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# Concord Blue Plans Hydrogen Plants in Germany Amid Gas Crisis

- Waste-to-hydrogen firm seeks \$600 million for new sites
- **Michigan pension fund has committed to inject \$300 million**



Charlie Thannhaeuser Source: Concord Blue Energy Inc.

By

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CONCORD BLUE ENERGY INC

Private Company

Waste-to-hydrogen technology firm Concord Blue Energy Inc. is seeking about \$600 million to expand in Germany as the country rushes to replace Russian gas with new sources of energy and meet climate-change targets.

The company, with dual headquarters in Los Angeles and Dusseldorf, aims to build five power plants in Germany's industrial Northwest, founder and Chief Executive Officer Charlie Thannhaeuser said in an interview.

The plants would have a combined capacity of 23,400 tons of green hydrogen -- enough to power 3,200 hydrogen trucks with annual mileage of 100,000 kilometers.

The investment underscores the urgency in Europe's shift to green energy as ongoing tensions over the war in Ukraine continue to push gas and oil prices higher. The crisis added steam to the energy transition Germany was undertaking as part of its plan to cut greenhouse emissions by more than half by 2030.

Investors, though, are still cautious about hydrogen investments, according to Thannhaeuser.

"Most financial investors are only willing to invest only after we have agreements to sell our hydrogen in place," he said. "Potential buyers want us to build the plants first."

Concord Blue is advised by Frankfurt-based Peryton Advisory on the capital raise.

The situation for hydrogen producers looks set to improve. Clean hydrogen is seen as a cornerstone of the Germany's shift to green energy, Economy Minister Robert Habeck said last month.

The Municipal Employees' Retirement System of Michigan has already committed to contribute half of the fund's Concord Blue is planning to raise.

Thannhaeuser said investors could achieve an internal rate of return of about 20% given projected production costs, including plant depreciation, of below 3.50 euros (\$3.68) per kilogram of hydrogen. Prices for green hydrogen are typically well above that, analysts from Bloomberg New Energy Finance said in a recent note.

Concord Blue says due diligence from several auditing firms has shown the firm's technology is superior at turning any type of waste into hydrogen with little or no emissions, a process called thermolysis.

It has built nine smaller scale plants in Asia, Europe and the U.S., where it jointly built a plant with Lockheed Martin at the defense firm's Owego site.

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