

September 2008 Overview

1. EHA in Action

EHA submitted input to Evaluation of Safety L type (hydrogen) vehicles. 2008-09-29. The EHA has lobbied over the past months to ensure that L type vehicles (two and three wheelers) are included in the EU Regulation on the homologation of hydrogen powered vehicles. The final EU Parliament report on this EU regulation, that was approved on September 3 (see under EU news), urged the European Commission to start working on an EU Regulation for L type vehicles before 2010. The Commission has now commissioned an evaluation of the safety of L type vehicles to assess the impact of possible new measures on the safety of category L vehicles and the impact of simplifying the legislation covering the type approval of category L vehicles including hydrogen. The EHA has submitted data on hydrogen L type vehicles emphasizing that an EU standardized regulatory framework is crucial as small hydrogen vehicles technology is now clearly at a stage where it needs to be deployed pre-commercially in real-life conditions (attached) .

EHA met with IEA on local hydrogen infrastructure developments. 2008-09-23. In 2007 the International Energy Agency and the IPHE conducted a series of workshops (Detroit, Paris and Shanghai) on Hydrogen infrastructure development. The EHA presented local hydrogen developments in Europe at the Paris workshop. The hydrogen activities at the secretariat of the IEA are currently being reviewed. The EHA gave an update on its activities and referred to its insight in national developments through its 14 national member associations and in regional local activities as the EHA office is currently hosting the secretariat of Regions and Municipalities Partnership HyRaMP.

EHA sent letter to JTI Governing Board on need for structured RCS activity. 2008-09-19. The EHA sent a letter to the JTI Governing Board to communicate its support of the JTI and to highlight specific areas that the EHA sees as crucial to commercial development and that have been communicated previously also to the FCH Instruct office :

1. Regulation, Codes and Standards (RCS) strategy coordination: The EHA proposes a structured coordinated activity at JTI Programme Office level;
2. Technology benchmark.: shared technology and market intelligence, validated by the stakeholders, needs to be developed for supporting orientation and prioritization of efforts.
3. Development of shared intelligence on the public perception of the use of hydrogen in the various countries involved.

According to the EHA, these areas need a structured coordination rather than a project based approach. The EHA offered its insight in national and local activities, through its national member associations and support of HyRaMP, to organise an effective dissemination of relevant JTI project results and activities.

EHA organised meeting with DG TREN to discuss integration of clean energy technologies in EU quartier. 2008-09-19. The EHA, as follow up of the Commission's presentation at the EHA's General assembly last June on the SET Plan, in which fuel cells and hydrogen are listed as EU's key technology challenges for the coming decades, organised a meeting at DG TREN to discuss the integration of clean energy technologies in the EU quartier. President Barosso announced the greening of the EU quartier in the spring of this year. The EHA presented the need to develop concrete plans and models for clean energy technology integration in urban areas to avoid an inefficient mix of different systems. The integration of clean energy technologies in big urban city centres has been hampered by the great number of leased properties of which the owners have no immediate interest in the use of clean energy systems. The Commission referred to the Concerto funding programme that supports clean energy integration in local communities and suggested to contact building maintenance technicians of EC buildings. The EHA has also planned meetings with EU Parliament technical staff.

EHA followed discussions on recast of IPPC directive 2008-09-09 The EU Parliament rapporteur Holger Krahmer (GE-Alde) presented his report on the recast of the IPPC directive. The Commission commented that it has no clear understanding yet of minimum required emission levels for specific industrial processes but that it is tightening the use of Best Available Technologies (BAT's). The EHA discussed with Mr. Krahmer the consequences of current authorisation procedures for small hydrogen reformers as outlined in the EHA position paper on this topic (attached) that has been sent to several MEP's.

2. EHA Promotion

Press

- The EHA wrote a short comment on the article in the Economist of September 4. "The car of the perpetual future." referring to the inauguration of the JTI on October 14, inviting the Economist to the Industry and Finance Workshops on October 13.
- Euractiv will feature EHA's hosting of the Annual General Assembly of HyRaMP in a two-week campaign starting September 29.

Membership

- EHA has started its fall membership campaign targeting the new membership categories that were approved in the last Statutes change at the EHA AGM of June 30, i.e. community organisations as well as SME's. Hydrogenics has confirmed membership starting 2009.
- EHA is meeting with GdF Suez, Chevron and Total to discuss membership for 2009.

