

# NAESB H2 Standard Contract: Feedback Received



October 23, 2025

## Today's Topics

- Who provided input on the NAESB contract
- Comments on Contract Language
- Why NAESB Contract Now
  - Marketplace Status
  - Role of NAESB Contract



# Who Provided Input

## Indicative CHF Participants

### H2 Producers

- **Traditional H2 suppliers**
- Electrolysis Producers
- Methane Pyrolysis
- SMR + CCS
- Canadian Producers
- Industrial By-Product

### H2 Buyers to lower CI:

- Ammonia Producers
- Re-sale H2 to Truckers
- Truck - Car OEMs
- Maritime
- Chemical Producers
- Oil Major – Retail
- Power Generation
- Utility

## Clean Hydrogen Transaction Advisory Committee Report\*

- American Honda Motor Co.
- California Governor's Office of  
Business & Economic Development
- Center for Houston's Future
- Chevron
- Clean Energy Buyers Association
- GE Vernova
- Hartree Partners
- H2X
- Hydrogen Fuel Cell Partnership
- New Waters Capital
- Nikola
- Plug Power
- Topsoe
- Walmart
- Xpansiv

\* <https://www.ch2ba.org/executive-summary>



# Comments on the NAESB Contract Language

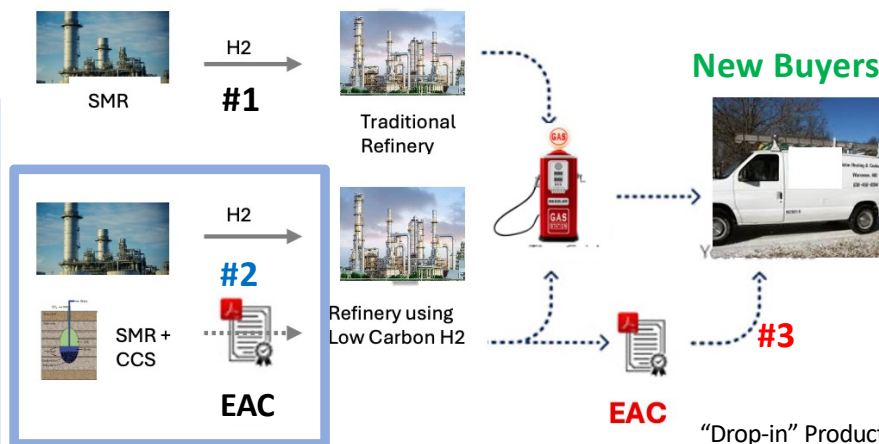
Huge support from all participants for EAC's, especially the traditional H2 supplier group who also reviewed the contract language.

## NAESB Transaction Types

1. **Standard** – Physical H2 only; No CI & No EAC Data\*
2. **Bundled** -- Physical H2 plus EAC (linked CI)
3. **Unbundled EAC** -- No Physical H2 (linked CI)
  - Creates Delivery Flexibility
  - Supports Book-and-Claim to Attract **New Buyers**

\*CI= Carbon Intensity (e.g., kg CO2e/kg H2)  
EAC= Energy Attribute Certificate, reflects CI

## How EACs Can Make Transactions Easier



Clean (low CI) H2 can be produced in many ways.

"Drop-in" Product for Buyers of:  
-Fuels (including SAF, Maritime)  
-Ammonia/ Fertilizer,  
-Other Chemicals,  
-etc.



## Why NAESB Contract Now

Lot of challenges for H2 sector recently, particularly in the US.

BUT the H2 market continues to move forward.



# Why NAESB H2 contract now – Marketplace Status

## 1. Traditional Hydrogen Supplier Support for NAESB Contract and H2 Book-and-Claim

- “A robust book-and-claim system for hydrogen will ensure that the low-carbon attributes of a H2 pathway are retained and applied to end-uses where the most environmental benefit can be derived.”  
***NAESB H2 contract with EAC’s can enable such book-and-claim throughout North America.***

## 2. Targeting “New Buyers” -- clean H2 is small part of total costs

- Clean Hydrogen Buyers Alliance plans to encourage use of the NAESB H2 contract.
- ***NAESB H2 contract with EAC’s can enable such book-and-claim throughout North America.***

## 3. Global Clean Hydrogen Market continues to grow

- Hydrogen Council, Sept 2025: \$110B invested in over 510 projects, up \$35B in past year
  - Japan & Korea and emerging EU interest in using low CI H2
  - The Netherlands implemented H2 Book and Claim among its industrial/hydrogen hubs
  - Ammonia Energy Association just released its Certification System for Carbon Intensity –  
and Ammonia is the largest use of H2 globally
- NAESB H2 contract provides a low CI transaction structure that also supports book-and-claim and Certification and helps North America to stay competitive globally.***



## Why NAESB H2 contract now – Marketplace Status

### 4. Uncertainty around US Policy and Funding for Hydrogen, BUT:

- Canada is moving ahead; Some US H2 Producers are moving ahead anyhow
- Increased H2 Hub Interest in cultivating market mechanisms not reliant on US Federal Funding
- H2 Fuel Cell Partnership growth strategy for H2 mobility to be commercially driven

***NAESB H2 contract is one such market mechanism for commercial growth***



## Why NAESB H2 contract now -- Role of NAESB Contract

- The Original GISB/NAESB Natural Gas Contract helped stabilize and lead the market.
- The NAESB H2 contract can do the same.

“We lost a decade to a liquid natural gas market due to unwinding bespoke contracts. A NAESB standard H2 contract now will keep the industry from losing that decade for H2.”

-- Leslie Biddle, ex-Goldman Sachs

