

**PRESS RELEASE**

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[Consultation of low-carbon and renewable hydrogen market stakeholders](#)

## **Logistics: the key factor in developing the hydrogen market from local ecosystems**

**Addressed to all stakeholders in the hydrogen market - industry, energy suppliers, producers and exporters, public and institutional stakeholders, associations, infrastructure operators and academic experts – this first consultation shows that the vast majority of stakeholders want to underline the importance of logistics in responding to their challenges (security, flexibility, competitiveness). The planning of those logistics, with proposals for a grid connected as appropriate to storage facilities, even came up in territorial workshops as the most effective way of creating and cementing the links between potential supply and demand.**

*On 1<sup>st</sup> June 2021, GRTgaz and Teréga launched a national consultation of stakeholders in the market to find out how they see a hydrogen market developing, their requirements in terms of hydrogen transport and decarbonisation, and also their expectations with respect to gas transporters. The 133 contributions received, the 70 bilateral exchanges and the 3 territorial workshops, taken together, all attest to the interest shown by the parties involved in this process, whose main findings have been fed back in [a report](#).*

**The consultation confirms there is a significant need for hydrogen among stakeholders to decarbonise their use, chiefly in industry and transport.**

In the short to medium term, demand for hydrogen will be driven by greening of the hydrogen currently used in industrial processes and new industrial uses. More than 80% of industrial contributors to the consultation include this energy carrier in their decarbonisation strategy alongside carbon capture, utilisation and storage solutions. Hydrogen is also expected to play an increasing role in heavy transport, in the medium term. The challenge of decarbonising the aviation industry also emerges as a growth area for the market by 2040-2050, revealing a massive need for hydrogen as a fuel.

When it comes to supply, the potential production volumes submitted in the responses are in line with the 2030 targets in the French hydrogen strategy, and could meet the needs identified by contributors up to 2040.

**There is a clear consensus among stakeholders around the development of the hydrogen market initiated within dynamic local ecosystems<sup>1</sup>.**

That consultation helped map out seven areas in greater detail, particularly in the Grand Est region, around the industrial areas at Carling in Moselle, along the Rhine, where a number of production and consumption projects have been announced, and also in the far South West. Those areas contain clusters of production and consumption projects for industrial and transport needs.

**In the medium term, stakeholders anticipate the structuring of a regional grid within areas linking the different ecosystems and possible storage facilities. In the longer term, the prospect of a national grid linking those areas, interconnected at the European level and integrating storage facilities is the consensus view.**

The consultation **shows imbalances between forecast production and consumption, over different timescales and at different geographical levels, providing evidence of what hydrogen logistics will be needed** in the short, medium and long term to deal with them.

Those needs are also underlined by the actors, who talk of the importance of having a transport and storage system readily available, capable of giving them access to a diversified, competitive and secure supply of hydrogen.

**The consultation also highlights the fact that organisation of the correlation between supply and demand for hydrogen, through a collective process to plan and design infrastructures, would be an essential accelerator for the emergence of those ecosystems.** The territorial workshops held in Dunkirk, Fos-Marseille and Pau were also an opportunity to sketch out the implementation of such a process. The majority of contributors acknowledge the undeniable expertise that exists on this subject among the gas transporters, and encourage them to forge ahead with that work. Also, to support stakeholders as best they can, GRTgaz and Teréga envisage the deployment in the short term of planning exercises, to be kicked off in territorial workshops, and the launch of similar processes in two or three other ecosystems identified through this consultation.

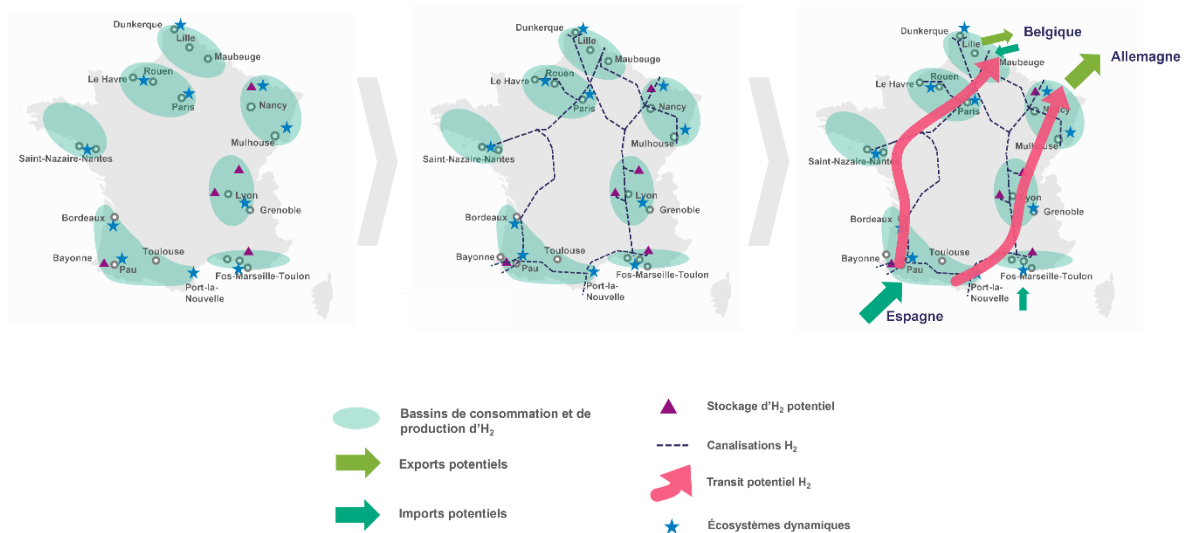
**A proportion of the industrial contributors also envisage CO<sub>2</sub> capture, utilisation and storage (CCUS)** forming part of their decarbonisation strategy, and say they need a clear picture of the associated CO<sub>2</sub> logistics going forward. Some of the ecosystems are favourable both for the deployment of hydrogen as an energy carrier and also for the deployment for CCUS solutions, due to their proximity to geological storage areas.