Conferences

- EHA is co-organizing a session at the FCH Stakeholders event on October 13, 2008 in Brussels with Fuel Cell Europe and the FCH Instruct office. Programme and registration info at www.hfpeurope.com.

- EHA has been invited to present the HyApproval project at a hydrogen event for technicians organised by SenterNovem on October 7.
- EHA has been invited to give a presentation on EU policy affecting hydrogen at the first ZEMShip conference on October 23, 2008 in Hamburg.

3. EHA Taskforces

1. Hydrogen in the City

EHA is collaborating with the Brussels Ministry of Transport and the Brussels Harbor to identify the use of hydrogen applications in the Brussels International logistics centre and the harbor. Over the summer the use of forklift trucks has been discussed with forklift truck distributors interested in a pilot project. The EHA invited the Ministry of Transport and the Harbor to visit the FCH Stakeholder exhibition in Autoworld.

2. Strategic Energy Technology Plan (SET Plan).

As suggested by the Commission, the EHA has contacted the European Energy Technology Information System managed by the EU Joint Research Centres to discuss how to submit information on hydrogen developments to this system. It is also possible to communicate messages to the SET Plan Steering committee members who are appointed by the Member States.

3. EHEC

The EHA has received a proposal of the organisers of the Grove Fuel Cell Symposium, on the organisation of a one-day EHEC type conference as part of the Grove Symposium with the possibility of its own visibility and use of the EHEC (or other) name. The proposal will be discussed by the EHA board at its next board meeting on October 13 in Brussels.

4. EU 2009

At the last EHA AGM it was proposed to set up a small taskforce of EHA members to identify key messages for the new EU Parliament, after the elections in June 2009, and for the new EU Commission. EHA members are encouraged to submit their interest to participate their ideas to the secretariat. Ideas for an EU campaign with regards to the new EU Parliament and the new European Commission are included in the draft EHA Action Plan 2009 that will be discussed at Board meeting on October 13.

3 EU News

BP presented Statistical Energy Review 2008. 2008-09-30 The much anticipated BP Statistical Energy Review was presented in Brussels a week before the Emission Trading System votes in the EU Parliament. Global energy markets are heavily affected by a "massive shift" in the composition of global economic growth, according to Cristof Rühl BP's chief economist. Non-OECD (Organisation for Economic Cooperation and Development) countries like China and India accounted for nearly 50% of growth and for nearly 90% of energy demand growth in 2007. China alone was responsible for 40% of that demand, much of it met by coal, Rühl said. The report can be downloaded at <http://www.bp.com>.

CO2 concentrations grown four times more quickly than in previous decade, 2008-09-26 The Global Carbon Project presented its 'Carbon Budget 2007' referring to a remarkable increase of the CO2 concentration over the last years given the rise in political attention over the same period. Since the United Nations Framework Convention on Climate Change (UNFCCC) was signed in 1992, the share of emissions from the developing world now constitutes over half of global emissions with China overtaking the US in 2006 . Developing countries - accounting for 80% of the world's population - have only accounted for 20% of cumulative emissions since 1751. Although the increase has been quickest in the Third World, emissions from developed countries have continued to grow as well.

McKinsey published Carbon Capture And Storage Economics Report 2008-09-22 Mc Kinsey presented its report on the economics of Carbon Capture and Storage stating that "CCS has the potential to play a significant role in the European and global response to climate change by 2030 as the only technology that can address emissions from coal-fired power plants". The report also mentions that "reference cases have shown that the costs for integrated CCS projects could come down to 30-45 €/tonne of CO2 abated for new coal-fired power by 2030" . According to the report, this price range is "in line with expected carbon prices" under the EU CO2 emissions trading scheme (EU-ETS) for that period. Chris Davies, the British MEP rapporteur of the CCS dossier in the EU Parliament, is proposing to use 10 billion euro of allowances, earmarked under the EU's CO2 emissions trading scheme, to finance large-scale demonstration projects. The allowances would be taken from the EU ETS's New Entrant Reserve, a special pool of emission rights earmarked for new installations joining the scheme. The emissions rights would be made available for coal-fired power plants above "300 Megawatt or more," he said. The proposal, which concerns amendments to article 32 of the draft directive, will be voted on in Environment Committee on 7 October.

