Welcome to the WIC meeting!



AGENDA



10.00-10.05: Introduction North Sea Port & WaterstofNet

10.05-10.40: New members presentation

10.40-11.00: Key note

Bert den Ouden, Project Director, HyXchange project NL

11.00-11.20: News from WIC members

Cummins, Bosal updates

11.20-11.30: WIC WG combustion

Position on future applications of combustion technology H2

11.30-12.00: WIC news

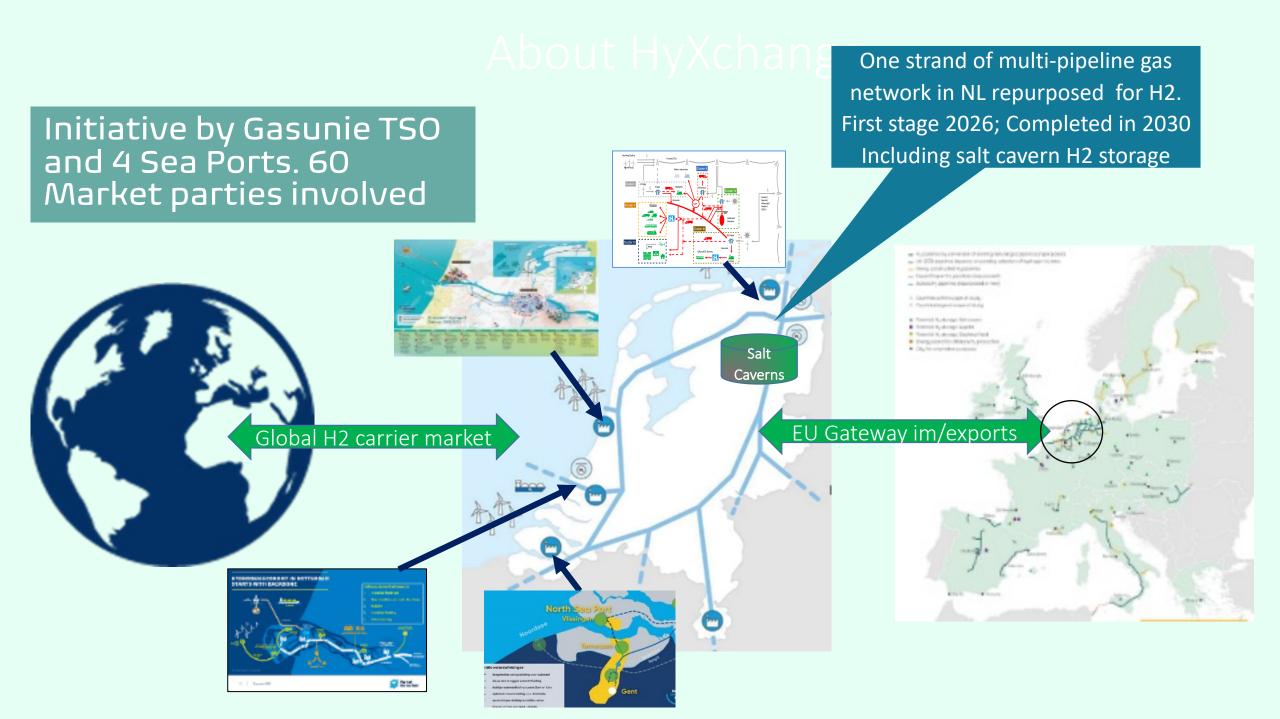
12.00-14.30: Boat tour in the port, with presentations NSP on H2 projects, including lunch



HyXchange

Bert den Ouden





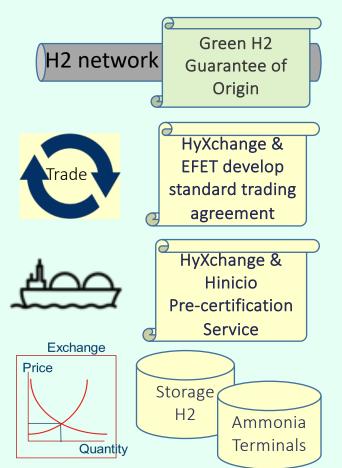
Development activities HyXchange

- Pilot preparing Green Hydrogen Guarantees of Origin (GOs) now available in NL
- Standard contract for trading of Hydrogen GOs

Pre-certification hydrogen carrier imports into Europe

Simulation hydrogen spot market on national H2 grid

Exploration of a price index product







HyXchange H2 certificate pilot: 18 parties, 3 months dry run End report finalized. Findings used to improve live system.



- Example Dutch GoO Discusses an electrical different delay Report on Website: Hyxchange.org
- January May 2022, conducted by HyXchange assisted by Hinicio (Certifhy designer)
- Dry run new H2 GO system by Vertogas, certifying body (biogas, now also H2)
- GO test for green hydrogen, prepare go-live of system based on Dutch law
- GO low-carbon hydrogen: same format
- Pilot included registration, 8 cancellation, splitting and trade

Dutch GO system: After pilot, system started recently October 2022, First national law GO in Europe

Dutch renewable electricity

Certiq

Go issuance, registry, cancellation

H2 G.O.

System is according Dutch law, implementing EU guideline

Guarantees of origin separately tradable from the physical

commodity! Independent from a hydrogen infrastructure

HBE suitability: H2 from non-subsidized renewable electricity

Trade

HyXchange &
EFET develop
standard trading
agreement

H2 from subsidized renewable electricity

NL Transport sector target HBE (Hernieuwbare Brandstof Eenheden)
"Renewable Fuel Units"





Green H2 to industry, power plants: savings on ETS

At this point in time:

- Low carbon hydrogen not involved / supported
- Imports or Exports not involved / supported

Guarantee of Origin: separate from physical commodity. Example: application to upstream hydrogen generation

