

FID is earned, not announced.

Announcements are easy; final investment decisions are selective. What the projects that reached FID did differently — and how you can build that on purpose.

SIGN IT

DE-RISK IT

FUND IT

1 in 9

of the hydrogen announced for 2030 was operating, being built or past FID in 2025

6 gaps

power, offtake, engineering, risk, policy and infrastructure — each closed with evidence

1 test

would a lender sign the term sheet on today's evidence?



A plan is *not* a plant.

Headlines announce gigawatt hubs; final investment decisions are selective.

A project becomes real only when a board and a bank both say yes — on signed contracts and evidence, not promises.

An announcement is a promise.

An FID is a set of signed contracts.



IEA, 2025: of ~37 Mtpa of low-emissions hydrogen announced for 2030, just over 4 Mtpa was operating, under construction or past FID.



Four contracts a lender reads before anything else

OTA

Offtake · bankable buyer, firm volume

A creditworthy buyer committing to volume, price and tenor that covers debt service — not an MoU or a letter of intent.

PPA

Power supply · price and profile fixed

Renewable power at a fixed price and a profile the electrolyser can run on — and in the EU, RFNBO-compliant.

EPC

Construction · cost and schedule certainty

Price, schedule and performance committed — ideally lump-sum — backed by electrolyser guarantees on efficiency and degradation.

CfD

Revenue support · subsidy signed

A signed grant or contract for difference that closes the gap between production cost and what buyers pay today.

Six factors that get a hydrogen project to FID

Three build the commercial case. Three build the delivery system around it. Each can be evidenced to a board and a bank.

01 Competitive power

Cheap, firm, compliant electricity — the biggest cost lever

02 Bankable offtake

A creditworthy buyer, signed at a price that works

03 Engineering maturity

FEED complete, design frozen, a cost lenders trust

04 Fair risk allocation

Each risk held by the party best able to carry it

05 Policy certainty

Subsidy signed, rules clear, certification mapped

06 Infrastructure access

Grid, water, pipelines, storage and ports ready on time



A power price you lock in, not one you hope for

THE PRICE

Power is usually the largest cost line. FID-ready projects hold a long-term PPA or captive renewables at a known price — not a spot-market bet.

THE PROFILE

Enough firm hours to hit the load factor the business case needs — with storage or grid back-up where wind and sun fall short.

THE RULES

In the EU, RFNBO rules on additionality and time and place matching are designed in from day one — or the hydrogen is not green.

For green hydrogen, power is the business case.

Show LCOH at base, low and high power prices — and model hourly, not annually.



A buyer you can put in front of a lender

WHAT A PRESS RELEASE SHOWS vs WHAT A CREDIT COMMITTEE READS

WHAT MOST PROJECTS HAVE

MoU

interest from a buyer — not cash flow
a bank can count

*Non-binding · no firm price · no tenor · no
remedies*

Sign
to bridge

WHAT A LENDER NEEDS

OTA

a binding offtake with a creditworthy
buyer

*Volume · price · indexation · tenor · take-or-
pay*

Anchor on a buyer already using grey hydrogen — refinery, ammonia, methanol or steel.

THE MOVE Put every buyer on one ladder — interest, MoU, term sheet, binding offtake — and move the top three up one rung each quarter.



From concept to frozen design — before FID

±15%

the cost accuracy lenders typically want at FID — reachable only after FEED

Typical target for a FEED-based estimate; exact ranges vary by project and estimate class.

WHAT READY LOOKS LIKE AT FID — EACH WITH A NUMBER AND AN OWNER

SCOPE	frozen, with change control in place
COST	estimated to FEED accuracy, with contingency
TIMING	long-lead items like electrolyzers reserved
TIE-INS	power, water and offtake connections agreed

The FID error

Announce on a concept-level number, then FEED moves the capex and the offtake price stops working. Stage it: concept, pre-FEED, FEED.



