



PRESS RELEASE

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Nel ASA: Ready to step up production capacity

Nel is ready to increase its electrolyser production capacity to meet the European Union's raised ambitions for renewable hydrogen.

“We are ready to add the electrolyser production capacity needed in Europe and abroad when required by the market”, says Nel’s CEO Jon André Løkke.

“Our brand-new and fully automated electrolyser manufacturing facility at Herøya is already producing at three shifts. We are reaching new production records every week and will start a site selection process for additional production capacity in Europe”, says Løkke.

Nel’s electrolyser plant at Herøya can provide 500 MW of capacity to the market with the possibility to expand up to 2 GW.

On Tuesday this week, the European Commission announced its [“REPowerEU”](#) communication which outlines the EU’s plans to make Europe independent from Russian fossil fuels well before 2030. The communication also highlights a series of measures to respond to soaring energy prices in Europe.

Raised ambitions

Among other, REPowerEU places an even stronger emphasis on the role of renewable hydrogen. The EU [Hydrogen Strategy](#) presented in May 2020 set an objective for the production of 10 million tons of renewable hydrogen by 2020. With this new communication, the EU is increasing its ambition and hydrogen strategy objectives by adding a further 15 million tons of renewable hydrogen (10million tons to be imported and 5 million tons produced domestically in the EU). This new amount would contribute to reducing dependence on imported Russian gas by 25-50 billion cubic metres by 2030.

In addition, REPowerEU aims to bring forward the implementation of the Innovation Fund in order to support the switch to electrification and hydrogen, including through *an EU-wide scheme for carbon contracts for difference, and to enhance the EU’s manufacturing capabilities* for innovative zero and low carbon equipment, such as electrolysers. Furthermore, the European Commission has committed to assessing *State aid notification for hydrogen projects as a matter of priority* with the aim to have the assessment of the first Important Projects of Common European Interest (IPCEI) completed by summer.

“We are committed and ready to deliver on the promise to help make Europe the first climate-neutral continent in the world. It’s time to turn Europe’s hydrogen ambition into a reality. We need a clear and predictable regulatory framework which provides certainty and appropriate incentives for renewable hydrogen technologies”, says Løkke.

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About Nel ASA | www.nelhydrogen.com

Nel is a global, dedicated hydrogen company, delivering optimal solutions to produce, store, and distribute hydrogen from renewable energy. We serve industries, energy, and gas companies with leading hydrogen technology. Our roots date back to 1927, and since then, we have had a proud history of development and continuous improvement of hydrogen technologies. Today, our solutions cover the entire value chain: from hydrogen production technologies to hydrogen fueling stations, enabling industries to transition to green hydrogen, and providing fuel cell electric vehicles with the same fast fueling and long range as fossil-fueled vehicles - without the emissions.