### **Focus Group**

# LOW-CARBON HYDROGEN: KEY ELEMENTS FOR A COMMON-SENSE APPROACH

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#### KEY ELEMENTS

#### This initial focus group will focus on:

- 1. How to define Low carbon hydrogen / assessment method
- 2. Technologies that will embrace / fit the Low carbon hydrogen definition
- 3. Monitoring Verification Reporting (MVR) of emissions data

### The focus group will be followed by a broader Stakeholder Consultation (15<sup>th</sup> October) where the following topics will be discussed:

- 1. Financing / Business model development
- 2. Infrastructure / Import of Low carbon hydrogen

Hydrogen and decarbonized gas market Package Delegated Act



## 1. HOW TO DEFINE LOW CARBON HYDROGEN (LCH) / ASSESSMENT METHOD

- Full Lifecycle Assessment (LCA) (from production to end use) to measure the footprint of low carbon hydrogen and ensuring that it delivers genuine emissions reduction of at least 70% compared to the fossil fuel comparator.
- Consistency of the low carbon hydrogen Delegated Act with the Renewable Energy Directive (RED) II RFNBOs Delegated Acts in terms of methodologies and GHG reference value.
  - o GHG reference of <u>94 gCO2/MJ</u> for calculating the 70% threshold in both transport and industry.
  - Same rules for allocation of GHG emissions to hydrogen and other co-products.



Identification of what is LCH - solid definition and references for creating the LCH ecosystem

### 2. TECHNOLOGIES / GUIDELINES

How to make sure that the low carbon hydrogen technologies are compliant (fitting) with the low carbon hydrogen definition?

- CCS
  - → The certification methodology should:
    - include an obligation to measure the **CCS rate** based on actual CO2 captured and sequestrated
    - ensure long-lasting, stable and secure storage of CO2
- CCUS
  - → To which extent CCUS can be 'accepted'

Carbon offsetting?

- Other carbon removal solutions
- Nuclear
- Other possible technologies



### 3. MONITORING REPORTING AND VERIFICATION (MRV)

Transparent and accurate Monitoring, Reporting and Verification of emissions data to ensure compliance and reliability.

- Mechanism included in the EU ETS
- Identification of who will be in charge of MRV (e.g. third party)
- Possibility of creating a link with the RED Union Database



### THANK YOU!