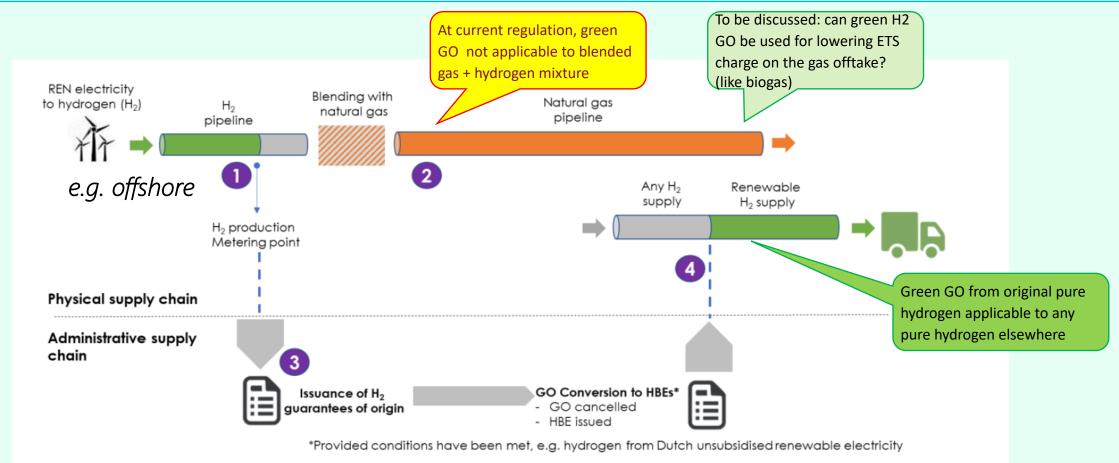


Figure 8: Schematic overview of Guarantees of Origin (GOs) issued and converted to Hernieuwbare Brandstof Eenheden (HBEs) for hydrogen that is blended with natural gas after renewable hydrogen production



Exploring a possible green H2 GO auction

Standard GO trade agreement available as a basis

Platform / facility for:

- Producers wishing to sell their green hydrogen GOs (apart from the hydrogen)
- Purchase of green GOs for conversion into HBE or any other pupose
- Re-trade of purchased GOs, closing of GO positions
- If possible, generation of a <u>Green Hydrogen GO index</u>





2023 Develop H2 GO auction exchange product and green H2 (auction based) GO index

Later also a market for EU green H2 certificates (mass balancing based)



Why is this a problem? It doesn't need to be!

Many H2 imports are from semiautonomous windfarms and solar farms. EU acceptance should be easy



Case 1

Partial renewable hydrogen

Renewable share of grid



Case 2

100% renewable hydrogen

- New renewable installation

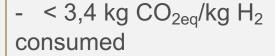


Case 3

Delegated Act (DA)

100% renewable hydrogen

- Additionality
- Temporal correlation
- Geographical correlation



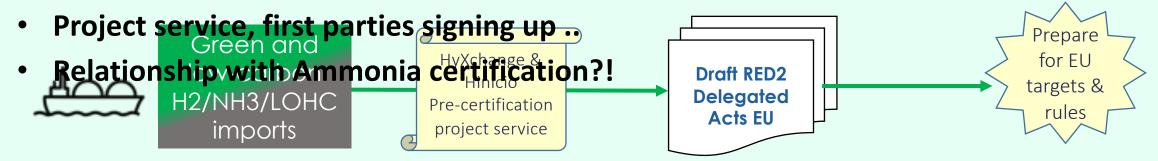
< 3,4 kg CO_{2eq}/kg H₂
 consumed

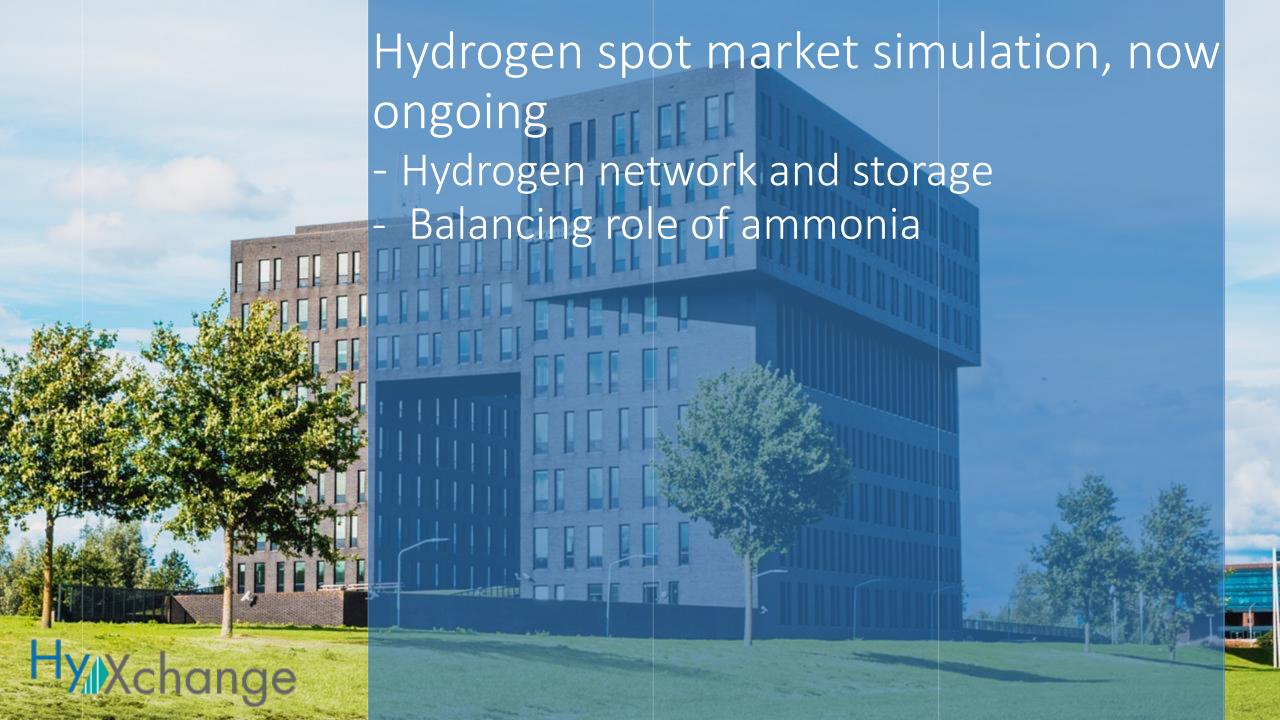


- < 3,4 kg CO_{2eq}/kg H₂ consumed

Pre-certification project service by HyXchange

- Certification key enabler for international imports, trading of hydrogen counting for:
 - targets for RFNBO hydrogen targets for percentage of renewable hydrogen in the industry exemption from CBAM charge
- Pre-certification: doing the homework for important projects ahead of the final rules
- We enough about the draft rules to prepare for readiness; then hit the ground running
- Both green and low carbon Hydrogen (with same -70% criterion), Certifhy based
- Taking into account steps in between like ammonia conversion & transport



