**Comments on NAESB Hydrogen Contract**

**To the NAESB Contracts Subcommittee:**

General Index appreciates the opportunity to comment on the NAESB Hydrogen Contract and commends the committee for its efforts to establish a standardized framework for hydrogen transactions. Our comments will address key areas including market liquidity, procurement strategies, transportation and storage impacts, regulatory compliance, and global certification alignment, ensuring that the benchmark effectively supports a robust and sustainable hydrogen market. We believe that this contract represents a significant step toward market development, fostering transparency, efficiency, and sustainability within the hydrogen sector.

As the most advanced, transparent, and regulatory-compliant benchmark provider in energy markets, General Index is uniquely positioned to serve as the primary index for the NAESB Hydrogen Contract. Our rigorous approach to pricing, adherence to global compliance standards, and market-driven methodologies ensure that we deliver the most reliable and accurate hydrogen price assessments available today. By integrating a best-in-class methodology with automated, unbiased price assessment process, we provide a benchmark that not only reflects market reality but also drives liquidity, trust, and efficiency in hydrogen markets.

**Market Liquidity & Price Discovery**

Adoption of a benchmark is only successful when market participants trust its accuracy and transparency. General Index ensures this by using clear, codified, and automated methodologies overseen by market experts that remove subjectivity and reflect true market conditions. Our price formation process integrates trades, bids, offers, and spreads, ensuring that even in lower liquidity environments, prices remain fair and representative of market sentiment.

Unlike traditional PRAs that rely on editorial discretion, General Index employs real-time data processing enabling faster reaction times and more reliable pricing signals than competitors. A key differentiator is how we receive data—unlike PRAs that rely on journalist-sourced market information, often requiring traders to submit sensitive data without confidentiality protections, General Index operates under strict confidentiality agreements with market participants. This ensures that pricing data is both verifiable and protected, preventing exposure of commercially sensitive transactions. Our approach builds trust and participation, reinforcing General Index as the most adaptable and reliable pricing benchmark for the evolving hydrogen economy.

**Industrial End-Users – Procurement & Contracting Fit**

General Index delivers standardized and actionable price assessments, ensuring that contract negotiations for industrial hydrogen buyers align with their hedging strategies and procurement needs. By focusing on Carbon Intensity (CI) score, delivery location, timing, and quantity, our benchmark ensures compatibility with real-world contract structuring.

CI at the point of delivery is critical for accurate environmental accounting and price differentiation. General Index ensures that both production and transportation emissions are accounted for, giving buyers full visibility on lifecycle emissions. By leveraging this benchmark, industrial end-users can make informed purchasing decisions while securing a reliable, standardized price reference for long-term contracts.

With third-party verification and strict compliance protocols, our benchmark eliminates the risk of market manipulation and ensures fair, transparent price formation.

**Midstream Operators – Transportation & Storage**

Hydrogen transport via pipeline, truck, or ship has varying emissions profiles that must be accounted for in pricing. General Index ensures standardized transportation emissions factors, allowing for consistent CI calculations across all transaction types. This reduces uncertainty and ensures that buyers and sellers transact with confidence.

To ease the burden on midstream operators, our approach locks in pre-negotiated CI values within contract structures, eliminating real-time compliance tracking complexities while maintaining pricing integrity.

A standardized, trusted benchmark will incentivize investment in hydrogen storage and infrastructure, similar to how liquid futures markets drive natural gas and oil storage investments. With greater market clarity and reduced risk, infrastructure expansion becomes a more attractive and viable investment.

**Renewable Energy Developers – Green Hydrogen Pricing & Certification**

For green hydrogen to compete fairly in the market, price transparency is essential. General Index achieves this by structuring pricing around CI scores rather than outdated “color classifications”, allowing for true competition based on environmental impact and market efficiency.

This approach ensures that green hydrogen producers realize financial value for their lower-carbon hydrogen, making investment in low-emission production pathways more attractive. Our benchmark integrates best-in-class emissions verification, ensuring pricing aligns with global sustainability and regulatory standards.

Additionally, General Index’s methodology is built to support regulatory compliance and global certification schemes by prioritizing carbon intensity-based pricing, full lifecycle emissions tracking, independent auditing, and standardized market transparency measures. This ensures alignment with CertifHy, LCFS, and 45V tax credit eligibility, making it a strong foundation for clean hydrogen markets worldwide.

**Hydrogen Producers – Market Stability & Fairness**

Hydrogen pricing must be equitable across production pathways while maintaining a clear link to environmental impact. General Index achieves this by pricing hydrogen based on Carbon Intensity (CI) scores, ensuring fairness for blue, green, and emerging production methods without arbitrary classifications.

Strict compliance prevents underreporting or data manipulation, while independent, automated data processing ensures integrity. Producers can rely on our benchmark as a stable, evolving, and trusted price reference as the hydrogen economy scales.

**Regulatory – Compliance & Market Integrity**

Compliance with IOSCO and FCA standards makes General Index the most robust and trusted pricing source available. Our benchmark is independently audited and transparent, ensuring that all data is traceable, repeatable, and free from conflicts of interest.

Unbundled Energy Attribute Certificates (EACs) require strict tracking to prevent double-counting of emissions reductions. General Index ensures that all market participants follow clear, standardized guidelines in alignment with global regulatory expectations.

**Conclusion**

The hydrogen economy is at a critical juncture, and the benchmark used to define its market will shape its future liquidity, trust, and efficiency. General Index provides the most advanced, transparent, and scalable solution available today, ensuring that market participants have access to the most accurate and actionable pricing data.

By selecting General Index, NAESB and market participants will benefit from:

* **Regulatory assurance with IOSCO and FCA compliance**
* **A fully transparent and independently-audited pricing model**
* **Accurate, real-time price assessments based on real market data**
* **A benchmark that evolves with the hydrogen market’s needs**
* **The most innovative, technology-driven approach in the industry**

NAESB is developing a sensible, logical, and market-ready physical contract that lays the foundation for the next phase of the hydrogen economy. The contract’s structure enables benchmark providers like General Index to begin developing comprehensive North American (and Global) hydrogen indices that reflect real-world market conditions and set a model for global markets to follow.

We welcome the opportunity to collaborate in bringing transparency and trust to this emerging marketplace through reliable, carbon-intensity-based pricing assessments that align with the principles established in the NAESB contract.

Sincerely: Anthony Macaluso (Managing Director of the Americas - General Index)

And Daniel Burns (Energy Analyst - General Index)