Make it easy for a lender to say yes

THE CASH FLOW

Lenders do not fund electrolyzers — they fund predictable cash flows. Bankable offtake does the heaviest lifting.

THE WRAP

A fixed power price, an EPC wrap and stack guarantees on efficiency and degradation move risk to those who can carry it.

THE PARTNER

An industrial sponsor, an experienced EPC or an export-credit agency can turn a project a bank would decline into one it competes for.

Put each risk with whoever can best carry it.

A developer who tries to hold everything ends up holding a project nobody will finance.



The quiet work that makes FID possible

Subsidy signed

Policy · not just won at auction

An auction win is not a contract. Budget for completion guarantees, deadlines and production rules from day one.

Certification

Policy · a green premium you can prove

Map RFNBO, low-carbon or national certification early, with an auditor engaged, so every buyer can verify the premium.

Grid & water

Infrastructure · start these first

Grid connection, water and permits often take longer than building the plant. Give each an owner and a timeline.

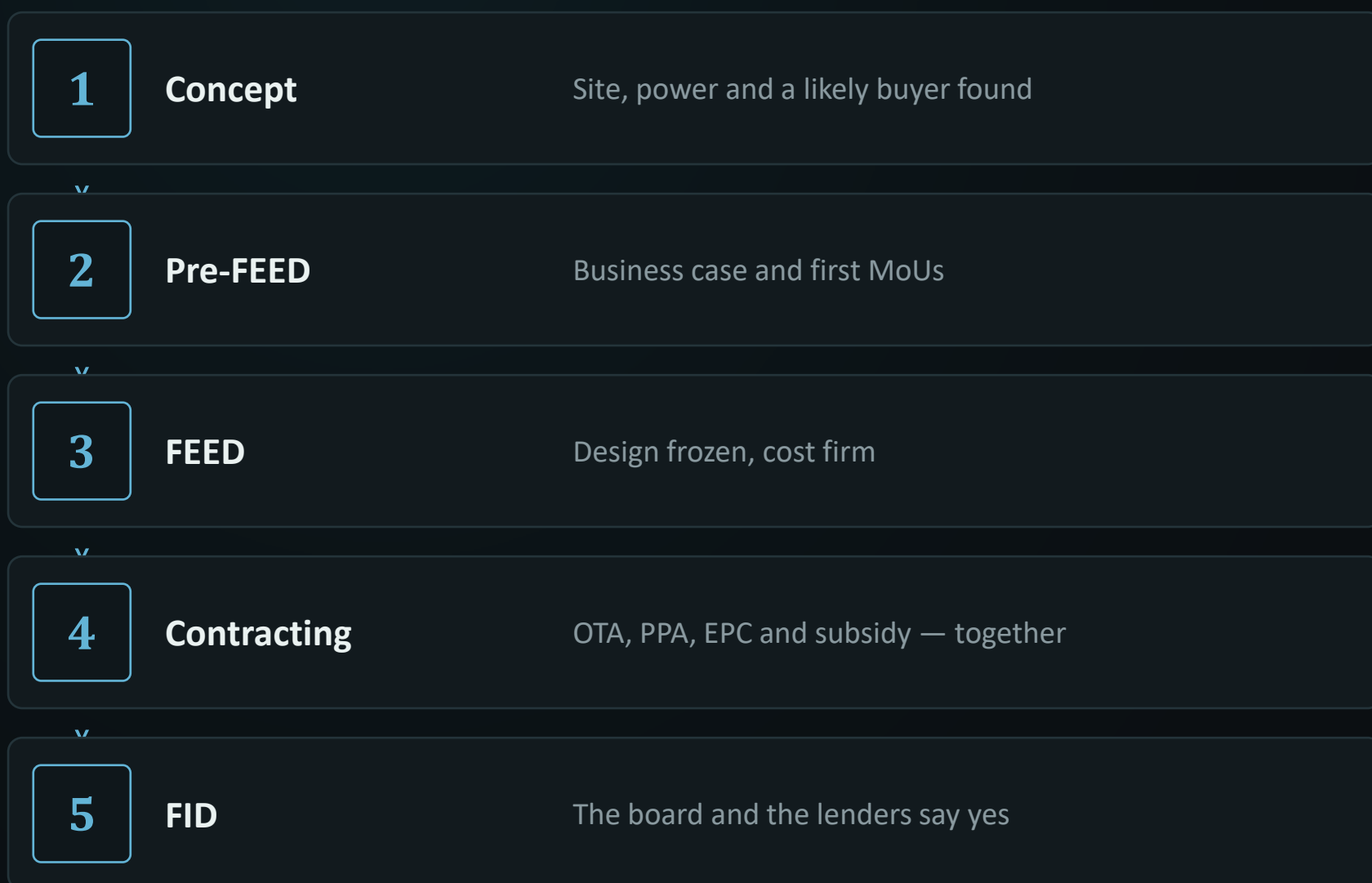
Midstream

Infrastructure · in step with the plant

Pipelines, storage and terminals must arrive with the plant — tie your schedule to theirs, or find a route that does not need them.

