STOREGGA - HYDROGEN

Developing Regional Hydrogen Hubs

26 November 2024

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Hydrogen's Energy Transition Role

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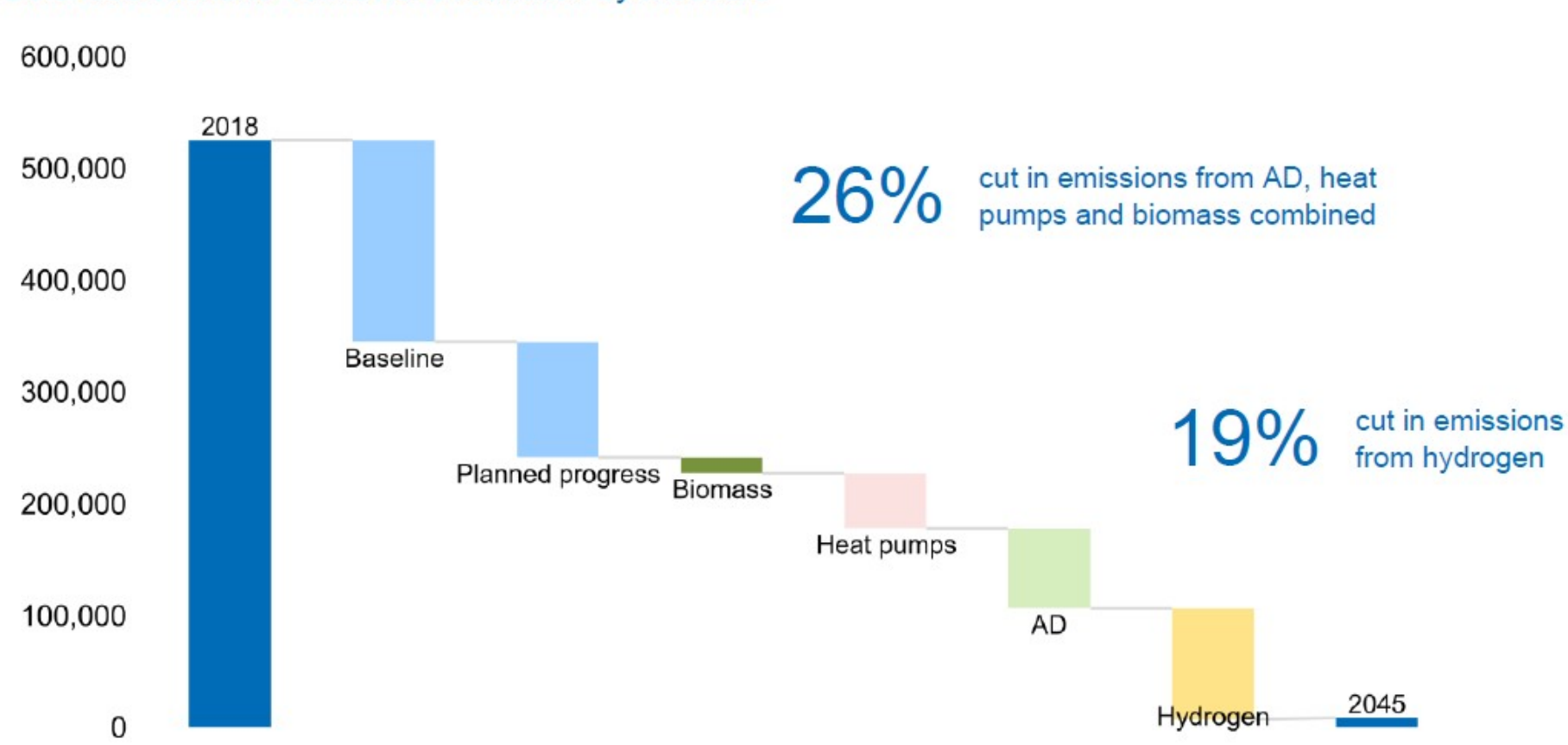
Typical example of "Industrial Heat"

Scotch Whisky Association's Pathway to Net Zero (2020)



Minimise demand through efficiency. Electrify where possible. Fuel switch remainder.

