

To Ursula von der Leyen,  
President  
European Commission  
Rue de la Loi 200  
1049 Brussels

27 July 2022

Dear President von der Leyen,

With REPowerEU, the European Commission rightly set the necessary ambition to accelerate the deployment of renewable hydrogen as a matter of energy security. **With only eight years to deliver this ambition, Europe faces an unprecedented challenge which calls for strong instruments at unconventional speed.**

The draft Delegated Act (DA) setting out rules for the production of renewable fuels of non-biological origin (RFNBOs) from electricity is pivotal to ramp-up renewable hydrogen with the speed and scale we need.

**We welcome the European Commission proposal, notably the phase-in of additionality** and only enabling urgently needed first-mover projects to start now by allowing the use of existing and supported renewable generation plants to produce RFNBOs.

**Yet, we still have reservations on the draft's excessive complexity, and serious concerns about the burden and uncertainty it places on project developers.** In particular, if the same rules end up applying to hard-to-electrify industries like the steel, cement or chemical sectors. These industries need certainty that RFNBOs will be available with the speed and volumes required, at reasonable and stable price. The proposed criteria fall short of providing this security. Member States should also bear responsibility to ensure the dedicated, additional renewable electricity capacity required to ramp up renewable hydrogen production is built and reflected in national renewable targets.

**Europe's energy security and decarbonisation strategy is at stake. We therefore call on the European Commission to address two key remaining issues:**

- 1. Remove provisions that unjustifiably impede projects to apply a monthly temporal correlation if they receive operating aid, obliging first movers to apply already today an hourly temporal correlation (Article 7 paragraph 3).** The proposed approach will not only hamper decarbonisation, it will halt the development of renewable hydrogen which is needed, more than ever, to shift away from fossil fuel-based feedstocks and fossil energy sources. The main reasons are that:
  - The renewable nature of hydrogen comes from using renewable electricity irrespective of whether projects are supported.
  - Most RFNBOs projects will receive operating aid<sup>1</sup> that is crucial to ensure their economic viability. With the proposed wording, these projects will not be granted the flexibility to use a monthly temporal correlation, which is key in this early phase also to supply RFNBOs continuously and in the required volumes to offtakers.

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<sup>1</sup> E.g. Through instruments like Carbon Contracts for Difference.

- Applying an hourly temporal correlation today across the entire value chain is difficult as the market currently lacks integrated tools to do so. Imposing an hourly temporal correlation now would add barriers for first movers.

**2. Set geographical correlation at national level, without condition related to electricity prices.** This is important to ensure a level playing field between EU Member States and avoid unintended barriers to accessing renewable electricity for RFNBOs production. Offtakers need certainty that they will be able to access renewable electricity constantly for RFNBOs production. Criteria based on bidding zones that may change in time or based on electricity prices fail to provide this certitude.

Creating market certainty now is key to cut our dependencies on fossil imports, deeply decarbonise, and secure global leadership in one of the key solutions of the 21st century. We stand ready to do our part. We trust you will share our view on the critical importance of setting fit-for-purpose policies to deliver our common endeavour.

Thank you for your consideration.

Yours sincerely,  
François Paquet  
Impact Director



On behalf of the Renewable Hydrogen Coalition supporters  
[Renewableh2.eu/](https://renewableh2.eu/)

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Copy: Executive Vice President Frans Timmermans, Executive Vice President and Competition Commissioner Margrethe Vestager and Energy Commissioner Kadri Simson, Internal Market Commissioner Thierry Breton, and their relevant units.