

President of the European Commission Ursula von der Leyen Executive Vice-President of the European Commission Frans Timmermans

Brussels, 16 February 2022

Concerns from the solar industry about the Delegated Regulation setting out appropriate rules for the production of renewable hydrogen from electricity

Dear Ms President von der Leyen, Dear Mr Executive Vice-President Timmermans,

On behalf of SolarPower Europe, I would like to draw your attention to our members' most urgent concerns relating to the upcoming Delegated Act on additionality to implement Article 27.3 of the Renewable Energy Directive.

As you may know, SolarPower Europe promotes electrification from renewable sources as the primary driver of decarbonisation for most economic sectors.

However, where electrification is economically or technically not feasible, renewable hydrogen must be deployed on a large scale. Being produced from inexhaustible sources and emitting no greenhouse gas emission, either during its production or when consumed, this is the most climate-proof energy carrier for the decarbonisation of hard-to-electrify sectors.

Hence, SolarPower Europe supports setting ambitious targets for the uptake of renewable hydrogen in industry and transport through the Renewable Energy Directive.

On the other hand, the sector also finds crucial that European legislation provides a straightforward methodology for the certification of the renewable and additional origin of hydrogen. This is the aim of this Delegated Act on additionality: ensuring that electricity used for electrolysis is produced from a renewable source – wind or solar, for example – and additional so as not to redirect renewable electricity that was intended for direct use.

SolarPower Europe endorses a balanced approach regarding this dual objective — promoting a rapid upscale of renewable hydrogen to reach our ambitious targets while ensuring legal certainty surrounding its renewable and additional source. Hence, in the final stage of the drafting period of this Delegated Act, we kindly ask you to consider the adjustments below to make this methodology suitable to the purpose of both those objectives.

- Ensure the same transitional phase for directly connected electrolysers (Article 3) and grid-connected
 electrolysers (Article 4). Therefore, Article 7, providing for a transitional period, should also apply to
 Article 3. Adding this flexibility would not change any essential element of the Renewable Energy
 Directive, and it would guarantee a level playing field between different configurations.
- Ensure that installations generating renewable electricity under the power purchase agreement can
 be in a different bidding zone with respect to the electrolyser, provided that they are in the same
 Member State and with no other condition in relation to electricity prices. This would provide a level
 playing field and crucial legal certainty to investors in the Member States that host more than one
 bidding zone. Member States would have the option to introduce and justify more stringent criteria
 within the sense of Article 4.3.
- All storages not just those behind the meter should be allowed to perform the key role of providing (previously charged) additional renewable power from a power purchase agreement to electrolysers.
 This would incentivise the development of the most efficient storage capacities.

On behalf of all the members of SolarPower Europe, I would like to thank you in advance for your understanding and remain at your disposal should you require any additional information.

Yours sincerely,

Walburga Hemetsberger CEO, SolarPower Europe



