From: John Flory
Sent: Tuesday, October 14, 2025 9:15 AM
Subject: CHF comments on the NAESB Standard Hydrogen Contract

Dear Mr. Booe,

The Center for Houston's Future (CHF) believes that NAESB's proposed revised Standard Hydrogen contract should be approved. CHF comes to this conclusion based on input from the following types of entities in its Marketplace Development Working Group meetings:

H2 Producers
H2 Buyers desiring to lower their Carbon Intensity:
- Ammonia Producers
- Re-sale H2 to Truckers
- Maritime
- Chemical Producers
- Oil Major – Retail
- Power Generation
- Utility

Furthermore, attached is a summary of some relevant recent events since the NAESB's WGQ Executive Committee Meeting on June 26. CHF believes these events even further support the value of the NAESB Standard Hydrogen Contract at this time.

Thank you,

John Flory
Co-Chair, Marketplace Development Working Group
Hydrogen Steering Committee
Center for Houston's Future

Cc: Andy Steinhubl
Immediate Past Chair
Board of Directors
Center for Houston's Future
Laura Goldberg
Senior Vice President
Center for Houston's Future

Center for Houston's Future
Key Recent Market Developments that
Support the Value of the NAESB Standard Hydrogen Contract
October 14, 2025

1. **Traditional Hydrogen Supplier Support for Hydrogen Book-and-Claim**
   "A robust book-and-claim system for hydrogen will ensure that the low-carbon attributes of a hydrogen pathway are retained and applied to end-uses where the *most environmental benefit can be derived."*
   NAESB H2 contract with EAC's can enable book-and-claim throughout North America

2. **The Netherlands implemented Hydrogen Book and Claim among its industrial/hydrogen hubs**
   NAESB H2 contract helps North America to stay competitive with its EACs enabling Book and Claim

3. **Ammonia Energy Association released its Certification System for Carbon Intensity (CI)**
   -- Ammonia is the largest use of hydrogen globally and a major use in North America
   -- There is an increasing interest in low carbon ammonia.
   NAESB H2 contract with its CI provision helps support the low carbon ammonia market.

4. **Global Interest in low CI H2 in North America**
   -- German/Dutch HintCo Global H2 Auction solicits North America suppliers
   -- Japan, Korea and EU general interest in low CI H2 from North America
   -- The Hydrogen Council, a CEO driven organization of 70 companies, recently released "Global Hydrogen Compass 2025" which highlights that "committed investment in clean hydrogen has now surpassed $110 billion across 510 projects, up $35 billion from last year and growing over 50% year-over-year since 2020."
   NAESB H2 contract provides a low CI transaction structure to help North America participate in the Global Market.

5. **Uncertainty around US Federal Funding for Hydrogen Hubs**
   -- Increased Hydrogen Hub interest in cultivating market mechanisms as an alternative/complement to US Federal Funding
   NAESB H2 contract is one such market mechanism

6. **Clean Hydrogen Buyers Alliance (CH2BA) Report**
   -- CH2BA is helping prospective users of clean hydrogen to buy and use clean hydrogen
   -- CH2BA released the report, "Accelerating the Hydrogen Market"
   NAESB H2 contract makes it easier to buy clean hydrogen.

The above comments reflect the input of CHF participants in the Hydrogen Marketplace Development Working Group. Such participants included representatives from the following types of companies:
H2 Producers
H2 Buyers desiring to lower their Carbon Intensity:
- Ammonia Producers
- Re-sale H2 to Truckers
- Maritime
- Chemical Producers
- Oil Major – Retail
- Power Generation
- Utility