North American Energy Standards Board

Request for Initiation of a NAESB Business Practice Standard, Model Business Practice or Electronic Transaction
or
Enhancement of an Existing NAESB Business Practice Standard, Model Business Practice or Electronic Transaction

Instructions:

1. Please fill out as much of the requested information as possible. It is mandatory to provide a contact name, phone number and fax number to which questions can be directed. If you have an electronic mailing address, please make that available as well.

2. Attach any information you believe is related to the request. The more complete your request is, the less time is required to review it.

3. Once completed, send your request to:

   Rae McQuade
   NAESB, President
   1415 Louisiana, Suite 3460
   Houston, TX 77002

   Phone: 713-356-0060
   Fax: 713-356-0067

   by either mail, fax, or to NAESB's email address, naesb@naesb.org.

Once received, the request will be routed to the appropriate subcommittees for review.

North American Energy Standards Board

Request for Initiation of a NAESB Business Practice Standard, Model Business Practice or Electronic Transaction
or
Enhancement of an Existing NAESB Business Practice Standard, Model Business Practice or Electronic Transaction

Date of Request: __Dec 16, 2025_____

1. Submitting Entity & Address:

___Clean Hydrogen Buyers Alliance_____
_____
_____
_____

2. Contact Person, Phone #, Fax #, Electronic Mailing Address:

Name : ____John Flory_____
Title : ____President_____
Phone : ____+1-530-304-8441_____
Fax : _____
E-mail : ___john.flory@ch2ba.org_____

3. Title and Description of Proposed Standard or Enhancement:

Title:

_Ammonia Annex to the Base Contract for the Sale and Purchase of Hydrogen
_____

Description:

Recently, NAESB adopted the Base Contract for the Sale and Purchase of Hydrogen. In the June 26, 2025 meeting of the WGQ Executive Committee, a number of attendees expressed strong interest in an Ammonia Annex to the Hydrogen Contract. As ammonia (NH3) is three atoms of Hydrogen to every atom of Nitrogen the production of Hydrogen is a key component of producing ammonia. Moreover, ammonia production is one of the biggest uses of hydrogen. As ammonia is in its liquid phase at standard temperature, ammonia is easier to store and transport than hydrogen – and it is considered one of the leading carriers of hydrogen. Most importantly, ammonia is a key component of fertilizer and is absolutely necessary to support the global food supply. The discussion at the June 26, 2025 NAESB meeting suggested that an Ammonia Annex could be developed after the Hydrogen contract if there continued to be sufficient market interest. Such interest is demonstrated by the interest of several organizations and their members in this Annex. Also see item 4.
_____

4. Use of Proposed Standard or Enhancement (include how the standard will be used, documentation on the description of the proposed standard, any existing documentation of the proposed standard, and required communication protocols):

The proposed Annex will allow the carbon-intensity attribute from low-carbon hydrogen to be easily passed via transaction from an ammonia producer to an ammonia buyer. One example of this involves a well-recognized food producer. PepsiCo wanted to lower the carbon footprint of their food products. They saw they could accomplish this by using low-carbon agriculture which uses low-carbon fertilizer from low-carbon ammonia. https://sustainabilitymag.com/articles/pepsico-and-yaras-regenerative-agriculture-collaboration. This transaction has grown with the formation of the Low Emission Ammonia for Fertilizer (LEAF) coalition that was recently announced. https://hydrogencouncil.com/en/global-alliance-launches-leaf-initiative-at-cop30-to-scale-low-emission-ammonia-fertilizers/ .
Furthermore, the Ammonia Energy Association (AEA) has developed a certification system for confirming the carbon emission intensity of ammonia that allows for the equivalent of Energy Attribute Certificates (EACs) (used in the NAESB Hydrogen contract) to be traded among ammonia suppliers/users https://ammoniaenergy.org/certification/. We are working with AEA and other groups such as the Gulf Energy Catalyst and the Open Hydrogen Initiative (OHI). The OHI carbon intensity protocol is recognized in the NAESB Hydrogen Contract. Recently OHI added an ammonia module to its protocols because of the demand for hydrogen to make ammonia.

5. Description of Any Tangible or Intangible Benefits to the Use of the Proposed Standard or Enhancement:

An Ammonia Annex to the NAESB Hydrogen contract provides several benefits. First, it provides the tangible benefit of making it easier for low-carbon ammonia transactions to be executed that reflect the value of the low-carbon ammonia and low-carbon hydrogen in a single standard contract. Second, it addresses the need for buyers to access low-carbon hydrogen as part of lowering their overall carbon footprint. Third, North America is falling behind Latin America and Europe for the production of low-carbon ammonia and low-carbon fertilizer. This transaction will help North America's retain its strategic place in this vital market and to assure a supply of low-carbon ammonia/fertilizer products for the facilitation of global transactions.

6. Estimate of Incremental Specific Costs to Implement Proposed Standard or Enhancement:

The incremental costs to implement this as an Annex to the NAESB Hydrogen Contract are minimal.

7. Description of Any Specific Legal or Other Considerations:

None.

8. If This Proposed Standard or Enhancement Is Not Tested Yet, List Trading Partners Willing to Test Standard or Enhancement (Corporations and contacts):

Members of the entities described in item 4 are testing these related transaction instruments and would be interested in testing these.

9. If This Proposed Standard or Enhancement Is In Use, Who are the Trading Partners :

10. Attachments (such as : further detailed proposals, transaction data descriptions, information flows, implementation guides, business process descriptions, examples of ASC ANSI X12 mapped transactions):

None