**The exercise as a whole is designed to be repeated at regular intervals, to ascertain logistical needs, which are bound to evolve over time and, in addition to local planning work, to provide greater detail about infrastructures that will be fit to support a high-performance hydrogen market in the long term.**

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<sup>1</sup> A description of the major hydrogen ecosystems identified is available in Chapter 4 of the feedback report.

## Déploiement du vecteur hydrogène



**Thierry Trouvé**, CEO of GRTgaz, points out: *“In light of the feedback from local stakeholders in the hydrogen market as part of this consultation, GRTgaz has started the work of imagining the future H<sub>2</sub> grid. That process is already being illustrated by a number of practical achievements, particularly within the Fos-Marseille area, where GRTgaz has recently teamed up with stakeholders in the territory to launch a study of the feasibility of a mutualised hydrogen transport grid between Fos-Sur-Mer and Manosque. Other projects are taking shape, such as in the east of France, with MosaHYc, in which GRTgaz envisages converting 70 km of existing pipelines to take hydrogen”.*

**Dominique Mockly**, Chairman and CEO of Teréga, points out: *“This consultation shows that the infrastructures will help increase fluidity in the hydrogen market, while providing an answer to the problem of possible imbalances and ensuring security of supply. This first consultation exercise has provided a wealth of insights, particularly into the role played by hydrogen as a key vehicle for decarbonisation among many stakeholders. As a transport grid and storage operator fully engaged with the energy transition, Teréga intends to speed up the advancement of its projects, such as Lacq Hydrogen, which aims to convert a section of the gas grid to transport decarbonised hydrogen between France and Spain, and to support the hydrogen market as it is structured and opened up to a wider public.*

## About GRTgaz

GRTgaz is the 2nd largest European gas transporter, boasting 32,500 km of pipelines and 640 TWh of gas transported. The business employs 3000 staff and achieved a turnover of nearly 2.3 billion euro in 2020. GRTgaz has a [mission statement](#) that runs: “Together, we make possible an energy future that is safe, affordable and climate neutral”. An innovative business undergoing profound transformation to adapt its network to the new ecological and digital challenges, GRTgaz is committed to a 100% carbon neutral gas mix in France by 2050. It supports the hydrogen and renewable gas (biomethane and gas from solid and liquid waste) industries. GRTgaz carries out public service missions to guarantee security of supply to its 945 customers (shippers, distributors, industry, power stations and biomethane producers). With its subsidiaries [Elengy](#), the European leader in methane tanker terminals, and [GRTgaz Deutschland](#), operator of the German MEGAL transport grid, GRTgaz plays a key role on the European stage. The business exports its expertise internationally, particularly those services developed by its research centre, [RICE](#).

Find us at <https://www.grtgaz.com/>, and on [Twitter](#), [Instagram](#), [Facebook](#) and [LinkedIn](#)

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### **About Teréga**

A major actor of the energy world in Europe, Teréga has been established in South-West France for over 75 years. The company operates over 5,000 km of pipelines and two underground storage facilities, representing 16% of the French gas transport grid and 26 % of national storage capacities. Meeting its public service obligations, Teréga ships natural gas to over 400 delivery stations, under optimal conditions of safety, cost and reliability. In 2020, the company generated revenues of €460 million and it has more than 660 employees.

Teréga enjoys a strategic position in Europe, where the company provides the interconnections which guarantee security of supply, and with Spain in particular. Recognising that renewable gas has a vital role to play in the energy transition, Teréga wishes to establish itself as an accelerator of this green revolution by increasing its involvement in the biomethane, hydrogen (including Power-to-Gas) and natural gas for vehicles sectors. For more information, visit <https://www.terega.fr>. You can also find Teréga on [Twitter](#), [Facebook](#) and [LinkedIn](#).

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