



European
Commission



INNOVATION FUND

Deploying innovative net-zero technologies for climate neutrality

NOON: RFNBO hydrogen in PalOs de la Frontera

The Innovation Fund is 100% funded by the EU Emissions Trading System

Updated on 27 March 2026

| Project Factsheet

The NOON project will install 120 MW of electrolyser capacity dedicated to the production of non-biological origin (RFNBO) hydrogen. This represents a first step of the RFNBO Hydrogen roadmap in the region and plays an important role in accelerating the transition towards climate neutrality while fostering extensive social and economic progress. The project is expected to avoid 1.1 million tonnes of CO2 equivalent in 10 years. Aligned with the objectives of the REPowerEU Plan, NOON aims to produce 161 kilotonnes of RFNBO hydrogen in 10 years.

The project will leverage advanced 15 bar alkaline pressurised electrolyser technology which emerges as the most fitting and beneficial technology as it avoids complex and costly compression systems and reduces the size of gas separation systems. Electricity will be sourced from the local grid, with

COORDINATOR

IBERDROLA CLIENTES SOCIEDAD ANONIMA

COUNTRY OF IMPLEMENTATION

Spain

AMOUNT OF INNOVATION FUND GRANT

EUR 135,531,416

ELECTROLYSER INSTALLED CAPACITY

120 Megawatt electric

EXPECTED VOLUME OF RFNBO HYDROGEN

167 kilotonnes

EXPECTED GHG EMISSIONS AVOIDANCE*

1,103,613 tonnes CO2 equivalent

AUCTIONED BID PRICE

EUR 0.84 per kg

STARTING DATE

01 January, 2026

FINANCIAL CLOSE

30 November, 2027

ENTRY INTO OPERATION DATE

31 December, 2029

CALL NAME

InnovFund-2024-AUC-RFNBO-Hydrogen

* Calculated vs. the [2021-2025 ETS benchmark](#) of 6.84 tCO2e/tH2, not taking into account additional carbon abatement due to substitution effects in the H2 end use application, i.e. conservative estimate.

100% renewable energy consumption assured through electricity network forecasting – a strategy which will ensure reliable, flexible and complaint RFNBO hydrogen production. The flexible modular design of the electrolyser facility will ensure high reliability of production.

All the RFNBO hydrogen produced will be consumed on site - being supplied as a feedstock for the subsequent production of green derivatives (ammonia) in a co-located plant to the NOON electrolyser facility. Therefore, overall Iberdrola expects to deploy a plant with the capability to produce up to 96,000 tonnes per year of green ammonia. All of the green ammonia produced will be exported to a fertilizer company in northern

Europe. Therefore, this facility plays an important role in decarbonisation of the agricultural supply chain, as the current production of nitrogen fertilisers from fossil fuels is a major source of greenhouse gas emissions across the globe. The NOON project and the complete green ammonia facility will be owned and operated by Iberdrola.

The NOON project will be located in Spain and could potentially attract up to 85 direct jobs, 739 subcontracted jobs and 701 indirect jobs, during all phases of the project, promoting the European renewable hydrogen value chain with local suppliers. Moreover, contributing to the European REDIII targets of 3-6 million tonnes of hydrogen production.

| Participants

IBERDROLA CLIENTES SOCIEDAD ANONIMA

Spain

Additional information on the [EU Funding and Tenders Portal](#).