

Frequently Asked Questions (FAQs) about Hydrogen Connection Requests

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1. Hydrogen Connection Request Procedures

What information do I need to provide to submit a hydrogen connection request?

To process a hydrogen connection request, the following information must be provided in the designated form available on the Enagás Transporte website (<u>link to form</u>):

- Information about the requesting company: company name, Tax Identification Number (TIN), contact person, email, phone number, and registered office address.
- **Information about the hydrogen source:** You must specify the source of the hydrogen from the following options:
 - Solar thermal.
 - Wind.
 - Solar, batteries, and green energy from the grid (with certificates of origin).

If your source is not listed in any of the proposed options, you can briefly describe it by selecting the "Others" option.

Information about the estimated volume to be injected:

- o Expected annual production in Nm³/a.
- o Maximum daily production in Nm³/d.
- Maximum and minimum hourly flow rate (different from 0) in Nm³/h.
- Expected production start date.
- Location of the connection point: Municipality, Province, Autonomous Community, UTM coordinates of the producer installation point to be connected to the transport network.
- **Detailed composition of the hydrogen:** It is necessary to know the detailed composition of the gas to be injected into the transport network. The volume percentage of H2 is required.
- **Observations:** In this section, you should include all information that may be of interest for the development of the connection project.

Can a hydrogen connection request be made at any location?

Yes, a connection request can be made for any location. Enagás Transporte will always offer the closest technically feasible connection point, providing the UTM coordinates.



2. Processing Deadlines and Steps

What is the process for requesting a connection to Enagás Transporte network?

- 1. First, the producer must submit a connection request to the Enagás Transporte network by filling out the <u>form</u> available on the website according to section 1 of this document.
- 2. Enagás Transporte will respond to the connection request with a document of Technical and Economic Conditions (CTE) according to the terms established in the *Real Decreto 1434/2002, which regulates transport, distribution, commercialization, supply activities, and the authorization procedures for natural gas installations*, within a maximum of 40 working days. The validity of the CTE will be 2 months.

What happens if I am not able to accept the Technical and Economic Conditions (CTE) within their validity period?

If the CTE are not accepted during their validity period, they expire and the connection request is considered withdrawn by the applicant.

What happens if the CTE are accepted but the contract is not signed within their validity period due to the applicant's decision?

The contract must be signed within the CTE validity period (2 months). Therefore, the request is also considered withdrawn by the connection applicant.

What is the execution period for the connection project?

The CTE document includes an indicative execution period for the connection project. Based on Enagás Transporte experience with other types of connections to the network and depending mainly on the time required to obtain the necessary permits and authorizations and to gather the necessary materials, the estimated period from the contract signing and receipt of the first payment to the commissioning of the connection installation is usually 16 to 22 months.

3. Technical Information about Connection Projects

What does the maximum flow rate indicated in the CTE refer to?

The maximum flow refers to the design limitations of the connection point. It does not refer to the available injection capacity at that point. The design limitations of maximum and minimum flows that can be delivered are due to



the currently available Custody Transfer hydrogen measurement equipment. If the minimum flow is not reached, the applicant must have a storage tank/buffer to accumulate gas deliveries measurable by the equipment.

At what pressure should the hydrogen be delivered to Enagás Transporte network? Who will be responsible for compressing the gas?

The hydrogen must be delivered to Enagás Transporte at the pipeline pressure where it will be connected. This information is specified in the CTE document.

The producer is responsible for compressing the hydrogen to the required pressure for delivery at the connection point from their production facility. The delivery conditions (pressure and quality, among others) will be included in the Operation Manual and Measurement Protocol, which must be signed prior to commissioning the connection.

4. Licenses and Administrative Authorizations

Which facilities will be built by Enagás Transporte?

Enagás Transporte is responsible for constructing the elements under its ownership, i.e., the injection point (including the NG/H2 mixer) and the pure hydrogen measurement and regulation unit.

The connection applicant will be responsible for constructing the other necessary elements to connect to Enagás Transporte position.

