

Cabinet of Commissioner Kadri SIMSON - Minutes of Meeting

MEETING CONCLUSIONS

Title	VideoConference report Kadri Simson with Shell representatives
Date	12-06-2020
Participants	Ext : [REDACTED] COM: Kadri Simson, Stefano Grassi, Kitti Nyitrai, [REDACTED]
	Ares initial request : n/a
	Disclosure authorization : <input checked="" type="checkbox"/> YES - <input type="checkbox"/> NO - <input type="checkbox"/> Partial (pls highlight unauthorized parts)
Issues raised & follow-up	<p>[REDACTED] New Energies) and [REDACTED] ([REDACTED], electrolyser, Rotterdam) presented Shell's vision on energy system integration and hydrogen. The following points were raised by Shell:</p> <ul style="list-style-type: none"> • Green hydrogen <p>Shell invests in renewable electricity and green hydrogen as complementary solutions (incl. electric charging stations and hydrogen refuelling stations) for the decarbonisation of transport, industry and buildings.</p> <p>Shell is planning a 200 MW electrolyser, powered by offshore wind park under tendering, and to be operational in 2023. Initial market will be the Shell refinery, but ultimate market is fuel cell trucks (market where gap between the cost of hydrogen and the price of the dominant fuel is smallest).</p> <p>Shell is also engaged in production of blue hydrogen (where support for CCS is key), and a 10 MW electrolyser in Cologne.</p> <ul style="list-style-type: none"> • Policy support for green hydrogen <p>Shell's key concern for investment in renewable electricity production is sufficiently high electricity prices, whilst key concern for green hydrogen is sufficiently low electricity prices. Shell is integrated and covers both elements. Power market reforms are key, including support for cross-border flows, the use of distributed resources, and revenues for providing grid services.</p> <p>Furthermore, a virtuous circle of demand and supply need to be supported through regulatory options to support production and by creating demand.</p> <p>REDII is flexible tool to support both supply and demand, but certainty needed on definition of 'additionality'.</p> <p>Other options to support demand could be tax credits for fuel cell vehicles, emission standards for cars, support for development of fuel cell vehicles.</p> <p>Creating of markets for green products and green supply chains is also crucial. Shell has developed digital tool to track carbon footprint of its supply chains.</p> <ul style="list-style-type: none"> • Hydrogen strategy and recovery package <p>Shell's expectation is that the strategy brings different policy instruments together, and provides direction of travel. Also, looking forward to quick decision on Recovery Package so that instruments are available in early 2021.</p> <p>Next steps</p> <p>Request by Commissioner KS for Shell's support for the establishment of a Climate Law to ensure investor certainty. Possible site visits to Shell's electrolyser, electric charging and hydrogen refuelling stations in Germany once travelling becomes possible again.</p>