

Competitive Bidding in the Innovation Fund; Stakeholder Consultation

21 - 21 Nov 2022

Poll results

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1. What type of hydrogen should be supported under IF pilot auctions? Multiple choice

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(1/2)

Renewable hydrogen, in line with Delegated Acts of REDII



Biogenic hydrogen (from biomass)



Hydropower hydrogen



Low-carbon hydrogen, including "blue" hydrogen (i.e. with CCS)



Low-carbon but not "blue" hydrogen



1. What type of hydrogen should be supported under IF pilot auctions? Multiple choice
(2/2)

2 0 4

Difficult to assess at this stage

 5 %

2. When supporting hydrogen, which demand sectors and applications should the IF pilot auctions focus on? Multiple choice

2 2 2

(1/2)

Transport



Industry



Refineries



Power to Gas, Power to Liquid production



Steel sector



2. When supporting hydrogen, which demand sectors and applications should the IF pilot auctions focus on? Multiple choice

(2/2)

2 2 2

Chemicals sector



Other



Difficult to assess at this stage



3. Should light-duty transport be excluded from IF pilot auctions on hydrogen? Single choice

2 2 3

Yes ✓



No ✓



Difficult to assess at this stage ✓



4. What should be the main objective of IF pilot auctions on hydrogen? Single choice

2 2 5

Hedging against main reference market price fluctuations ✓

 12 %

Hedging against several market prices fluctuations (e.g. with indexation, or prices composites)



 11 %

Hedging and providing subsidy to cover the funding gap/ green premium



 73 %

Difficult to assess at this stage ✓

 4 %

5. Should hydrogen transport infrastructure costs be part of the bidding price under IF pilot auctions? Single choice

(1/2)

Yes, even though mostly integrated and co-located projects are expected to participate in the pilot auctions



 12 %

Yes, because already in pilot auctions there could be projects that have transport infrastructure elements



 32 %

No, because there will be no level playing field between projects that have no infrastructure costs and those that have them



 24 %

No, because there are other support mechanism for supporting hydrogen infrastructure



 21 %

5. Should hydrogen transport infrastructure costs be part of the bidding price under IF pilot auctions? Single choice

(2/2)

2 1 4

Difficult to assess at this stage ✓



6. Which auction configuration would you find most attractive for IF pilot auctions? Single choice

(1/2)

2 2 2

Supply-side auction using CfD or fixed premium ✓



Supply-side auction using CCfD ✓



Supply-side auction for electricity using CfD ✓



Demand-side auction using CfD or fixed premium ✓



Demand-side auction using CCfD ✓



6. Which auction configuration would you find most attractive for IF pilot auctions? Single choice

(2/2)

2 2 2

Joint supply and demand-side auction ✓



Double-sided auction ✓



Difficult to assess at this stage ✓



7. If a supply-side auction using CfD is chosen to be awarded under IF pilot auction, which reference price would be best suited to hedge price risks? Single choice

(1/2)

Natural gas price (TTF) ✓



Grey hydrogen price (market price) ✓



Grey synthetic hydrogen price ✓



Project specific offtake prices ✓



CO2 price ✓



7. If a supply-side auction using CfD is chosen to be awarded under IF pilot auction, which reference price would be best suited to hedge price risks? Single choice

1 5 2

(2/2)

Electricity price ✓



Synthetic green hydrogen price (given a mix of assumptions) ✓



Difficult to assess at this stage ✓



8. Do you see sufficient demand for hydrogen to establish the offtake contracts for the duration of the CfD support (likely to cover 10 years)?
Single choice

1 6 4

Yes, there is sufficient demand to have offtake agreements committed throughout CfD support period



There is sufficient demand to have only initial offtake agreements committed - for the first years of CfD support



No, there is no sufficient demand and offtakers will have to be found at the time of financial close



Difficult to assess at this stage



9. What is the most relevant price risk factor that hydrogen consumers need a hedge against? Single choice

086

(1/2)

CO2-price ✓



7 %

Electricity price ✓



38 %

Natural gas price (TTF) ✓



10 %

Hydrogen supply price ✓



35 %

Non-energy related input prices ✓



1 %

9. What is the most relevant price risk factor that hydrogen consumers need a hedge against? Single choice
(2/2)

0 8 6

Other ✓

 2 %

Difficult to assess at this stage ✓

 6 %

10. For which sectors would carbon price be a good reference price? Multiple choice
(1/2)

090

Hydrogen production



Chemicals



Metals



Cement



Glass



10. For which sectors would carbon price be a good reference price? Multiple choice
(2/2)

090

CCUS



None



Difficult to assess at this stage



11. Should a subsidy scheme for GHG abatement reduction be primarily aimed at cost-effectiveness?

096

Yes ✓



No, it should also aim at fostering innovation ✓



No, there it should also address industrial policy concerns (jobs, competitiveness)

✓