Ref: Scotch whisky pathway to net zero – Report for Scotch Whisky Association, Ricardo, Issue 3, May 2020

Hydrogen Project Requirements: Customer & Developer

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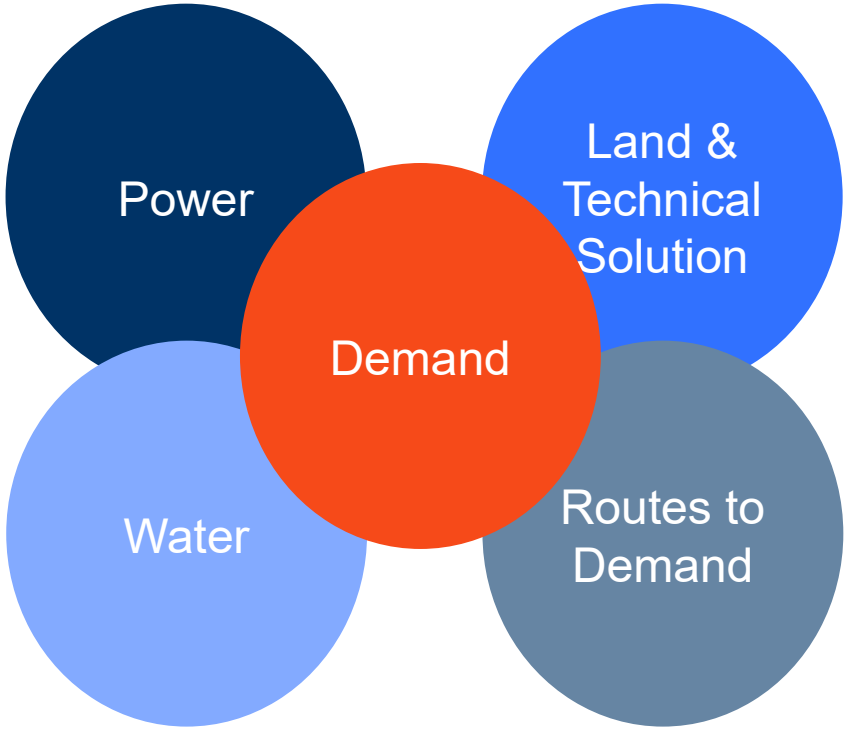
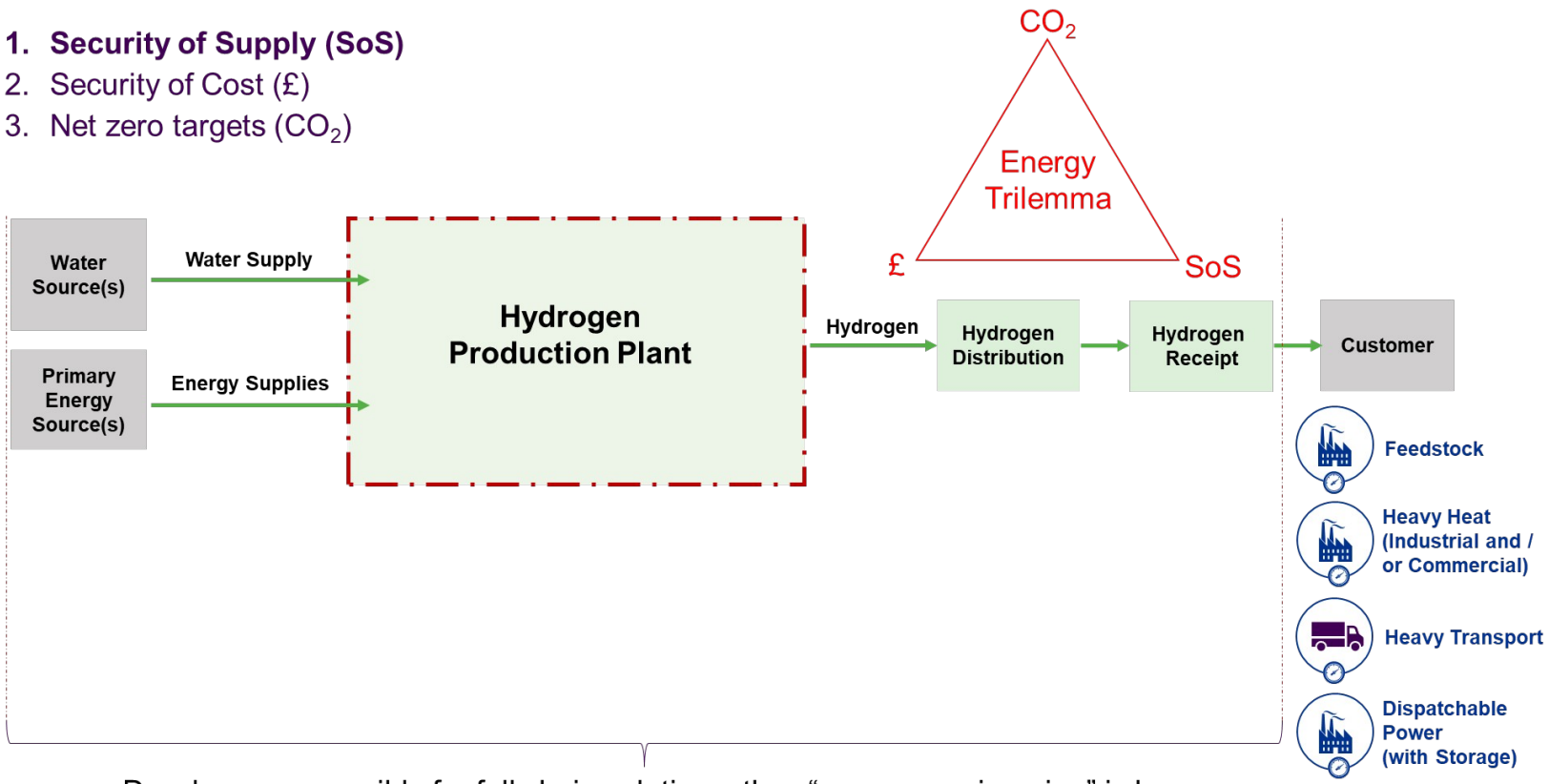


