THE HON ANGUS TAYLOR MP
MINISTER FOR ENERGY AND EMISSIONS REDUCTION

MEDIA RELEASE

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SUPPORT FOR HYDROGEN PROJECTS IN SOUTH AUSTRALIA, VICTORIA AND WESTERN AUSTRALIA

The Morrison Government continues to support the development of a local hydrogen sector that is expected to play an increasingly important role as a future energy storage technology.

Through the Australian Renewable Energy Agency (ARENA), the Australian Government has announced grant funding support for two feasibility studies including:

- $1.28 million in funding to Australian Gas Networks (AGN), part of Australian Gas Infrastructure Group (AGIG), to establish the Australian Hydrogen Centre which will investigate blending hydrogen into existing natural gas pipelines in South Australia and Victoria; and
- $995,000 in funding to Yara Pilbara Fertilisers Pty Ltd (Yara) to support a feasibility study for the production of renewable hydrogen and ammonia for fertiliser production in Western Australia’s Pilbara mining region.

Announced at AGN’s Australian Hydrogen Centre at the Tonsley Innovation District in Adelaide, Minister for Energy and Emissions Reduction Angus Taylor said the Government is taking practical steps to establish Australia as a world leader in hydrogen.

“This support builds on the over $500 million that the Coalition Government has committed since 2015 to developing a clean and innovative hydrogen sector in Australia, including the $300 million Advancing Hydrogen Fund”, said Mr Taylor.

The AGN studies, with a total funding of $4.15 million, will examine blending 10 per cent hydrogen into gas infrastructure and also investigate the costs and benefits of converting state gas networks to take 100 per cent hydrogen.

The Australian Hydrogen Centre will also be supported by the South Australian and Victorian Governments, as well as AusNet Services, ENGIE and Neoen.
The $3.7 million Yara project will investigate the feasibility of producing renewable hydrogen by using on-site solar PV energy to power an electrolysis plant. The renewable hydrogen will be blended with natural gas-derived hydrogen and used to produce ammonia with a lower carbon footprint. This can then be exported by Yara whose Pilbara facility produces five per cent of the world’s ammonia.

These projects will support the priority work areas of the National Hydrogen Strategy, released last November. In particular, the Strategy identified using hydrogen in Australia’s gas networks as a key area of early demand. Building up domestic demand for hydrogen will be an essential foundation to establishing a thriving hydrogen export market. With potential significant emissions reductions benefits, a hydrogen sector could also generate around 8000 jobs and $11 billion a year in GDP by 2050.

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