

Feedback on Ecodesign and Energy Labelling Consultation Forum

Hydrogen Europe welcomes the opportunity to share its views on the review of Ecodesign and Energy Labelling regulations for space and water heaters.

The combination of these Regulations' revisions with the initiatives of the European Green Deal, including the Next Generation EU and the Fit for 55 package is a unique opportunity to cut CO₂ emissions from buildings with unprecedented speed while bolstering the nascent hydrogen economy.

Realising the promise of the European Green Deal means increased energy system efficiency and deep decarbonisation of buildings. Achieving this will require both electrons and molecules, and more specifically: renewable and low carbon hydrogen produced via state-of-the-art technologies that offer high performance and the ability to abate 90% greenhouse gas emissions and above.

Only a multi-technology approach will allow us to significantly abate emissions, while avoiding negative impacts on energy prices, competitiveness and affordability. Hydrogen-based options are readily available and many are under development ranging from cogeneration solutions to hybrid heat pumps and hydrogen-ready boilers. These solutions should not be excluded a priori. Instead a technology neutral approach should be pursued based on the appropriate labelling of hydrogen readiness of appliances.

We therefore welcome the European Commission's efforts to include measures on the greening of energy carriers in ecodesign and energy labelling proposals and in ensuring that customers are provided with adequate transparent information on the products they are purchasing.

Nonetheless, we raise serious concerns on the proposal to introduce a strict Primary Energy Factor (PEF) for hydrogen-ready heating products. All decarbonisation solutions should be treated on a level playing field which will improve consumer choice, incentivise faster decarbonisation and boost rollout of clean energy carriers. The introduction of a 1.65 PEF for hydrogen-ready boilers would create a disincentive to purchase these solutions and lead consumers to invest in fuel appliances that are not hydrogen-ready, creating the risk of a lock-in effect.

In addition, the PEF as proposed does not take into consideration the evolution of the hydrogen market in Europe nor the ambition that the European Commission itself has expressed with regards to prioritising green hydrogen production. Hydrogen ready appliances

will not immediately convert to 100 % hydrogen, they will only convert if sufficient hydrogen is available which will mainly be renewable hydrogen.

Indeed, the hydrogen projects collected by the European Commission through the European Clean Hydrogen Alliance this spring revealed that 84% of the 1000 projects for hydrogen in Europe (across the hydrogen value chain i.e. production, transmission, distribution, use) are based on renewable hydrogen. Production of hydrogen in these valleys will be mostly based on renewable energy by means of electrolysis not on steam methane reforming; this is also described in the EU hydrogen strategy.

Finally, the PEF for hydrogen ready products does not take into consideration the development of current geography/business models for the use of green hydrogen including for example so called “hydrogen valleys” and more in general the local production and use of green hydrogen. According to the EU hydrogen strategy, 100 % hydrogen for heating could be available in those valleys, meaning that also in these cases, hydrogen ready appliances will work with green hydrogen not the hydrogen mix suggested by the PEF in the proposal.

As such, Hydrogen Europe sees the need for the EU to prepare the ground for efficient, future-proof and 100% hydrogen-ready devices. This will enable local actors and consumers, in different member states and different regions of the EU to quickly scale up and adapt to the rollout of the hydrogen economy.

We believe that the proposed label for hydrogen-ready products currently discussed does not prove to be a useful tool for end-users and investors and we are ready to find alternative solutions that facilitate a faster and deeper modernisation of heaters. In this respect, we look forward to continuing the dialogue with the European Commission in the next steps of the revision process.