1. **Security of Supply (SoS)**
2. Security of Cost (£)
3. Net zero targets (CO_2)



Developer responsible for full chain solution – thus "reverse engineering" is key

Demand Led. Viable RTM. Reverse engineered. Phases or buildout to Hub Capacity

- Molecules for feedstock and hard to electrify use cases
- Well designed and located electrolysis providing "Grid Relief"

Right use cases

Fuel switching of “Heavy Heat” and “Heavy Transport”

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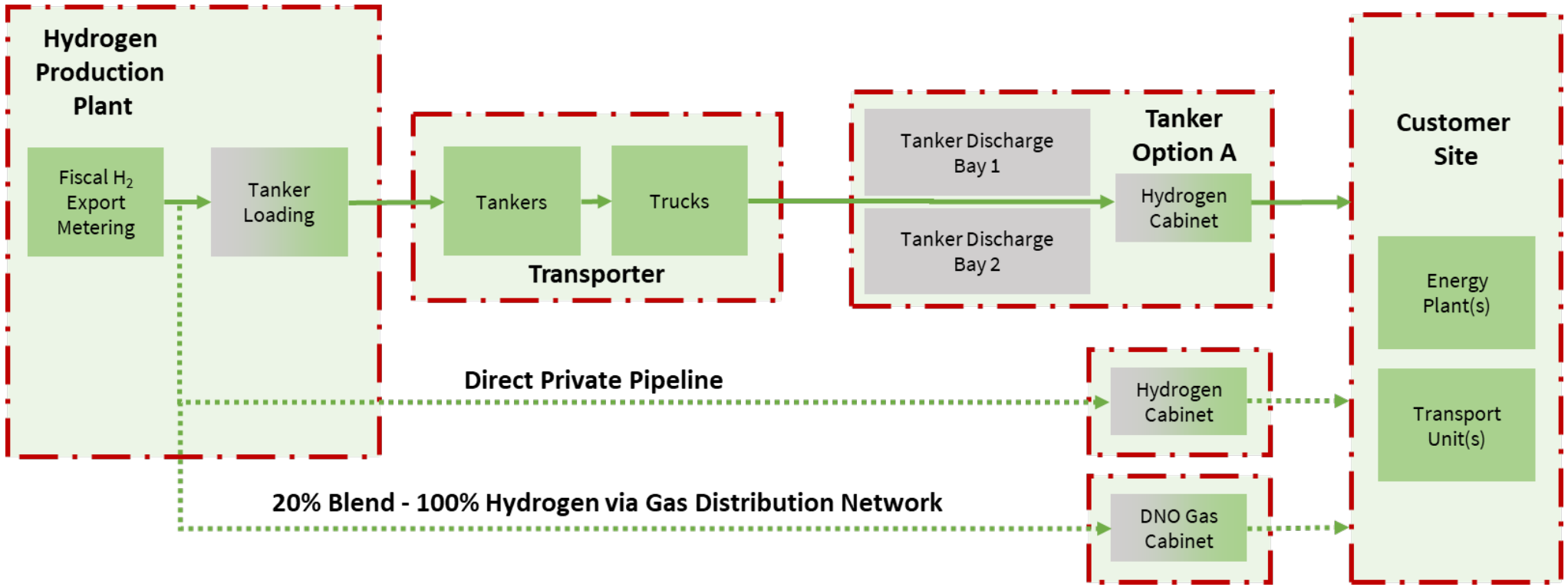


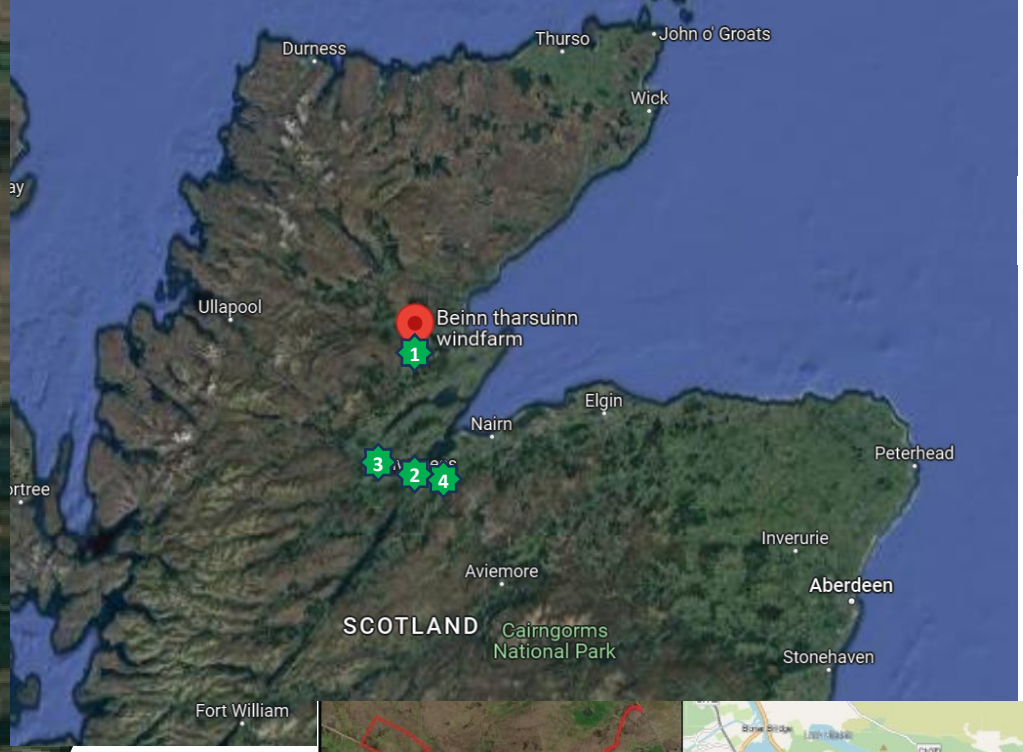
Distribution options:

- Compressed hydrogen tube trailers (circa 300-500bar)
- Private Pipeline
- Use of Gas Distribution Network, subject to GS(M)R change

DESNZ requirement for no risk taking intermediary

Cromarty Hydrogen

- Phase 1 Developer : ScottishPower (51%) & Storegga (49%)
- Phase 1 15MW electrolyser capacity (10.6MW of Hydrogen) operational within 2027.
- Location: Beinn Tharsuinn Windfarm, Alness due to existing Grid Connection - 29 MW's of Renewable Generation Capacity
- Offtake Strategy: Portfolio focused on Net Zero for Distilling Sector
- Hydrogen Distribution: Road haul via compressed hydrogen trailers
- Storegga developing Phase 2 via Site 2 and Site 3 for which HAR2 applications were submitted in April 2024
  - 50MW at Site 2 with pipeline to anchor offtaker;
  - 35MW at Site 3 with pipeline to anchor offtaker.
- 2021 Feasibility Study outlined multi-site, multi-Phase build out to 300MW.
  - Expansion options at Site 2 and Site 3;
  - Assessing power connections for Site 4.



Cromarty Phase 1 Project Status - Summary

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- Land Agreements
  - 1 Land owner - Exclusivity Agreement in place. Option / Lease progressed
- Planning
  - Application submitted October 23 & Validated January 24
  - Determination expected early 2025
- Hydrogen Production Plant
  - FEED based on 3x5MW containerised PEM electrolyser
  - ISBL split between FEED / EPC and OEM utilising Iberdrola's experience and leverage to optimise cost
- Customers Transport & Distribution Strategy
  - HSA being finalized
  - Customer site solutions design scopes being developed
  - Logistics Request for Information held

https://www.cromartyhydrogenproject.co.uk/

- Energy Supply
  - 29MW of behind the meter power available
  - Additional grid connection availability using the ScottishPower portfolio (8TWh's)
- Water Supply
  - Boreholes drilling completed and SEPA tests currently ongoing