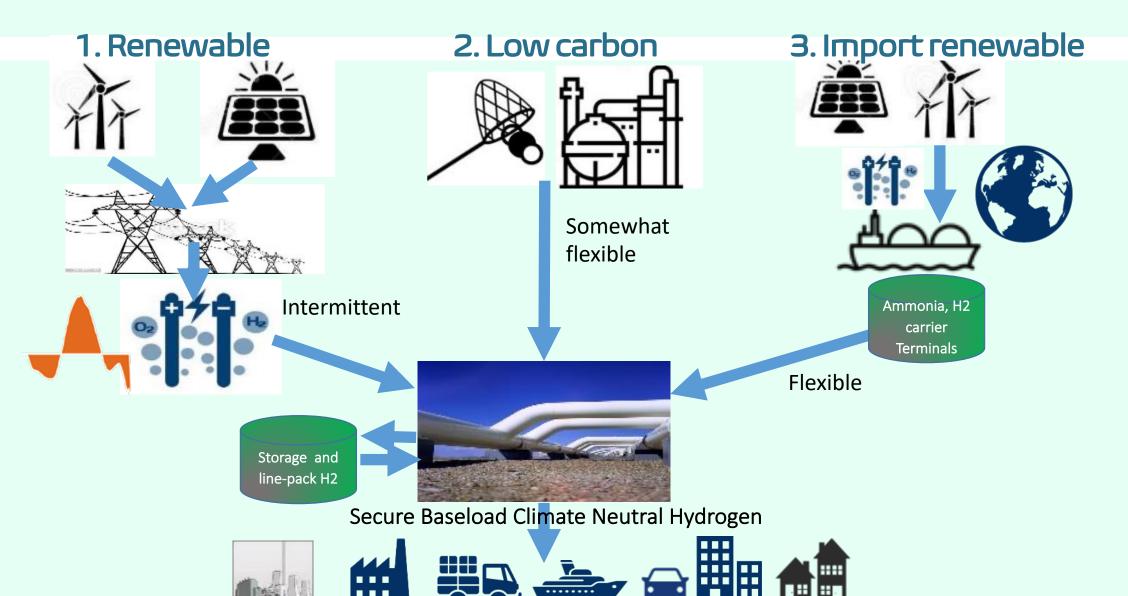


H2 spot market/balancing simulation on a (inter) national hydrogen grid. Unique in the world

- Balancing varying electrolyzer H2 output with flexible H2 output of low-carbon SMR+CCS.
- H2 hourly electrolysis overproduction: store or utilize in gas power plants
- Storage: line-pack and salt caverns important for balancing
- Import hydrogen (ammonia, LOHC, liquid H2), each with storage, conversion and flexibility:
 →additional balancing opportunities
- Connection to Germany, Belgium
- Diversity of consumers: industry sectors; housing; transport; each with their own demand patterns.

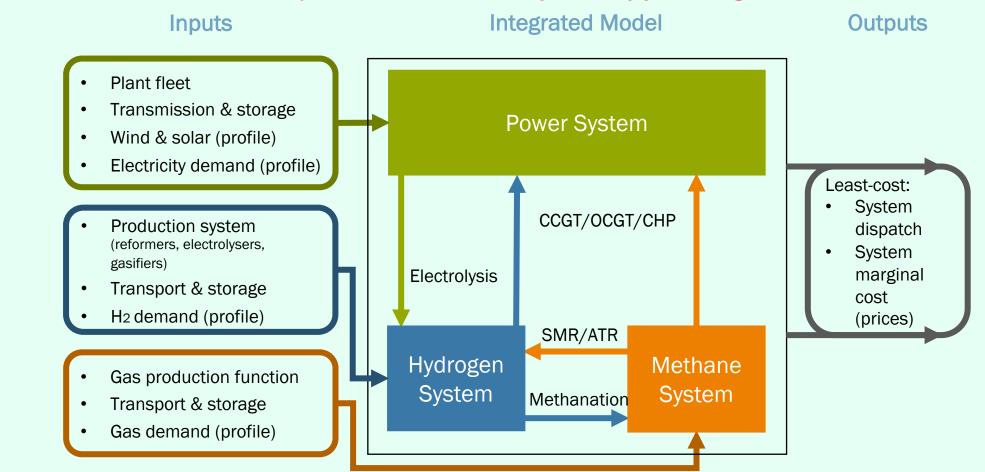


HyXchange simulation of Hydrogen spot market Different sources, patterns, balancing