EU and African Union launch EU African Partnership on Energy. 2008-09-08. The EU Commissioner for Development and Humanitarian Aid, Louis Michel, and EU Energy Commissioner Andris Piebalgs signed the agreement on an "Action Plan of the Africa-EU Energy Partnership," with Dr. Elham Mahmoud Ahmed Ibrahim, the African Union's Commissioner for infrastructure and energy. The Action Plan includes investments of over €600 million to support electrification in Africa as well as renewable energy projects that would help diversify Europe's energy supplies. In a statement the Commission stressed "the urgent need to promote Africa electrification" and "agreed to launch as soon as possible the process for the elaboration of an Electricity Masterplan for Africa". The masterplan and joint statement will be officially endorsed during an AU-EU meeting on 1 October in Brussels.

EU Parliament Industry Committee adopts ETS Report 2008-09-11. The EP Industry Committee adopted the report of MEP Lena Ek on the Emission Trading System (ETS). In the event that international climate talks later in 2009 in Copenhagen are not successful, the report of EU Parliament rapporteur Lena Ek on the Emission Trading System (ETS) calls on the Commission to list which sectors could benefit from exemptions from the EU ETS by 1 June 2010 instead of 2011 as proposed by the Commission to avoid carbon leakage. Another issue remains the earmarking of the auctioning revenues; Member states would like to have discretionary power on how to

spend these revenues. The Ek report calls for at least 50% of the funds to be put toward clean technology investments or anti-deforestation projects in developing countries, with the remaining funds to be allocated within the EU towards clean technology research and development or other climate change-related measures. After being voted in EP Environment committee on October 7 the report will be discussed in the EP plenary meeting this November. The EHA has submitted its position paper on ETS to the EP rapporteurs and the Commission.

EU Parliament Industry Committee adopts Renewables Report 2008-09-11. The EU Parliament Industry committee backed a report by MEP Claude Turmes that calls for a 5% share of renewables in transport fuel by 2015 and a 10% target by 2020. specifying that at least 20% of the 2015 target and 40% of the 2020 goal must be met from "non-food and feed-competing" second generation biofuels or from cars running on green electricity and hydrogen". The Turmes report also specifies that traditional first-generation biofuels, made from crops such as sugar, rapeseed or corn, would only count towards the target if they meet strict sustainability criteria. This includes social sustainability criteria, including respect for the land rights of local communities or the fair remuneration of all workers, as well as an obligation for biofuels to offer at least 45% carbon emission savings compared to fossil fuels – a figure that would rise to 60% in 2015. These figures are much higher than those originally proposed by the Commission (merely a 35% saving) and also more ambitious than those currently under consideration by national governments. Indeed, after months of infighting, member-state representatives appear to have found a consensus on a two-phased approach initially requiring biofuels to offer a 35% CO₂ saving that would then be scaled up to "at least 50%" in 2017, subject to a review in 2014. The final figure will be crucial to the industry as, typically, biodiesel made from European-grown rapeseed results in a greenhouse gas saving of 44% while the typical figure for ethanol made from EU sugar beet is 48%. Preferred access of renewables to the grid and penalties for Member States that do not reach interim targets are also included in the report. In addition measures were approved to increase the use of renewable energy in new buildings of over 1000 Sqm.

EU Barometer points to change EU consumers behavior with regards to energy. 2008-09-11 The EU poll showed that after poverty, climate change is seen as the most serious problem Europe faces. The survey also found that 61% of people had taken some personal measure to cut CO₂. A quarter of those asked said they had altered their buying habits and used the car less to help the environment, 28% of people use greener transport and 27% buy seasonal and local products that reduce CO₂. An encouraging 56% of those polled believed that climate change can help the economy. The survey of over 30,000 people in thirty European countries also found that 31% had not taken any measures to change their behaviour. Of those almost half believed that government and industry should take action whilst just over a third did not know what they should do.

EU Parliament adopts resolution on Regulation for hydrogen vehicles. 2008-09-03 The EU Parliament overwhelmingly approved a Commission proposal to introduce harmonised type-approval criteria for hydrogen cars, stating that it will facilitate the market for such vehicles and avoid safety and environmental risks that could occur if each member state starts drawing up its own approval system. According to a

Commission study, simplified procedures could help vehicle manufacturers save up to €124 million in approval costs for the period 2017-2025.

Hydrogen powered vehicles are unlikely to be successful on the market unless adequate filling station infrastructure is available in Europe. The Parliament therefore also urged the Commission to look into suitable measures to support the establishment of a Europe-wide filling station network for hydrogen powered vehicles," states the report, which calls on the EU to boost its hydrogen research activities under the Seventh Framework Research Programme.