SCOTTISHPOWER

Cromarty Phase 1 Project Timeline Schedule

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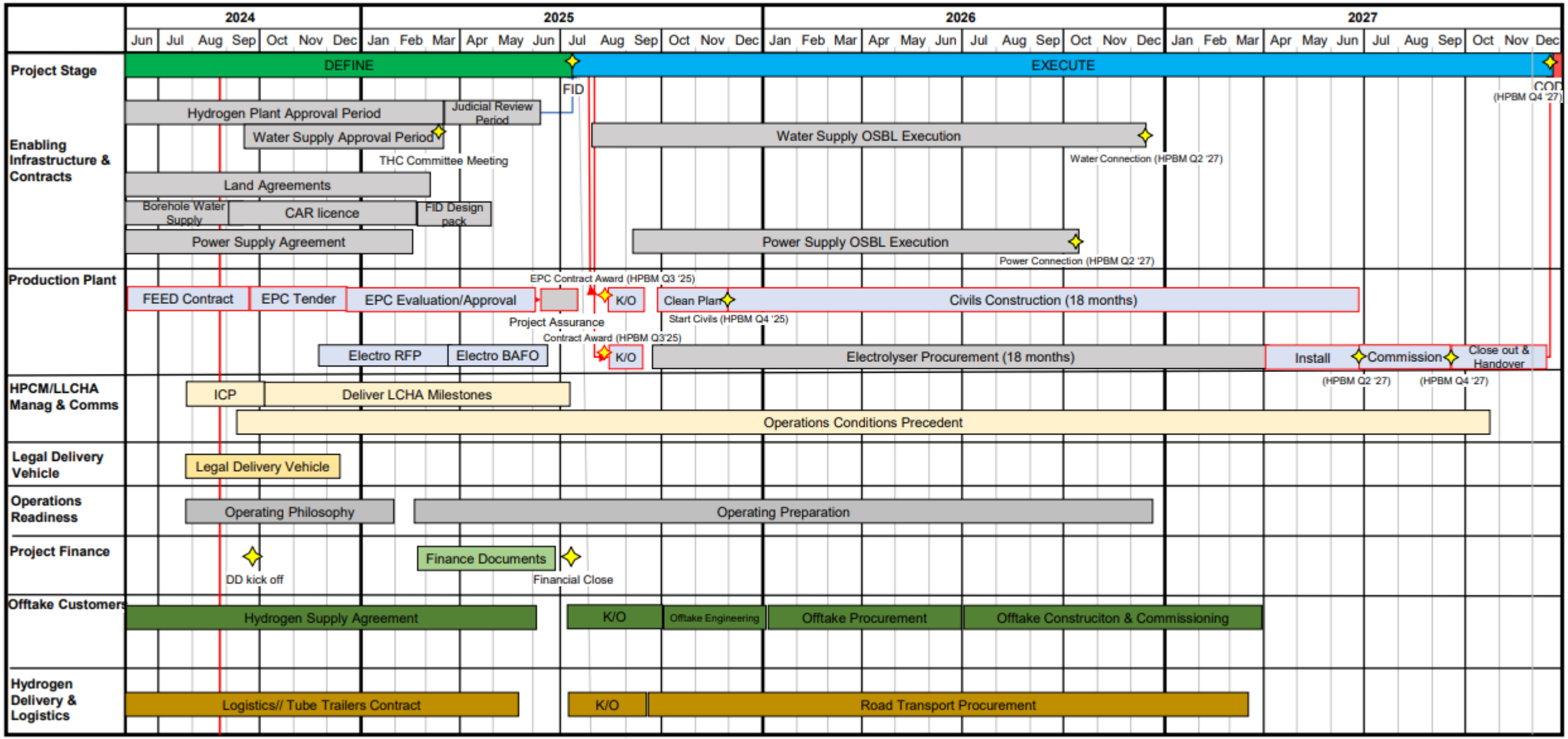

Speyside Hydrogen

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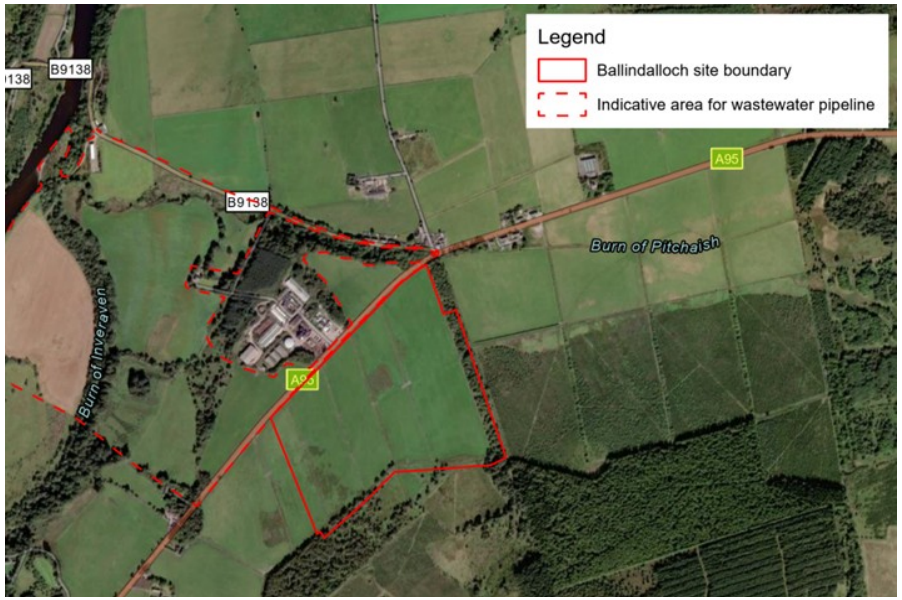
Land & Technical Solution