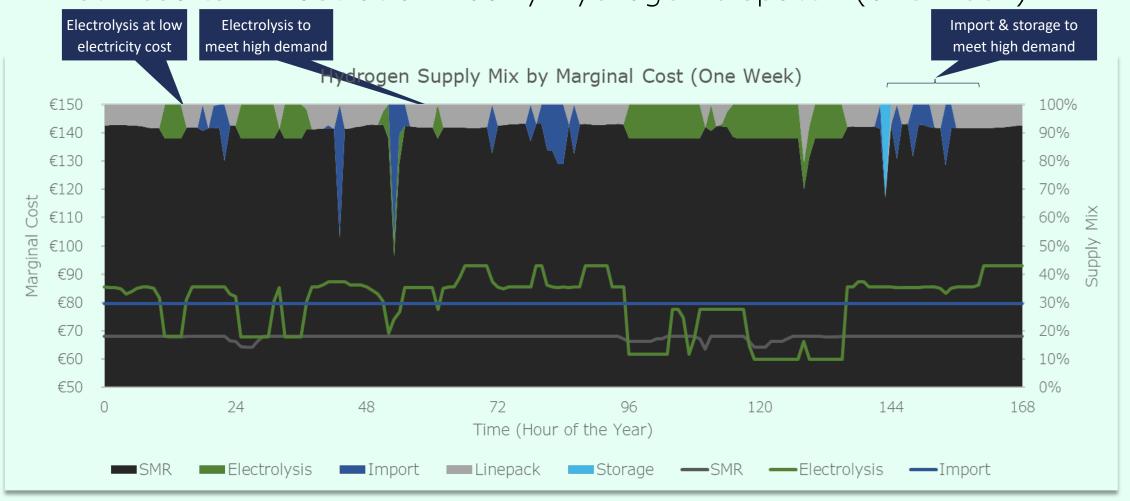
Recap I-ELGAS Model structure

• Model flow-chart: optimization on (hourly) marginal cost



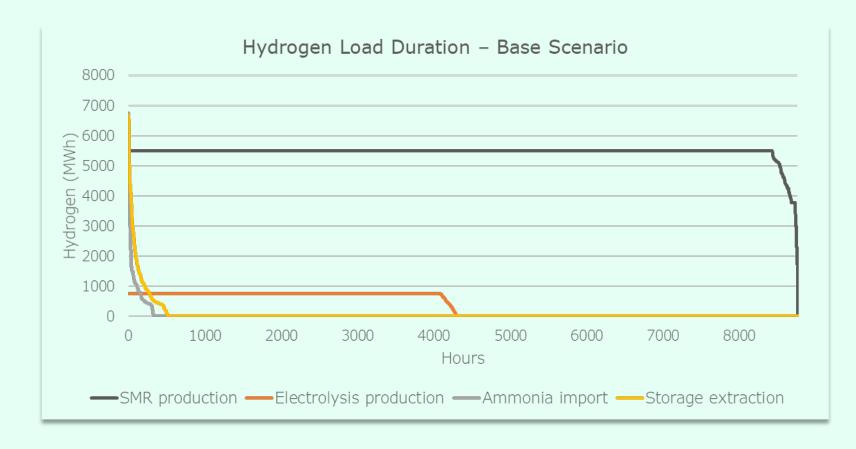
Base Case Scenario 2026

• First Results - illustration hourly hydrogen dispatch (one week)



Base Case Scenario 2026

• First Results – load duration hydrogen dispatch



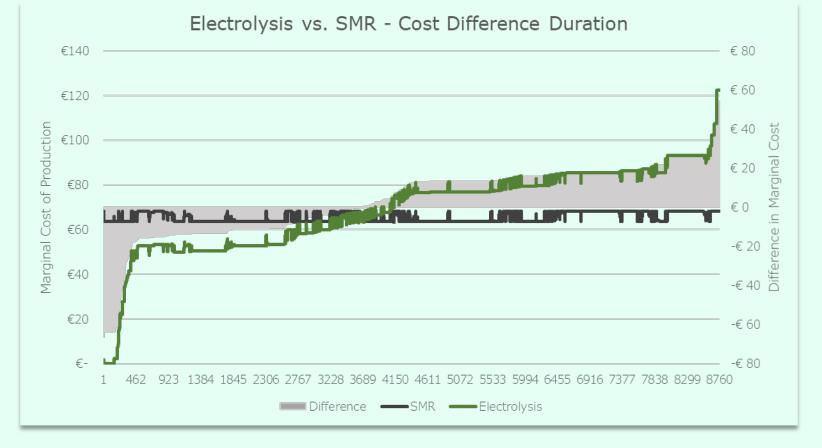
- SMR production meets
 88% of the demand
- Electrolysis reaches
 the 4200 FLH exactly
- Remaining (high)
 demand met with
 (ammonia) import,
 linepack and storage

Market-based dispatch electrolyser

• First Results – electrolyser dispatch (pure variable cost optimization)

 3052 FLH, 6% of total demand met with green hydrogen.

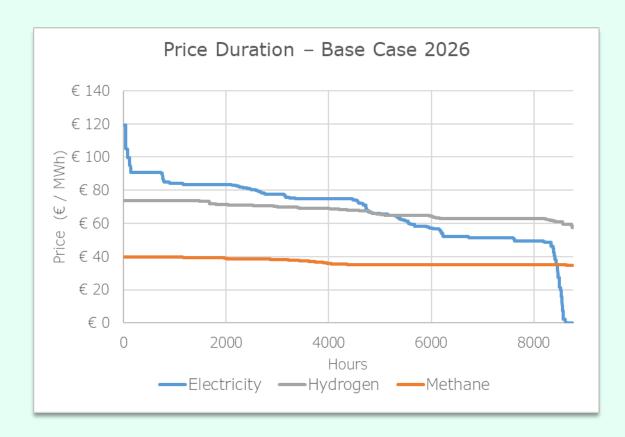
 Electrolysis driven by low cost electricity.



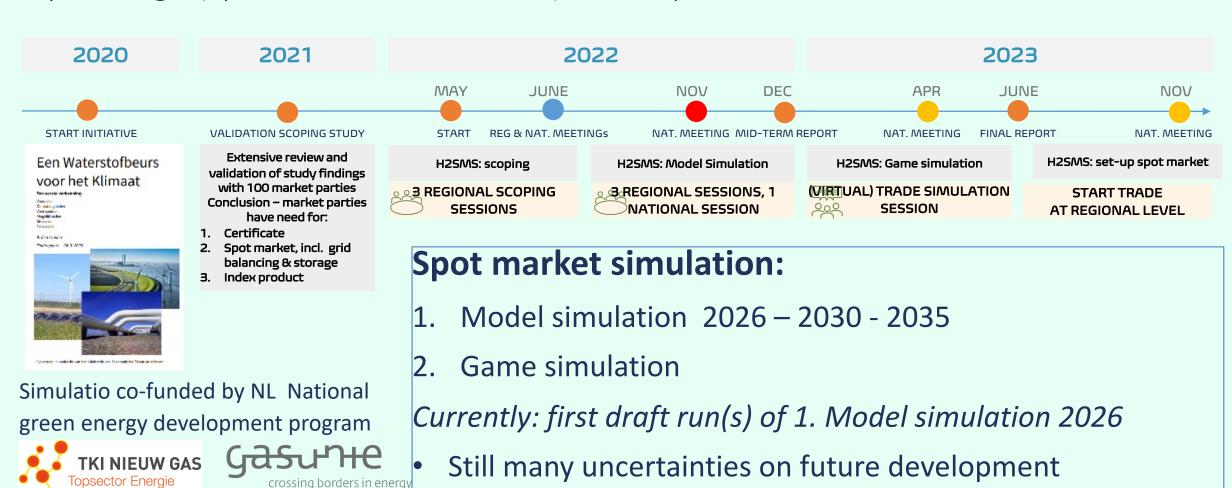
Base Case Scenario 2026

• Results – energy prices

Hydrogen market prices fall between the more variable electricity prices and the constant LNG-determined gas price level



