

Legal Alert: New Environmental Assessment Criteria: Integrated Description of Green Hydrogen Projects



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On March 29, 2023, the Environmental Assessment Service ("SEA") published the technical document on Green Hydrogen called "Evaluation criteria in the SEIA: Integrated description of projects for the generation of Green Hydrogen in the SEIA" ("Green Hydrogen Criteria"), which unifies the technical requirements and the criteria of the environmental authority regarding this matter to provide certainty to those seeking to develop this type of projects in Chile.

Specifically, considering that Green Hydrogen Projects are not contemplated as a typology to enter into the Environmental Impact Assessment System ("SEIA"), the Green Hydrogen Criteria clarifies that these projects can enter into the SEIA, since the different processes (renewable energy generation; hydrogen production; conditioning and storage; reconversion; and, transport and distribution) or sub-processes (reverse osmosis, pipes, ducts, gas pipelines, among others) that are part of its value chain do have associated potential typologies to enter the SEIA.

In this context, the Green Hydrogen Criteria established by SEA for the description of projects that are part of the green hydrogen value chain are summarized as follows:

Value chain consideration: Project holders should describe the process(es) and sub-process(es) of the green hydrogen value chain to which their project belongs. A detailed description of the project and its scope is required. Notwithstanding the above, Green Hydrogen Criteria states that the environmental assessment is only for the process or sub-process under evaluation and not for the entire value chain.

Description of other projects: Information regarding other existing projects in the area of influence should be provided, whether they have Environmental Qualification Resolution ("RCA") or are still under evaluation.

Projects that are developed in stages: A description of the stages should be included in the evaluation, indicating the objective of each one and the reasons or circumstances on which they depend, together with the associated works or actions and their estimated duration.

Evaluation of synergistic effects in Environmental Impact Statements ("<u>DIA</u>") and Environmental Impact Assessments ("<u>EIA</u>"): According to Green Hydrogen Criteria, for DIAs and EIAs, it must be made an analysis of the interaction of the project submitted to the SEIA with the rest of the projects or activities that share the territory and that have an RCA, as required by the regulations or the authority.

Consideration of the most unfavorable condition: The environmental evaluation must consider the most unfavorable scenario for projects that entered the SEIA by DIA or EIA, including interaction with projects or activities under evaluation, projects that are part of its territory, or projects that are part of its value chain.

Finally, the Green Hydrogen Criteria, in its Annex No. 1, refers to the different types of typologies to enter the SEIA contained in Article 10 of Act No. 19,300, which would be potentially applicable to the processes and sub-processes of the green hydrogen value chain.

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