Lhyfe

centrica

UK First: Lhyfe and Centrica to develop offshore renewable green hydrogen

- Memorandum of Understanding will pave the way for green hydrogen pilot production site at sea
- Energy firms explore large scale partnership in drive to net zero
- Aim for UK to become a global leader in the hydrogen sector



Nantes (France) and Windsor (United Kingdom), 20 March 2023 - 7:30 am CET - <u>Lhyfe</u> (EURONEXT: LHYFE) and Centrica have agreed to jointly develop offshore renewable green hydrogen in the UK in a first for the country. The companies have signed a memorandum of understanding (MoU) that could accelerate green hydrogen as part of the energy transition in the UK.

Under the agreement, Lhyfe and Centrica will explore combining their expertise to collaborate on a pilot green hydrogen production site in the Southern North Sea.

The pilot will aim to combine Lhyfe's expertise on green hydrogen production and Centrica's experience of gas storage and infrastructure to ensure that the hydrogen produced can be safely stored and utilised in the UK. The end result would be proof that an end-to-end hydrogen production, storage, and distribution system is possible in the country.

The energy firms will also examine an additional partnership to deploy the technology at commercial scale alongside offshore wind electricity production.

Renewable green hydrogen coupled with offshore wind power is expected to play an increasingly important role in the UK's energy mix, particularly with rapid expansion expected in both of these areas over the next 5-10 years.

Colin Brown, UK and Ireland country manager of Lhyfe, said:

"We are pleased to announce this agreement with Centrica, which represents an exciting opportunity to drive forward the clean energy transition through large-scale offshore green hydrogen production. Offshore electrolysis coupled with hydrogen storage will maximise the huge potential of offshore wind around the UK. The UK can become a global leader in the production of renewable green hydrogen, moving away from our reliance on fossil fuels and improving our homegrown energy security, while delivering net zero and boosting local economies."

Martin Scargill, Managing Director of Centrica Storage, said:

"We are delighted to be working with our partners Lhyfe on another exciting and world-leading Hydrogen project. Hydrogen is going to play a key role in decarbonising the UK's power supply by 2035 and our long-term ambition is for Rough, our gas storage site, to be the world's largest hydrogen store, offering up to 16TWh of storage capacity. This pilot will show how green hydrogen can be produced, moved and stored in the UK market; all while supporting the UK on its net zero journey."

The UK Government has doubled its low-carbon hydrogen production target from 5GW to 10GW by 2030, with at least half of this coming from green hydrogen. Hydrogen production is expected to initially support decarbonisation of industrial clusters, like the Humber cluster with further use cases developing with a growing hydrogen economy.

A recent report by the <u>Climate Change Committee</u> confirmed the essential role of hydrogen production, storage and use in achieving the goal of a net zero electricity system in the UK by 2035.

Click to access the Lhyfe Media Kit (press kit and visuals)

About Lhyfe

Lhyfe is a European group devoted to energy transition, and a producer and supplier of green and renewable hydrogen. Its production sites and portfolio of projects intend to provide access to green and renewable hydrogen in industrial quantities, and enable the creation of a virtuous energy model capable of decarbonising entire sectors of industry and transport.

In 2021, Lhyfe inaugurated the first industrial-scale green hydrogen production plant in the world to be interconnected with a wind farm. In 2022, Lhyfe inaugurated the first offshore green hydrogen production pilot platform in the world.

Lhyfe is represented in 11 European countries and has 149 staff at the end of 2022. The company is listed on the Euronext market in Paris (ISIN: FR0014009YQ1 –LHYFE). For more information, please go to www.lhyfe.com

About Centrica

- Centrica is a leading international services and solutions company with ambitious plans across the business to reach net zero by 2045. Centrica have identified hydrogen as playing an essential part in company and UK targets to achieve net zero.
- Centrica Storage are a 100% owned subsidiary of Centrica and own and operate the Rough gas field storage facility, located off the coast of Humberside.
- Centrica has a long-term ambition to turn Rough into the world's largest hydrogen storage facility.

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