From idea to FID — each step earns the next

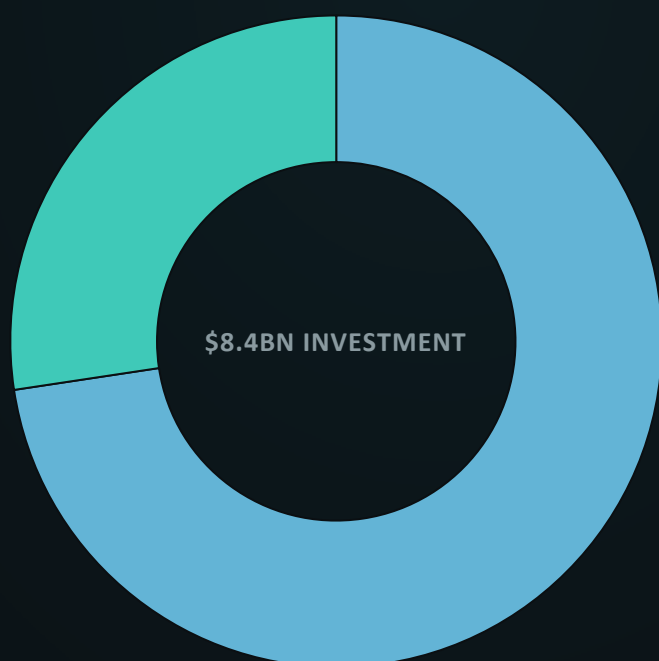
Projects that reach FID rarely rush. Evidence at each gate decides when the next, larger budget is spent — while grid, permits and electrolyser slots start early.



Define the gate before you start the stage: write down the cost, offtake, power and permit evidence that unlocks the next budget.



How one buyer made \$8.4bn bankable



■ Non-recourse debt · \$6.1bn **73%**

■ Sponsor equity · \$2.3bn **27%**

Banks and investors **23**

Offtake tenor, one buyer **30 yrs**

Single-point EPC **\$6.7bn**

Financial close, May 2023. Equity share implied as total investment less debt.

One buyer, one builder. Air Products took all the ammonia for 30 years and the EPC contract. FID moved market risk to the offtaker — it did not remove it.

LISTEN NOW

Sign the buyer. Then build the plant.

Reaching FID is not a press release or a megawatt number. It is evidence — firm power, a bankable buyer, a frozen design, a fair split of risk, signed support and infrastructure ready. Close those gaps in order, and FID becomes a plan, not a gamble.



The full breakdown is in Episode 7

Plus the European Hydrogen Bank case. Link in the comments.

Which of the four contracts will close last on your project? Tell me below.

chadehydrogen.com