

# EC Draft Taxonomy Delegated Regulation on climate mitigation & climate adaption

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Eurelectric dedicated hydropower response in a nutshell

Eurelectric represents the interests of the electricity industry in Europe. Our work covers all major issues affecting our sector. Our members represent the electricity industry in over 30 European countries.

We cover the entire industry from electricity generation and markets to distribution networks and customer issues. We also have affiliates active on several other continents and business associates from a wide variety of sectors with a direct interest in the electricity industry.

## We stand for

The vision of the European power sector is to enable and sustain:

- A vibrant competitive European economy, reliably powered by clean, carbon-neutral energy
- A smart, energy efficient and truly sustainable society for all citizens of Europe

We are committed to lead a cost-effective energy transition by:

**investing** in clean power generation and transition-enabling solutions, to reduce emissions and actively pursue efforts to become carbon-neutral well before mid-century, taking into account different starting points and commercial availability of key transition technologies;

**transforming** the energy system to make it more responsive, resilient and efficient. This includes increased use of renewable energy, digitalisation, demand side response and reinforcement of grids so they can function as platforms and enablers for customers, cities and communities;

**accelerating** the energy transition in other economic sectors by offering competitive electricity as a transformation tool for transport, heating and industry;

**embedding** sustainability in all parts of our value chain and take measures to support the transformation of existing assets towards a zero carbon society;

**innovating** to discover the cutting-edge business models and develop the breakthrough technologies that are indispensable to allow our industry to lead this transition.

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Markets & Investments Committee  
Electrification & Sustainability Committee  
Generation & Environment Committee

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**We are concerned about the technical screening criteria and the general assessment of hydropower. It risks to be considered unsustainable if the draft delegated acts do not change substantially.** Hydropower is not only renewable itself – it also balances the fluctuations from other renewables such as wind- and solar power and is by far the most important provider of renewable flexibility. By regulating water flows and counteracting the effects of droughts and floods, it also contributes significantly to climate change adaptation.

As a solution, we suggest the following changes to be made:

Topic	Chapter	Proposed Change	Reason
Do No Significant Harm. Sustainable use and protection of Water and marine resources	Chapter 4.5. (3) Annex1&2	Delete all original wording and replace with:  <b>The activity complies with the provisions of Directive 2000/60/EC and in the Directive 2008/56/EC).</b>	<b>Water Framework Directive was deemed fit for purpose by the EC in 2019.</b>  <b>DNSH criterion for hydropower differs from the other renewable technologies: While there is singular reference to EU law for wind power regarding the “sustainable use and protection of water and marine resources”, the hydropower DNSH is going beyond current EU law.</b>  This creates a <b>double standard</b> , which is not in line with the level 1 regulation and the principles in the draft itself.  It will also lead to a <b>loss of renewable electricity production and, especially, storage and flexibility</b> needed for increasing other RES and reaching the EU decarbonisation targets.
Substantial contribution to climate change mitigation	Chapter 4.5. Annex1	Delete all original wording and replace with:  <b>The activity generates electricity from hydropower</b>	Electricity technologies are treated differently in the draft even though the preface itself sets forward the principle of same treatment for the same economic activity under the NACE code system.  <b>The same principle must be applied to all renewable electricity generation technologies according to RED II.</b>  Either LCA are required for all renewables or none. The DA is consistent for using none for other RES except hydropower, therefore we call for no LCA.

<p>Storage of electricity</p>	<p>Chapter 4.10. Annex1</p>	<p><i>The activity is the construction and operation of electricity storage. <del>facilities including closed-loop pumped hydropower storage, defined as hydro-plants with no natural water inflow into the upper reservoir, where the water that generates electricity was previously pumped uphill. Pumped storage connected to river bodies are not eligible.</del></i></p>	<p>All electricity storage technologies, should be categorised as economic activities substantially contributing to climate change mitigation and not as enabling activities.</p> <p>Closed-loop hydropower storage is a niche in Europe, nearly all existing pumped storage assets have either natural inflow or are connected to river bodies. Hydropower is the only large-scale renewable generating option to offer storage of energy which can be transformed into electricity instantaneously. This applies for river basins with natural inflow, pumped storage and reservoir storage. All hydropower forms are substantial contributions to climate change mitigation as described in Article 19 (1a) and 19 (1j) or the regulation, but it is not reflected in the draft.</p>
<p>Installation, maintenance and repair of renewable energy technologies</p>	<p>chapter 7.6. Annex 1</p>	<p>Insert (i) installation, maintenance and repair of hydropower turbines and the ancillary technical equipment.</p> <p>Original text for cross-reference chapter 4.5. : [No text under hydropower section]</p> <p>Proposed text for cross-reference chapter 4.5. : [Insert under description of the activity in chapter 4.5] Where the activity is an integral element of the activity 'Installation, maintenance and repair of renewable energy technologies' as referred to in Section 7.6 of this Annex, the technical screening criteria specified in Section 7.6 apply.</p>	<p>Hydropower has to be treated as any other renewable electricity generation technology falling under the provisions of RED II.</p>

Eurelectric pursues in all its activities the application of the following sustainable development values:

Economic Development

- Growth, added-value, efficiency

Environmental Leadership

- Commitment, innovation, pro-activeness

Social Responsibility

- Transparency, ethics, accountability



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