Who will be responsible for obtaining the land, permits, and necessary authorizations for the construction of the connection point?

The responsibility for obtaining the land, permits, and necessary authorizations for the construction of the connection point will lie with Enagás Transporte. These will be granted by the competent public administrations.

Who will own the connection point?

The connection point will be owned by Enagás.



5. Connection and Access

What does the separation between Connection and Access imply?

The right of connection only grants the right to connect the hydrogen production facility to a specific point in the natural gas network, while the right of access grants the right to inject into the gas network and transport the hydrogen produced by the applicant's facility through it. According to the Comisión Nacional de los Mercados y la Competencia (CNMC) and its Resolución dated September 28, 2023 (Ref. CFT/DE/291/22), the Connection and Access procedures are independent. Based on this, the Technical and Economic Conditions provided by Enagás Transporte in response to the connection request for the hydrogen production facility only relate to Connection and do not include an analysis of the available capacity nor grant any right of Access.

Does the acceptance of the Connection CTE grant the right of Access?

No, under no circumstances. As stated in the aforementioned CNMC Resolution (Ref. CFT/DE/291/22), if the CTE provided are finally accepted and the contract is signed, and since there is currently no regulation regarding Access, the renewable hydrogen producer will have to comply with the future regulation on access to gas networks to obtain the right to inject the produced hydrogen.

Does signing the Connection contract grant Access capacity?

No, under no circumstances. As stated in the aforementioned CNMC Resolution (Ref. CFT/DE/291/22), if the CTE provided are finally accepted and the contract is signed, and since there is currently no regulation regarding Access, the renewable hydrogen producer will have to comply with the future regulation on access to gas networks to obtain the right to inject the produced hydrogen.

Does the right of Connection grant a preferential right to Access capacity?

No. As stated in the aforementioned CNMC Resolution (Ref. CFT/DE/291/22), "the current regulation of the right of access does not establish a chronological priority criterion for capacity allocation based on the order of submission of connection requests and does not regulate the access of hydrogen production facilities. Connection applicants must comply with the regulation on access to gas networks to obtain the right to inject the energy to be produced by their renewable hydrogen facilities."



If I do not have the right of Access to the gas system, can I sign a Connection contract??

Yes, you can. However, it should be noted that the acceptance of the CTE or the signing of the connection contract does not provide any advantage that facilitates or guarantees capacity allocation. Therefore, Enagás Transporte leaves it to the applicant's discretion to accept the CTE and sign the contract until they have the right of access.

6. After Commissioning

The following points are the responsibility of the trading company that wishes to inject hydrogen into the transportation network.

Is it necessary to be a gas shipper to be able to inject Hydrogen into the transportation network? How can I become a trading company?

The operation must be carried out by a trading company. To become a trading company and, after having verified that all the requirements established in RD 1434/2022 are met, which regulates the activities of transportation, distribution, marketing, supply, and authorization procedures for natural gas facilities, it must be communicated to the Dirección General de Política Energética y Minas of the Ministerio de Industria, Comercio y Turismo through the forms provided for this purpose, available here.

Afterwards, the Dirección General de Política Energética y Minas will inform the Comisión Nacional de los Mercados y la Competencia (CNMC) and the Corporación de Reservas Estratégicas de Productos Petrolíferos (CORES) about the incorporation of a new marketer into the Spanish Gas System..

Finally, the CNMC publishes on its website a list of companies engaged in the activity of gas marketing, where you can verify if your company has been correctly included.

How can I redeem origin guarantees?

The origin guarantees for renewable gases in Spain are regulated according to Real Decreto 376/2022, of May 17th, which establishes the origin guarantee system and designates the Technical System Manager (Enagás GTS) as the entity responsible for said system, on a transitional basis "until the Ministerio para la Transición Ecológica y el Reto Demográfico has the human and material resources to carry out its functions".

For inquiries regarding origin guarantees, please contact the Technical System Manager (Enagás GTS) via email at GDO GTS@enagas.es. You can find more information in Origin Guarantees - General Information. Origin Guarantees - General Information.