MEPs also noted that the Commission should establish similar criteria for motorcycles L-type before the end of 2009 as these smaller vehicles could become "early adopters of hydrogen as a fuel" thanks to the lower levels of investment required and the lesser technical challenge they represent".

European Commission publishes FP 7 Call for proposals on Energy 2008-09-03.

The European Commission published the long awaited 2009 Call for proposals in which several topics could be interesting for hydrogen developments. Funding for this call is outside the funding set aside for the JTI. Two topics we spotted:

1. ENERGY.2009.7.1.1.: Optimisation of the electricity grid with large scale renewables and storage .
2. ENERGY.2009.7.3.3: Strategic impact of the roll-out of electric and plug-in hybrid vehicles on grid infrastructure. More info at http://cordis.europa.eu/fp7/home_en.html.

Greenpeace presents Action Plan for large scale off shore wind. 2008-09-03 An interconnected offshore grid of North Sea wind farms with an output of 68,400 megawatts could serve up to 70 million households by 2030.

Constructing such a grid, as outlined in a new commission by Greenpeace, would cost around €15-20 billion. "Building a North Sea grid is not just a pipe dream; it's common sense both environmentally and financially. Greenpeace calls on the Commission to deliver a strong EU Action Plan for offshore wind and to push for a coordinated approach to make this scenario a reality," said Greenpeace campaigner Frauke Thies in a statement. The Commission is due to present an action plan on offshore wind this autumn, as part of a wider EU Strategic Energy Review. The plan will include recommendations on how to coordinate member states' efforts to realise such large-scale offshore wind projects, according to Commission official Hans van Steen, head of unit for renewables regulatory policy in DG TREN.

College of Europe Economic Policy signals EU policy failure to create strong push for hydrogen 2008-09-02

The Belgian institute's briefing 19 "The Policy Framework for the Promotion of Hydrogen and Fuel Cells in Europe: a Critical Assessment* highlights the failure of EU policy to create "a strong push factor" for hydrogen development, asserting that while EU regulatory policies have had "a weak but positive impact," spending policies have shown "inconsistencies". The briefing was partly funded through the EU project Roads2HyCom and can be downloaded at www.coleurop.be.

EU Parliament's Industry and Energy Committee grants facilitated CO2 emission reduction for car makers. 2008-09-01. MEP's voted to change Commission proposals requiring manufacturers to cut their vehicles' average CO2 emissions from current levels

of around 160g/km to 120g/km by 2012. Instead, it proposed that carmakers would only be required to ensure that 60% of their fleet meets the target by 2012, with 70% compliance by 2013, 80% by 2014 and 100% by 2015. The Parliament Committee decided also that certain cars, emitting less than 50g/km or running on alternative fuels would count as 'one-and-a-half cars', thereby bringing their overall average down. Zero-emissions cars would count as three cars until 2015. It also imposed fines on carmakers for breaching the limits set at €40 per excess gramme of CO₂ – less than half of the €95 penalty the Commission proposed. The Parliament will vote in plenary later this year.

4. National News

France

CEA le Ripault (Indre & Loire), is organising a meeting on October 28 2008, as part of the national Pact PME programme for SME's, to identify collaboration and technology transfer opportunities in the field of fuels and hydrogen storage. For more information on participation please contact :

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Germany

The German National Hydrogen and Fuel Cell Technology Innovation Programme“ (NIP) is off to an impressive start. At a meeting in Berlin on September 22 already more than 60 hydrogen and fuel cell projects were presented. The National Innovation Programme provides a common framework for numerous hydrogen and fuel cell research projects conducted by academic institutions and the industry. The National Organization for Hydrogen and Fuel Cell Technology (NOW), a public-private partnership (PPP), is scheduled to run the programme for the next 10 years..The Federal Government and the industry will provide a total of €1 billion for research, development and demonstration projects over the next 10 years. The NIP has been launched jointly by the Federal Ministry of Transport, Building and Urban Affairs, the Federal Ministry of Economics and Technology, the Federal Ministry of Education and Research and the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety. The programme is part of the high-tech strategy for Germany and ties in with the Federal Government's Fuel Strategy.

News from the secretariat

Reminders has been sent to pay EHA 2008 contributions.