



A project located in the Henares Corridor

Enagás, EDF, Madrileña Red de Gas and Q-Energy launch the green hydrogen valley in the Community of Madrid

- With Aena's support, these companies are joining forces to promote the production and consumption of renewable hydrogen in the Community of Madrid
- Strategic sectors with a high economic and environmental impact in Madrid, such as transport and industry, are expected to be the main consumers of green hydrogen
- Given how much green hydrogen production is planned, CO₂ emissions are expected to fall by an estimated 132,000 tonnes per year in the region

Madrid, 5 July 2021. Enagás, EDF, Madrileña Red de Gas and Q-Energy have partnered to launch the "Renewable Hydrogen Valley" in the Community of Madrid. The project, currently in the study phase, will encompass both the production and distribution of hydrogen and help facilitate the region's decarbonisation by reducing emissions in the transport sector and industry.

Specifically, the project entails the large-scale deployment of a renewable hydrogen solution. It will comprise of two new constructions: an electrolysis plant with a capacity of up to 60MW and a solar photovoltaic power plant, where the latter will power the former.

The green hydrogen is intended for local consumption, or for distribution by the gas pipeline network or by tanker trucks to end consumers mainly in the mobility sector, such as road and urban transport and logistics companies (including Madrid-Barajas Airport), as well as industries and the residential sector in the area. The initiative will therefore allow the region to progress in its energy transition process and speed up the decarbonisation of sectors that are difficult to electrify.

The project was submitted to the expression of interest on green hydrogen of the Ministry for the Ecological Transition and Demographic Challenge in December 2020. Likewise, the partners involved have expressed the advantages of this initiative to representatives of the Community of Madrid and local authorities.

Regional academic institutions, such as the Carlos III University of Madrid and the University of Alcalá de Henares, industry associations and companies in the mobility and logistics sector have already shown their support for the project.



A sustainable future

The transport and industry sectors are two of the largest energy consumers and, by extension, two of the largest generators of emissions in the Community of Madrid. This project, estimated to produce about 8,500 tonnes of green hydrogen, will potentially avoid 132,000 tonnes of CO₂ emissions per year, helping to improve air quality in the capital.

Hydrogen is an energy vector that reduces greenhouse gas emissions and facilitates the decarbonisation of a wide range of sectors. For hydrogen to be green it needs to be produced from energy sources that are 100% renewable, such as solar or wind power, which will be used to split the water in hydrogen and oxygen.

The project will be located in the Henares Corridor, one of the main residential, industrial and business axes of the Community, a prime logistics location for the development of transport-related activities.

Given its proximity to the Adolfo Suárez Madrid-Barajas Airport, and in line with Aena's Climate Action Plan, this project also seeks to promote the decarbonisation of airport activities, promoting, in the short term, the consumption of green hydrogen in machinery and ground support equipment for aircrafts and, in the medium or long term, the supply of neutral or emission-free fuels to power future aircrafts.

This initiative will act as a lever of growth for the Community of Madrid, contributing to the development of its economy and industry and resulting in the creation of sustainable and skilled employment. It would also place the region among the most advanced in Europe in the use of green hydrogen for mobility.

A commitment to decarbonisation

Through this partnership, the companies involved are improving their respective decarbonisation strategies.

According to Marcelino Oreja, CEO of Enagás, "this agreement dovetails perfectly with Enagás' commitment to decarbonisation. The company will contribute its experience of promoting renewable gases in a project that is an example of how we can join forces to play a part in the energy transition in major sectors like industry and transport, and reduce global emissions".

For Ana Gil Nuño, CEO of EDF Ibérica, "this project is part of our strategy to achieve carbon neutrality and allows us to put into practice EDF's knowledge and experience in the field of renewable hydrogen, a key driver for the decarbonisation of sectors such as industry and mobility. We hope to contribute to the success of this project with our skills across the entire renewable hydrogen value chain and the knowledge we have acquired in the development of projects at a European level. We are convinced that this project is sure to bring about more sustainable economic development in the future".

In the words of Alejandro Lafarga, CEO of Madrileña Red de Gas, "as a natural gas distribution company we are extremely committed to carrying out innovative projects with companies and associations that seek transformative processes to increase the energy efficiency of end consumers and, most especially, the future use of renewable



energies, both in mobility and industry. We are committed to the development of renewable gases such as hydrogen and biomethane to help reduce CO₂ and polluting particles".

Iñigo Olaguibel, founding partner and CEO of Q-Energy, states that "this project has the potential to facilitate the decarbonisation of key sectors for the economy in the Community of Madrid and reinforces Q-Energy's commitment to energy transition and sustainability, after more than 15 years investing in renewable assets not only in Spain but worldwide".

About Enagás

Enagás is a Transmission System Operator (TSO) with 50 years' experience in the development, operation and maintenance of energy infrastructure, and carries out its activities in eight countries: Spain, the United States, Mexico, Chile, Peru, Albania, Greece and Italy. The company has over 12,000 kilometres of gas pipelines, three strategic storage facilities and eight regasification plants. In Spain, it is the leading natural gas transmission company and the Technical Manager of the Gas System.

Enagás has pledged to be carbon neutral by 2040 and is firmly committed to the decarbonisation process. The company is focused on the development of projects to promote renewable gases –green hydrogen and biomethane– sustainable mobility and energy efficiency, among other areas. The company is the world leader in its sector on the Dow Jones Sustainability Index (DJSI), according to the latest edition of this index, and has received the highest score to date in Spain from S&P Global Ratings in the ESG field (sustainability, social and governance criteria) in all sectors.

About EDF

The EDF Group is one of the major players in energy transition. It is an integrated energy company that operates across all lines of business: generation, transmission, distribution, marketing, energy sales and energy services. As a world leader in CO₂-free energy, the Group has developed a diversified generation mix based primarily on nuclear and renewable energy (including hydraulics) and is investing in new technologies to support the energy transition. EDF's mission is to build a future for energy that is CO₂ neutral and that reconciles the preservation of the planet, well-being and development, with electricity, innovative solutions and services. The Group supplies energy and services to some 37.9 million customers⁽¹⁾, including 28.7 million in France⁽²⁾. In 2020, it generated a consolidated turnover of 69 billion euros. EDF is listed on the Paris Stock Exchange.

⁽¹⁾ Customers are recorded from 2018 by place of supply; a customer can have two delivery points, one for electricity and one for gas.

⁽²⁾ Including ÉS (Électricité de Strasbourg).

About Madrileña Red de Gas

Madrileña Red de Gas is the natural gas distribution company in the Community of Madrid. It has more than 900,000 customers located in 61 municipalities and 5 districts in the Community of Madrid, a



distribution network more than 6,100 km long, and 5 LNG plants. As the main operator in the Henares Corridor, it supplies more than 10 TWh per year of natural gas to the residential, commercial, industrial, tertiary and Vehicular Natural Gas markets, supplying more than 250 GWh to the Vehicular Natural Gas market alone to both public and private stations in this sector.

About Q-Energy

Since 2007, Q-Energy's team of more than 150 professionals has invested more than 8.5 billion euros in the renewable energy sector worldwide. Q-Energy's investments have been channelled through four investment supplies: Fotowatio / FRV, Vela Energy, Q-Energy III and Q-Energy IV. Q-Energy provides a comprehensive investment and asset management service, applying exhaustive monitoring and control processes, as well as modern technological systems. Q-Energy therefore manages its assets in real time, achieving significant financial and operational efficiency. The Q-Energy team currently manages more than 1GW of solar photovoltaic power, 220MW of solar thermal power (CSP) and 180MW of wind power in Spain, Germany and Italy.