



To:
Commission President Ursula von der Leyen
Executive Vice-President Frans Timmermans
Energy Commissioner Kadri Simson
Internal Market Commissioner Thierry Breton

Brussels, 17 December 2021

Subject: Upcoming Delegated Act on “additionality” to implement article 27.3 of the Renewable Energy Directive

Dear Commission President Ursula von der Leyen,
Dear Executive Vice-President Frans Timmermans,
Dear Energy Commissioner Kadri Simson,
Dear Internal Market Commissioner Thierry Breton,

Interest for renewable hydrogen culminated at the European Hydrogen Week, where you announced a vast pipeline of electrolysis projects ready to take off that can produce renewable hydrogen in Europe. This shows that industry is ready to invest. Yet the pending Delegated Act (DA) on additionality now casts a doubt on these projects, which face high investment costs, as to whether they would qualify as renewable hydrogen projects. This also puts into question potential financial support that would be established at national level, which is a pre-condition to scaling up renewable hydrogen.

European industrial, energy and technology frontrunners, represented by the Renewable Hydrogen Coalition, fully support the principle of “additionality”: Europe needs to accelerate and massively deploy additional renewable electricity capacity. This is crucial for the integrity of the yet-to-be created European hydrogen market.

In this early phase, pragmatism is essential. An overly stringent DA will hamper Europe’s goal of scaling up the European hydrogen market and making renewable hydrogen competitive this decade. Europe’s ability to be leading the global race for renewable hydrogen and to make its European electrolysis industry a world industrial champion is at stake.

To ensure Europe succeeds, we call for:

- **Enabling investment in renewable hydrogen projects to happen today. These investments are crucially needed to allow the European renewable hydrogen market to develop. Additionality requirements must account for the current reality of complex and lengthy permitting of renewable electricity plants. This requires:**
 - **Immediate and ambitious action to ensure simpler and faster national permitting procedures** for renewable electricity but also electrolyser installations. This is a prerequisite and should be the European Commission’s first priority, also to ensure the decarbonisation of electricity grids. This also calls for Member States to factor in hydrogen supply and demand needs for proper infrastructure development planning in their Ten-Year Network Development Plans and National Energy and Climate Plans. This is key to support additionality and build an integrated energy system.

- **Flexible additionality criteria to factor in the different project development duration of electrolysers and renewable generation** and resulting misalignment of when these come into operation. **A gap-filling mechanism is needed** allowing hydrogen producers to use renewable electricity from existing assets in this gap period until the additional dedicated renewable asset enters into operation. The amount of renewable electricity used from such existing assets should not exceed the expected production of the additional renewable capacity under construction.
- Until additionality is phased-in, renewable hydrogen producers should be allowed to use electricity from any existing renewable electricity plant. Once phased in, additionality should be demonstrated through one or more Renewable Power Purchase Agreements for grid-connected electrolyser projects, or via direct connection, with newly deployed plants, existing renewable electricity generation plants coming out of support and otherwise decommissioned, or repowered plants.
- **Setting a monthly temporal correlation which could in time be demonstrated daily.** Going more granular too soon poses challenges and would result in lower hydrogen volumes and higher production costs. More flexibility would ensure better load factor, increase hydrogen production and reduce the need for public funding to make renewable hydrogen cost competitive.
- **Ensuring flexible geographical correlation,** allowing electrolysers to access renewable electricity across bidding zones if there is no grid congestion.
- **Allowing renewable hydrogen producers to produce renewable hydrogen from curtailed electricity, stored electricity** irrespective of the storage facility location, **and electricity at times of zero or negative prices.** This will enable business models for energy system integration.

We thank you for your strong leadership and trust you share our goal of making Europe the global leader in renewable hydrogen. With the right policy framework, we can help you deliver this ambition.

Yours sincerely

François Paquet
Impact Director



On behalf of
The Renewable Hydrogen Coalition supporters

[Renewableh2.eu/](https://renewableh2.eu/)