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Federal government declares Hunter a national hydrogen hub



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Local News



The federal government has declared the Hunter as one of seven national hydrogen hubs that will supercharge the development of a multi-billion dollar export industry.

The announcement will also further boost efforts to establish new low carbon manufacturing industries in the region over coming decades.

The government said the Hunter was chosen due to the high level of existing interest from industry stakeholders, the region's skills and research capabilities, infrastructure and resources.

The other hubs will be located at Bell Bay (Tasmania), Darwin (Northern Territory), Eyre Peninsula (South Australia), Gladstone (Queensland), La Trobe Valley (Victoria), and Pilbara (Western Australia).

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"The development of clean hydrogen industrial hubs will help the emerging industry work towards achieving the stretch goal of hydrogen production at under \$2 a kilogram under the government's Technology Investment Roadmap," Minister for Energy and Emissions Reduction Angus Taylor said.

"Accelerating the commercial deployment of priority low emissions technologies such as hydrogen so they reach cost parity with higher emissions alternatives is critical to Australia's technology led approach to reducing emissions."

The government will invest \$464 million to accelerate the development of the hubs. It forms part of a \$1.2 billion program to support the development of a clean hydrogen industry in Australia.



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The *Activating a Regional Hydrogen Industry: Clean Hydrogen Industrial Hubs* program has been designed to de-risk projects and quickly achieve the scale necessary to establish new export industries and meet the growing energy needs of the Indo Pacific region.

The program will provide grants of between \$500,000 and \$3 million for hub development and design work needed to advance hydrogen hub concepts.

Hub Implementation Grants of between \$30 million and \$70 million will support the roll-out and establishment of the hubs.

The government expects the investment to leverage significant co-investment from the private sector, state governments and international counterparts.

[The state government committed \\$70 million in March towards the establishment of green hydrogen hubs in the Hunter and Illawarra as part of the Net Zero Industry and Innovation Program.](#)

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- [Hunter hydrogen hub will allow industry to 'cash in' on renewables boom.](#)

The state hubs will provide groups of hydrogen users common infrastructure for local production, use and distribution.

The project was accelerated last month with the establishment of a collaboration platform to connect established market players with new and emerging hydrogen users.

Prime Minister Scott Morrison said the hydrogen hubs would create jobs across the nation and fast-track Australia's push to be a global leader in the new energy economy.

"Our plan to invest and develop low emissions industries will mean more jobs for Australian workers, particularly in our regions, cheaper energy for businesses and lower emissions," he said.

"We are accelerating the development of our Australian hydrogen industry and it is our ambition to produce the cheapest clean hydrogen in the world, transforming our transport, energy, resources and manufacturing sectors."

The clean hydrogen industrial hub grants program will build on the work of [Special Adviser on Low Emissions Technology, Dr Alan Finkel](#), to broker international partnerships and initiatives that will accelerate the deployment of hydrogen and other priority low emissions technologies. Cooperation on hydrogen forms part of new low emissions partnerships with Germany, Singapore, Japan and the United Kingdom announced in 2021.

[Key Hunter industry groups are currently working on a proposal to transform the Hunter Region into a \\$2 billion 'hydrogen valley'.](#)



The Hunter Hydrogen Network (H2N) project – a large-scale hydrogen production, transportation and export project – seeks to enable the development of the hydrogen economy in the Hunter Valley in partnership with hydrogen users and exporters.

The project's supporters include pipeline operator APA Group, global energy producer Idemitsu and commodities trader Trafigura and large-scale renewable energy developers RES Australia and WalchaEnergy.