- **DESNZ HAR2** – Shortlisting outcome expected ‘Autumn’ ’24.
- **Land** – positive engagement and necessary agreements progressing
- **70 MWe** electrolyser capacity. Buildout to 200MW via Phase 2 and 3 at Site 2
- **Electrolyser OEM Selection** – completed Q1 ‘24 with design based upon specific product (PEM). OEM providing FEED support and engaged. Supply contract negotiation started.
- **Production Facility FEED** – Contractor selected (Tier 1 EPC) and early work started.
- **Operating Philosophy** – O&M and Transport Delivery philosophy development and market engagement underway.
- **Planning & EIA** – Mott MacDonald completing EIA, survey work nearing completion. 1st Pre-Application Consultation event completed; 2nd event late November for Planning Application Q1 ‘25.



Project will be located off the A95 in Marypark, Ballindalloch

Public Consultation Feedback

- Water
- Safety (H_2 and Road transport)
- Site selection
- Visual impact
- Community Benefits

Speyside Hydrogen

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Power

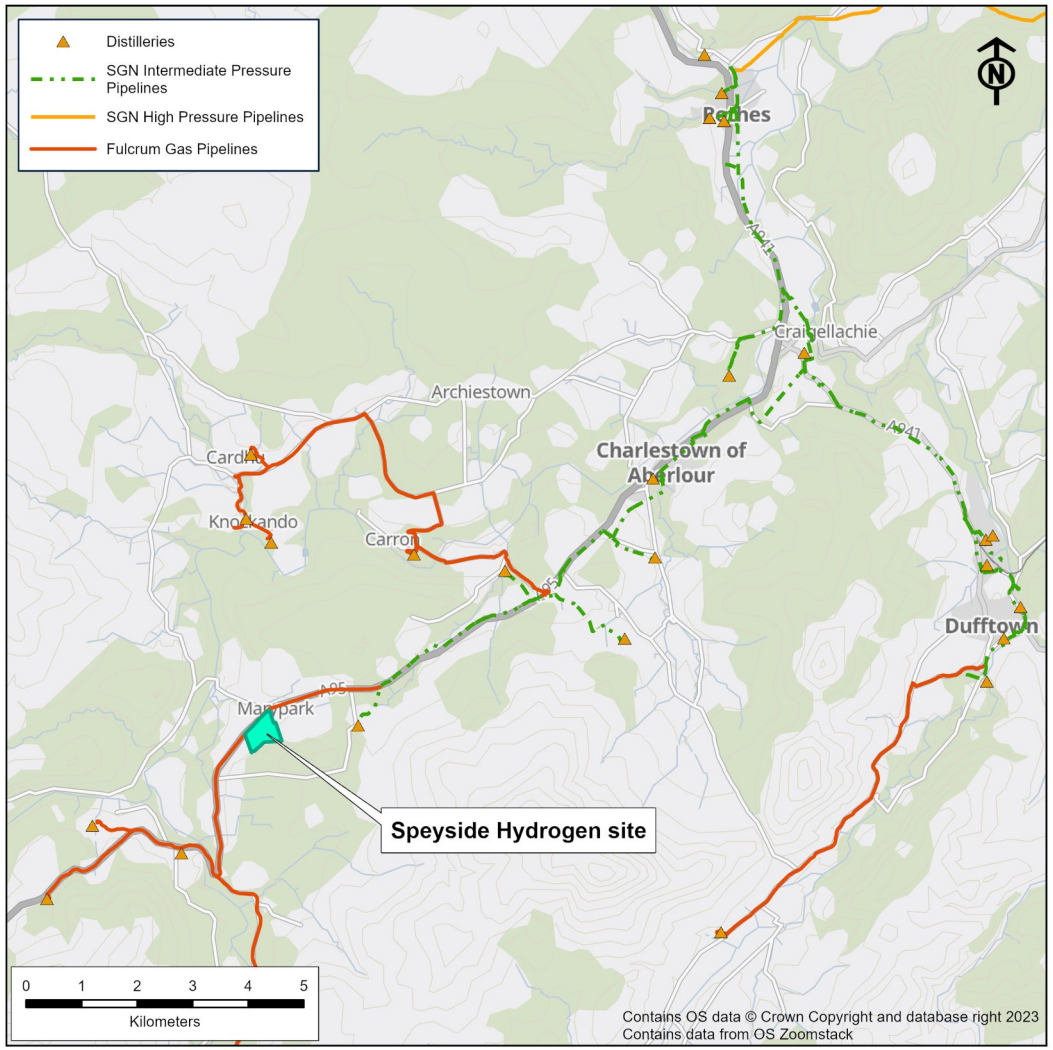
- **Power** – will be supplied from the grid at substation located ~3km from site; connection agreement signed for 90 MVA and SHEPD progressing.
- **Power Purchase Agreement** – PPA Heads of Terms being finalised. Private wire discussions on-going