HyXchange (spot market simulation) development timeline



Not a forecast; a first exploration















Happy to get your feedback for further refinemnt



NEWS FROM CLUSTER MEMBERS





Cummins Bosal





PEM Water Electrolysis WIC update

Denis THOMAS, Global Business Development & Marketing Director, NPBU Electrolyzers - Cummins

Waterstof Industrie Cluster (WIC) Meeting Dec 1st, 2022

CUMMINS









59.9K **Global Employees**

1.3M +

Engines built



Engines

Power generators

10.6K

\$1.1B

development



Components

Distribution

Distributor & dealer locations

Invested in research &







Fuel cells



Batteries



Electrical traction

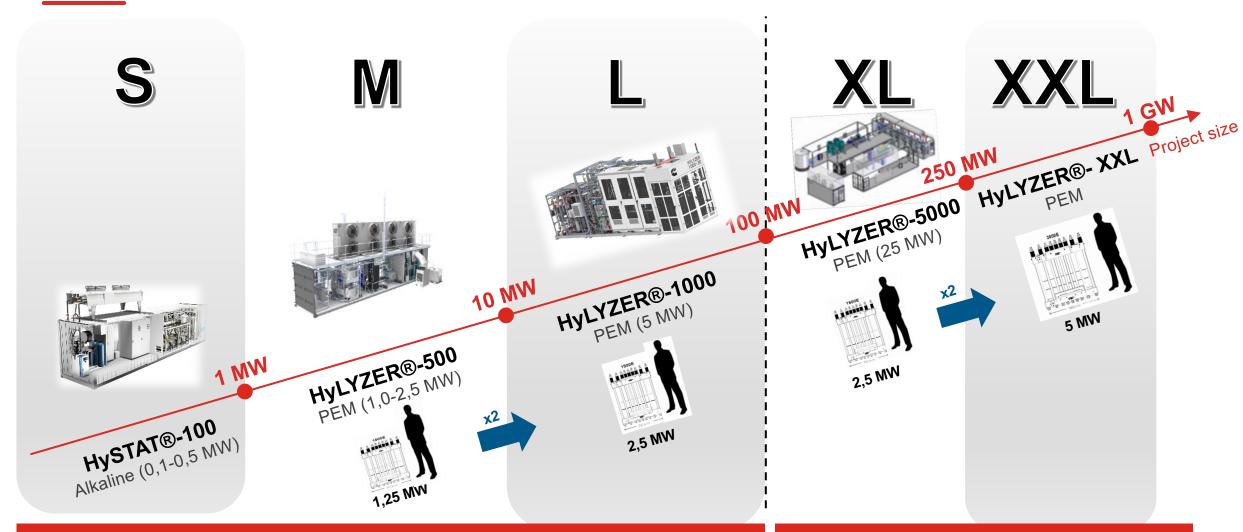


103 YEARS

of industry leadership

*2021 figures

ELECTROLYZER PRODUCT OFFERING



Product validated in the field

Product under development

World's Largest PEM Electrolyzer 20 MW

More info & video tour:

https://www.cummins.com/news/2021/10/04/video-case-study-cummins-hylyzerr-pem-electrolyzer-becancour-quebec



WE ARE EXPANDING OUR PEM ELECTROLYZER MANUFACTURING CAPACITY ON 3 CONTINENTS











Country	Belgium	Spain	Canada	USA	China	China (in JV with Sinopec)
City	Oevel	Guadalajara	Mississauga	Fridley	Shanghai	Foshan
Status	Extension	New	Extension	New	New	New
HyLYZER® PEM cell stacks	•		•		•	
HyLYZER® PEM systems	•	•	•	•		•
HyLYZER®-500	•			•		•
HyLYZER®-1000	•	•	•			•
HyLYZER®-5000		•		•		

GLOBAL ANNUAL CAPACITY: 2-3 GIGAWATTS IN 2023-2024

Dec 1st, 2022 | Waterstof Industrie Cluster

(OEVEL) BELGIUM: EXPANSION



Dec 1st, 2022 | Waterstof Industrie Cluster

Bosal Introduction



BOSAL at a glance

founded

1923

€400 mio

14 production facilities

2.500 employees worldwide

Family owned

Long standing **customer** relations

Industry **leader** in engineering capabilities

Global footprint

Contributing to a cleaner world by consistently innovating in mobility and energy



