

## **MEDIA RELEASE**

UNDER EMBARGO UNTIL 23:59 1 February 2024

### **DECLARING THE HUNTER A SPECIAL ECONOMIC AREA WITH SHARED INFRASTRUCTURE AND BUSINESS INCENTIVES WILL ATTRACT THE INVESTMENT NEEDED TO BECOME AUSTRALIA'S LEADING HYDROGEN HUB**

The Hunter hydrogen hub – the only NSW hub in the national hydrogen strategy – is on the journey to become Australia's leading hydrogen hub and technology cluster.

Project proponents, infrastructure providers, industry, governments, education, research and energy experts have collaborated in the development of the *Hunter Hydrogen Infrastructure Masterplan* which outlines progress on the hydrogen hub and identifies priorities for action.

The Hunter's shared vision for hydrogen is turning into reality:

- A number of Hunter hydrogen projects close to final investment decision.
- Securing over \$1.5 billion in government funding for local hydrogen projects, research institutions and associated industry decarbonisation initiatives.
- Growth of NewH2, NSW's Hunter-based regional hydrogen technology cluster, to over 800 subscribers representing around 300 businesses focused on strengthening hydrogen value chains and local participation.
- The establishment of the Clean Energy Precinct at the Port of Newcastle, with plans for dedicated common-use facilities for hydrogen and ammonia for local industry and export.
- Project owners and infrastructure providers coordinating shared infrastructure needs and delivery through the Hunter Hydrogen Taskforce.

The *Hunter Hydrogen Infrastructure Masterplan* (the Masterplan) sets out the next priorities to scale and speed up development of the Hunter hydrogen hub to become a global player in international energy markets, encourage business investment and reduce costs for current and future participants.

The Masterplan was led by the Committee for the Hunter, a think tank focused on the future prosperity of the \$66 billion economy transitioning from fossil fuels.

Priorities identified in the Masterplan include:

- For governments to confirm and promote the pathway for additional clean energy supply and infrastructure required to support large-scale hydrogen development in the Hunter for export, in addition to domestic use.
- Develop a Water Servicing Plan that complements the Lower Hunter Water Security Plan, incorporating the additional water supply and associated infrastructure requirements for a hydrogen industry in the Hunter.
- A coordinated approach to the planning, capital investment, operations, maintenance and upgrade of infrastructure in the Hunter hydrogen supply chain. This includes considerations of regional governance models like the Hunter Valley Coal Chain Coordinator that bring together producers, suppliers and users to optimise benefits and reduce costs for all parties.
- Establish a dedicated Hunter concierge service for hydrogen and clean energy projects, precincts and associated infrastructure, and streamline development assessment and planning approval processes for clean energy projects in NSW.
- Address labour force shortages and skills gaps for hydrogen through:
  - A global talent attraction campaign, inviting students and workers to locate in the Hunter and drive the hydrogen economy.
  - A local STEM high school servicing regional NSW students, focused on clean energy industries and hydrogen.
  - Education facilities that strengthen the delivery of education and training in the region to create a pipeline of job-ready graduates in clean energy value chains and hydrogen.

Masterplan recommendations provide the pillars for declaring the Hunter hydrogen hub a **Special Economic Area** with specific incentives, policies, planning and regulation, and other conditions like access to shared infrastructure. This would attract business, technology, innovation and workforce and leverage existing government support including Renewable Energy Zones, industry decarbonisation and hydrogen programs to multiply benefits from public and private investment.

Committee for the Hunter CEO Alice Thompson said “There is growing urgency in an increasingly competitive environment to secure the large-scale international offtake agreements that will underwrite investment in a global hydrogen hub based in the Hunter”.

“The region is ready and collaborating on our hydrogen future. With decisive action and targeted policy, the Hunter is primed to become a leader in the world’s emerging hydrogen economy”.

“As a \$66 billion economy and community representing the coal face of climate action and energy security on which the safety, competitiveness and future prosperity of the nation depends, all Australians have an interest in the success of the Hunter hydrogen hub”.

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CEO Fichtner Australia and Chair of the Hunter Hydrogen Taskforce Alex Dronoff said “I am thrilled to see the strategic direction set in the *Hunter Hydrogen Roadmap* (Nov 2021) led by the Taskforce being built upon by this comprehensive H2 infrastructure plan where members were engaged in development. The Taskforce has been fantastic in supporting the development of the Hunter Hub and Technology Cluster. Congratulations to our members, Origin Energy-Orica and Port of Newcastle who were shortlisted in the next stage of the \$2 billion Hydrogen Headstart Program. This initiative will help Australia meet its decarbonisation targets towards net zero as well as creating jobs in an exciting new industry in the Hunter”.

Louise Rose, Hunter Advisory Partner, KPMG said “The *Hunter Hydrogen Infrastructure Masterplan* means that for the first time, the region has predictions in aggregate, on the number of new jobs required and the increased demand for water. These projections are directly related to the plans of local hydrogen proponents. The new insights provided enable the region to take a place based and coordinated approach to realising the region’s hydrogen economy ambitions”.

## BACKGROUND

The project was funded by the NSW Government Regional NSW *Business Case and Strategy Development Fund* that supports councils, not-for-profit, industry and Aboriginal community groups develop business cases or strategies for projects delivering significant economic or social benefits to regional communities, with a focus on infrastructure.

The Masterplan updates the 2021 *Hunter Hydrogen Roadmap*, which set a vision for hydrogen development in the Hunter and sequenced actions over the short, medium and long-term to deliver national and State hydrogen plans.

KPMG Newcastle were the Committee for the Hunter’s delivery partners.

The objectives of the Masterplan are to:

- Accelerate progress of hydrogen projects in the region
- Create an enabling environment to encourage investment in hydrogen projects and associated value chains
- Provide advice to the NSW and Australian Governments on priorities to achieve shared targets for large scale and low cost hydrogen production

## CONTACT

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