Water

- **Water** – 500m³/day site requirement, groundwater borehole supply
- **Water-efficient design choices** - air cooling; considering multi-source approach including rainwater harvesting and storage for resilience and climate change adaptation.

Routes to Demand

- **Hydrogen transport** – all export initially via tube trailers. Hydrasun completing trailer and loading configuration review. Time and Motion Study planned with haulier/consultant.
- **Pipeline option** – close proximity to gas pipeline enabling distribution via new or existing pipelines (latter subject to change to Gas Safety Management Regulations (GSMR))



https://storegga.earth/en-gb/speyside-hydrogen

Speyside Hydrogen – Next Steps in 2025

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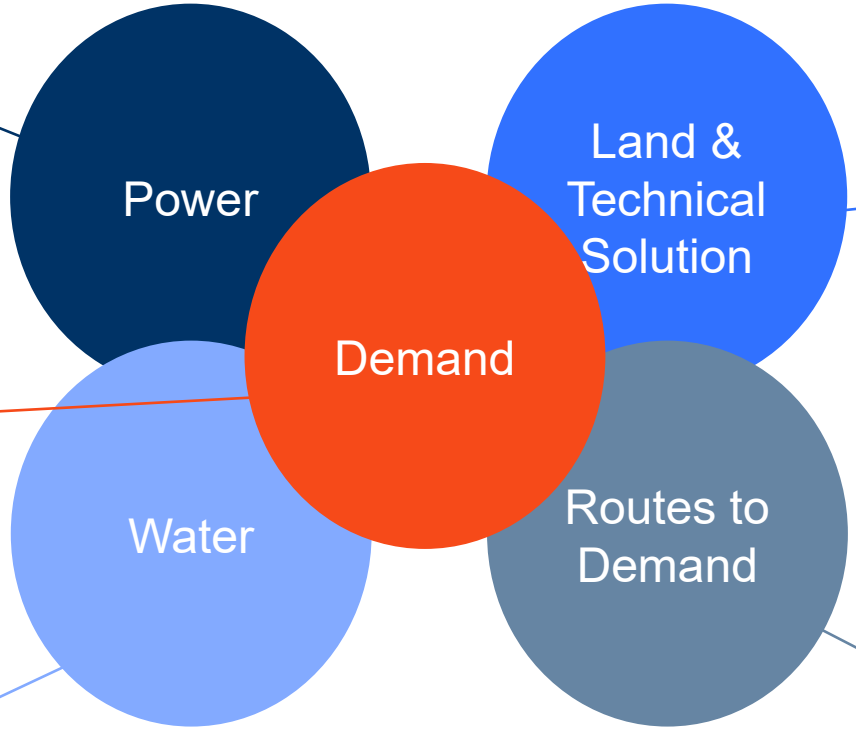
- Complete Transmission Network Assessment
- Agree Power Purchase Agreement

- Conclude customer Hydrogen Supply Agreements
- Complete Detailed Design of offtaker works

- Borehole design and construction
- Sustainable water options
- CAR licencing



- Finalise Land agreement
- Submit planning application
- Complete FEED
- Finalise OEM supply contract
- Tender and agree EPC contract
- PPC Site baseline survey

- Conclude export options including tube trailer design and pipeline options

FID Target Q4 2025

THANK YOU

https://www.cromartyhydrogenproject.co.uk/

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