We offer a full range of innovative solutions to industry leaders worldwide





: chassis

: energy





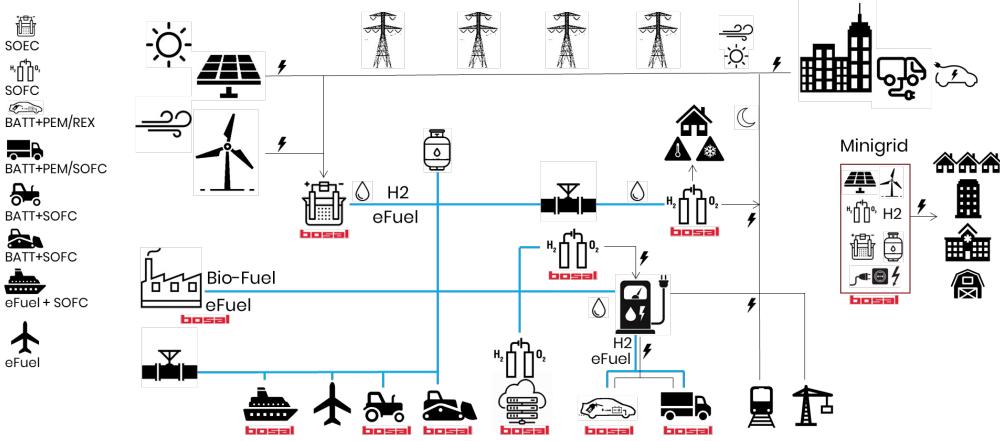


We are expanding fast into advanced sustainable products





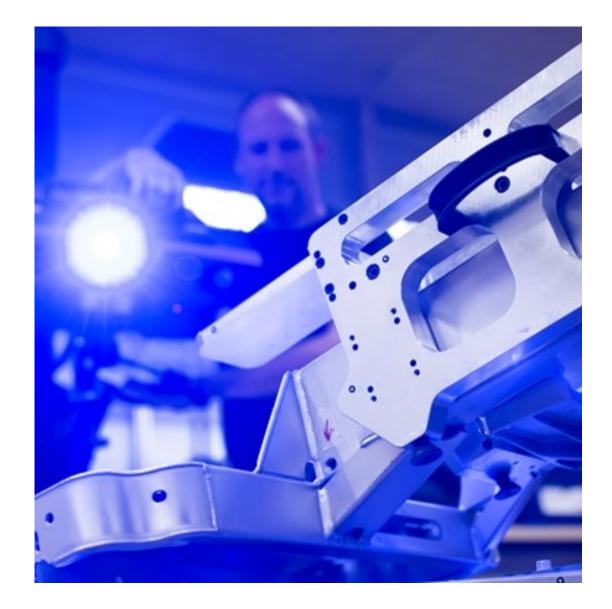
We execute our strategy to lead future technology in the entire ecosystem for new energy solutions in both the energy industry as transportation





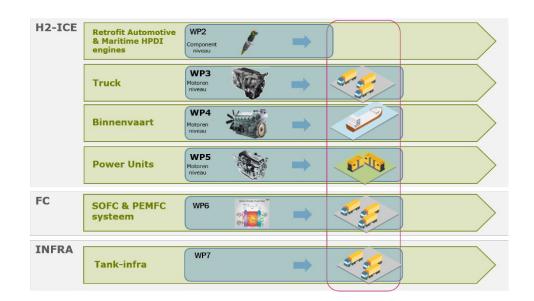
Innovation as a business driver through leading engineering knowledge

- : Advanced engineering technology
- : Functional product development
- : Virtual engineering tools, digital twin
- : Process simulation
- : State-of-the-art research & test facilities
- : Fully equipped proto-shop
- Contract R&D, Manufacturing





Cooperation is essential to realize the transition fast

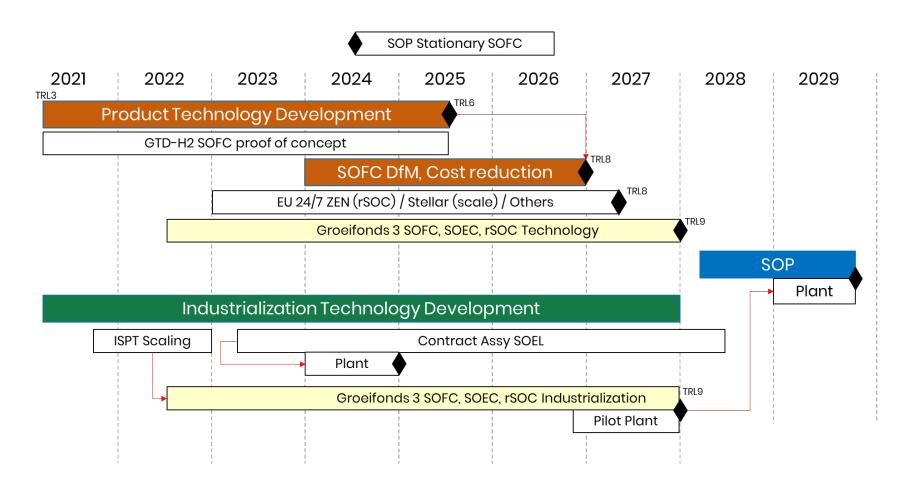




The scope of GTD-H Fuel Cell project is to overcome the disadvantages of SOFCs, facilitating their introduction into the Heavy-Duty transportation sector



We execute a roadmap of projects with partners, for a cost-effective world-leading mass production system of Solide Oxide key-technologies





Key work packages are defined for future collaboration, enabling cost-effective mass production

<u>Virtual Development Tools, Al en IoT</u>

- Control Oriented Modeling & Controls
- Optimalisations (1-3D)
- Field data IoT

Efficiency, Durability, Reliability and Recyling

- Advanced smart Heat & Energy management
- Reliability engineering, predictive maintenance
- LCA

Product Cost Reduction

- Components, Material, Catalysts
- Non-rare materials, stability supply chain
- DfM, DfA, Function Integration

Process Cost Reduction

- Digital Twin Lean Manufacturing, Adaptive machine learning, Al
- In-line quality control
- Full automation in flow



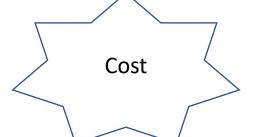
Thank you!



Combustion technology H2

(Working group combustion)

efficiency



Manufacturing scalability

Retrofit



Robust (H2 fuel grade)

Worlwide service network Worldwide knowledge

Mature technology

Available materials

Association with fossils

Societal

resistance

NOISE



CO2 emissions

> NOX emissions

Moving parts

Maintenance



NEXT STEPS COMBUSTION WG



White paper

• Event in spring 2023

WN/WIC News

COMMUNICATION: WIC NEWSLETTER



• Content:

- Newsflash
 - Regional
 - International
 - MEMBER NEWS !!!
- New events
- New calls

