pittsburgh Business Times.

Meanwhile, experts say the Houston region has the right ingredients — clean power access, electricity-guzzling industries and existing production and pipeline infrastructure — to become the global epicenter of clean hydrogen, **according to a report the Center for Houston's Future released in May.**