

Green

California Green Hydrogen Machine Maker Raises \$73 Million

- Verdagy's large-scale electrolyzers strip hydrogen from water
- Company is preparing to open a factory in Silicon Valley



An electrolyzer in Verdagy's pilot plant in Moss Landing, California. The electrolyzer's cells are contained in the blue structure at top, while the cylindrical tanks hold electrolyte. *Source: Verdagy*

By [David R Baker](#)

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Startup [Verdagy Inc.](#) has raised \$73 million in series B funding to make industrial-sized electrolyzers, the machines at the heart of a future green hydrogen economy.

Verdagy has designed a large-scale version of the machine aimed at industrial customers. Its advanced alkaline electrolyzer — consuming 20 megawatts of electricity, or as much as 15,000 homes — will help cut the costs of green hydrogen and make it easier for companies currently using gas-based hydrogen to switch.

Electrolyzers split hydrogen from water, yielding a fuel that can be produced and used without spewing greenhouse gases into the air. Although hydrogen is seen as a potential fuel for everything from city buses to data centers, most of it sold today goes to oil refineries and fertilizer plants, and it's stripped from natural gas in a process that gives off carbon dioxide.

“We’re targeting the heaviest users of hydrogen today,” said Marty Neese, Verdagy’s chief executive officer, in an interview. “We’re not going to be a distributed, small-scale system that tries to conquer every bus station.”

The funding comes as Verdagy prepares to open a 100,000 square-foot factory in Silicon Valley in the first quarter of next year. Temasek and Shell Ventures led the financing round.

Verdagy, based in Moss Landing, California, is among a growing number of startups entering the electrolyzer market, which includes long-established equipment makers such as [Cummins Inc.](#) and

[Siemens AG](#) as well as businesses such as Bloom Energy Corp. and Plug Power Inc. that are more tightly focused on the hydrogen economy.