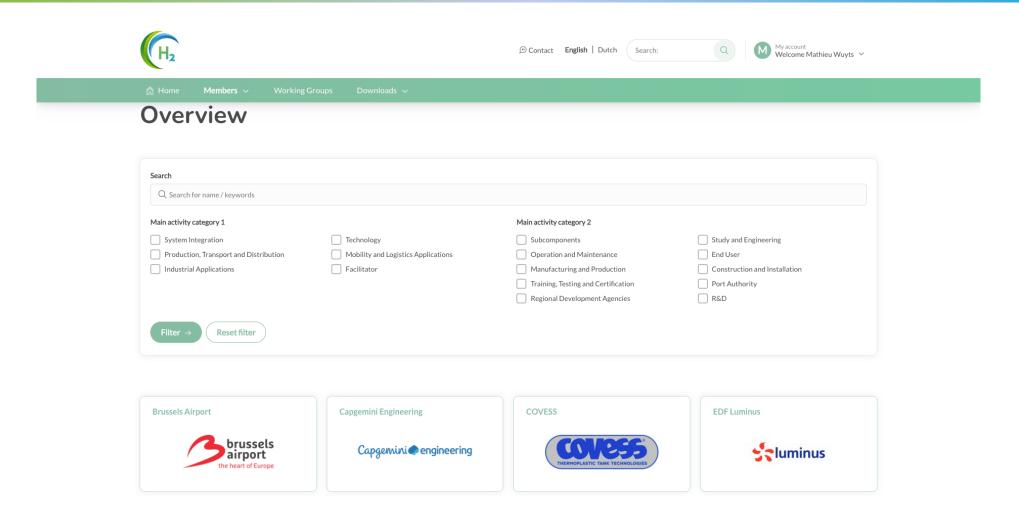
Update

- 7 sent already
- Feedback from members welcome



WIC MEMBER PORTAL





WIC MEMBER







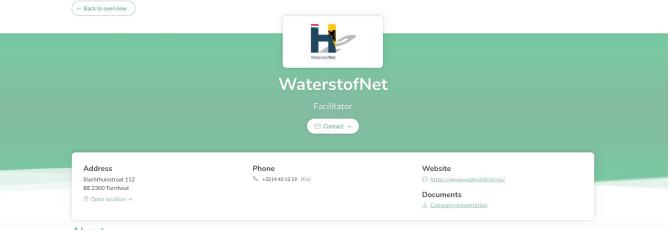




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Detail



About

Mission

WaterstofNet is a knowledge and collaboration platform. We aim to contribute to a carbon-neutral society by supporting and realising hydrogen projects in Flanders and the Netherlands. Together with the industrial sector and the government, we enable concrete achievements in the field, laying the basis for further collaboration. By doing so, we assist in the further development of Flanders and the Netherlands as leaders in hydrogen.

Visio

Sustainable hydrogen will play a key role in the decarbonisation of our community. It can contribute to zero-emission transport and function as a sustainable raw material for industry, as a means of energy storage and a carbon-free source for heat.

Flanders and the Netherlands host a unique value chain of companies and research institutes that are active in the field of hydrogen. As a knowledge and collaboration platform, WaterstofNet acts as a catalyst for this ecosystem in the further realisation of a hydrogen economy.

Contacts



WIC MEMBER PORTAL



Finetuning & testing now

• Release 15 december*

NEWS FROM EU



- European Hydrogen Bank: little known about precise mechanism
 - 3 Bln from the innovation fund
- German H2Global initiative:
 - 900 Million announced in 2021, for 2022
 - At COP27 Chancellor Scholz announced: "We plan to invest more than €4 billion [into H2Global]. The first tenders will be launched soon,"
 - Dutch government announced to participate financially in the initiative
- RED III/ Additionality: see next slides

NEWS FROM EU



RED III/ Additionality update

(14/7/2021) Fit For 55

• EC proposal for RED III

(13/7/2022)

• EP ITRE committee position paper

(14/9/2022)

Plenary vote EP on RED II

- Amendment 13 adopted
- EP started a working group on art. 27.3

Dec/2022

• Tentative final agreement















(27/6/2022)

 Council position on RED III ??/9/2022

New Leak
 Delegated Act
 Commission

Oct/Nov/Dec 2022

- Trilogues:
- 6 Oct
- 16 Nov
- 7 Dec
- 14 Dec

NEWS FROM EU



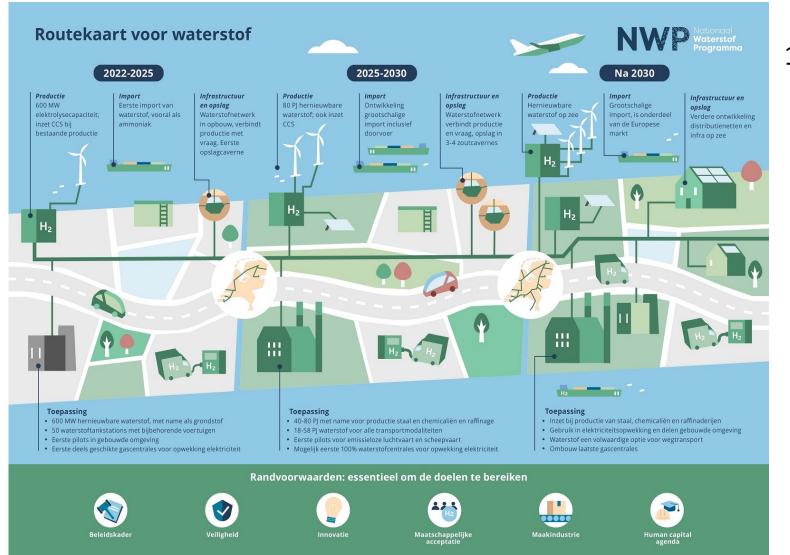
RED III/ Additionality recap

RED III/ Additionality recap			
	EC	Council	Parliament
Overall target	40% (July 2021), <u>45%</u> (REPowerEU)	40%	45%
GHG emission reduction target in TRANSPORT	13% with a 2.6% (5% REPowerEU) target for renewable fuels of non-biological origin (RFNBOs) in the transport sector by 2030	13% with a 5.2% target for renewable fuels of non-biological origin (RFNBOs) in the transport sector by 2030 NON BINDING	16% by 2030 with a 5.7% target for renewable fuels of non-biological origin (RFNBOs) in the transport sector by 2030 and 2.6% by 2028 + of which at least 1.2% by 2030 in the maritime sector
Green Hydrogen in INDUSTRY	50% in 2030 (July 2021), <u>75%</u> (REPowerEU)	35% in 2030 en 50% in 2035 NON BINDING	50% in 2030 en 70% in 2035 BINDING BUT COMMISSION CAN AMMEND TARGET (in 2026)

