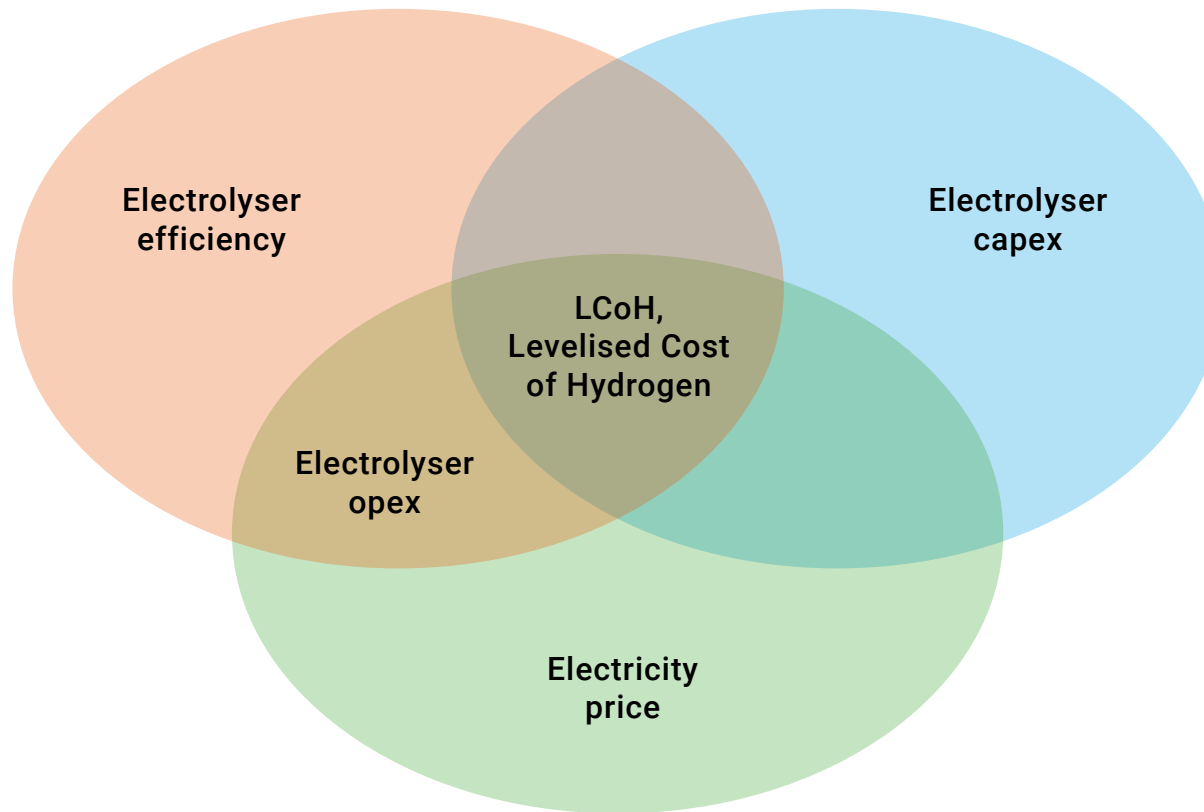


The three main factors that govern the cost of electrolytic hydrogen



Notes

- Electrolyser efficiency: conversion of power to hydrogen (kWh/kg H₂)
- Electricity price: cost to purchase a unit of electricity (€/kWh)
- Electrolyser opex: incremental cash cost of hydrogen production (€/kg H₂)
- Electrolyser capex: the initial capital investment in the electrolyser system (€)
- Levelised Cost of Hydrogen (LCoH): the unit cost of hydrogen levelized over the operating period considering capital cost, depreciation over the operating period (eg 20 years) at the project capital depreciation rate (eg 8%), and the operating cost (€/kg H₂)
- Other operating costs such as labour and maintenance are incurred, but these are secondary to the cost of electricity