NEWS FROM THE NETHERLANDS



• "Routekaart waterstof" (roadmap hydrogen) presented on 03/11/22



- 1. Holistic approach to the development of the Dutch hydrogen market
- 2. Public and private parties associated with the NWP
 - 3. 13 themes, written by 13 NWP theme groups (production, import, infra, ...)
 - 4. Consisting of experts from organizations relevant to the theme
 - → Projections for 2022-2025, 2025-2030 and after 2030

NEWS FROM BELGIUM



New Federal Hydrogen Strategy

- ✓ Updated, more ambitious targets (import/use)
- ✓ Details on supply routes: North Sea, Southern-Europe/Northern Africa, Shipping route
- ✓ Support the creation of a Belgian Hydrogen Council

Belgian Hydrogen Council

- ✓ Coordinated by WaterstofNet and Cluster Tweed
- ✓ Composed of our members
- ✓ Promotion & policy recommendations

WG POLICY





Evaluation & statements
Related to EU or national legislation

Policy recommendations

- ✓ Position paper certification , ASAP, renewable & low carbon, uniformity, compatibility with NL & DE systems
- ✓ Position paper investment deduction, more efficient use of energy, discussions with relevant cabinets.

Meetings held on

- 23 September (online)
- 28 November (@PoAB)

Next steps

- ✓ Closer follow-up of Dutch Policy developments
- ✓ Position paper update on de-risking and support schemes
- ✓ Memorandum to prepare 2024 elections

WG PERMITTING





Sharing experiences on permitting of H2 installations. Indicating missing elements/best practices to authorities.

- Inventory made of practical experiences with permitting (12 responses)
 - **Non-specific and vague legislation** leads to 'own interpretations' of licensing authorities. Different authorities (provinces) have different interpretations.
 - Authorities do not have the required knowledge, which leads to unrealistic demands
 - **Throughput time** is too long, especially for a demo/test. Mobile installations have to comply with the same procedure as fixed installations, which is not feasible
 - •
- Contact with Flemish environmental department established; meeting in January
- First meeting with team to make Action plan/define priorities on Dec 7

WG H2FORALL





Disclosing the world of H₂ to the broader public

Working group scrapped, but podcast continues:

- New episode available on "Hydrogen combustion engines"
- Next episode (beginning 2023) on Hydrogen in port environments
- Please promote Podcast through your channels!









WORKING GROUP MOBILITY





HRS-roadmap for cars, trucks for Benelux 2025 - 2030

* taking into account targets Nationaal Waterstof Programma (NI)

2025 : 50 HRS, including 10 XL-HRS

HRS: between 3 - 5 year, 100 - 130 FCEV/HRS

HRS-XL: between 1 – 5 year, 25 – 25 trucks on hydrogen

8 million kg on hydrogen consumed in mobility

2027 : at least 4 HRS-XL for 150-200 trucks on hydrogen

2025 – 2030 : HRS-network covering Netherlands

2030 :150 HRS + 50 XL-stations

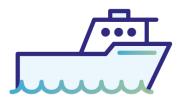
40.000 – 75.000 cars on hydrogen

5.000 – 10.000 trucks on hydrogen

Increase utilisation, certification HRS, increase utilisation, communication

WG SHIPPING

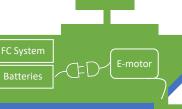




- H2 container
 - 100 % cooperation with CONDOR Project
 - Swappable
 - Market Neutral
 - Standardised
 - Scalable
- Already 70 parties involved
- 2 kind of workshops planned
- 12/12 : Go/No Go for application Nederlands Nationaal Groeifonds







WG PORT EQUIPMENT









- Kick-off Sept 23
 - Introduction round
 - Gathering of information
- Next meeting Dec 14
 - Learnings of pilot project
 - Seveso regulation
 - Set up action plan pilot equipment
 - Case study Deloitte

EDUCATION & TRAINING TECHNICAL WORKFORCE ON H



- Huge training needs for engineers, technicians, public bodies!!
- Different steps
 - Phase 1: interviews (what is existing + future ambitions)
 - Universities
 - High schools
 - Secondary schools
 - Adult education
 - Public bodies
 - Phase 2 : analyses of shortages
 - Phase 3: common plan for new training/education
 - Phase 4: broad communication



FUNDING OPTIONS



EU

- Horizon Europe: Energy R&I projects, deadline 10 & 24 January 2023 The European Commission has launched new calls for projects under Horizon Europe's Work Programme for 2021-2022. EU funding of EUR 214.1 million in total is now available for Energy topics. (more info)
- Innovation Fund third call for large scale projects, deadline 16 March 2023 the European Commission launched
 the third call for large-scale projects under the EU Innovation Fund. With a budget doubled to €3 billion and
 specific topics on hydrogen. (more info)

BE

• Energy Transition Fund (ETF), deadline 14 december 2022 - The Energy Transition Fund aims to encourage and support energy research, development and innovation - within federal energy powers. (more info)

NL

- IPCEI Hydrogen: import and storage (RVO), deadline 14 december 2022 Does your organisation deal with the import and storage of hydrogen? Then apply for a grant with the IPCEI Hydrogen: Import and Storage. (more info)
- New Dutch-German program on green hydrogen (NWO), deadline 7 February 2023 With a new ten million euro program, the Netherlands and Germany will strengthen cooperation in the field of energy transition (more info)

BE/NL

Interreg Vlaanderen-Nederland, deadline 9 February 2023 (more info)

UPCOMING EVENTS



New WIC meetings 2023

WIC meeting 1: Thursday 2 maart

WIC meeting 2: Thursday 8 juni

WIC meeting 3: Thursday 21 sept

WIC meeting 4: Thursday 7 dec

- Hyvolution Feb 1-2
- Hannover Messe April: WIC or regional (FL) representation?
- WIC conference end of April-beginning of May to be planned
- WIC visit NRW (Q1, 2023, to be planned)
- Meet & Greet: to be planned
- Webinars: Ad hoc, depending on input from WIC members