

Six shortlisted for \$2 billion Hydrogen Headstart funding

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On behalf of the Australian Government, the Australian Renewable Energy Agency (ARENA) has today announced that six applicants have been shortlisted and invited to submit a full application in the next stage of the \$2 billion Hydrogen Headstart Program.

Together, these applicants represent a total electrolyser capacity of over 3.5 GW across various end uses, placing them amongst the largest renewable hydrogen projects in the world.

The shortlisted applicants are:

Applicant: bp Low Carbon Australia Pty Ltd

Project: H2Kwinana

Electrolyser Size (MW): 105

State: Western Australia

End Use: Ammonia, Sustainable Aviation Fuel, Minerals processing

Applicant: HIF Asia Pacific Pty Limited

Project: HIF Tasmania eFuel Facility

Electrolyser Size (MW): 144

State: Tasmania

End Use: e-Fuels

Applicant: KEPCO Australia Pty Ltd (Korea Electric Power Corporation)

Project: Port of Newcastle Green Hydrogen Project

Electrolyser Size (MW): 750

State: New South Wales

End Use: Ammonia

Applicant: Origin Energy Future Fuels Pty Ltd

Project: Hunter Valley Hydrogen Hub

Electrolyser Size (MW): Phase 1 – 50 / Phase 2 – 200

State: New South Wales

End Use: Ammonia, Mobility

Applicant: Stanwell Corporation Limited

Project: Central Queensland Hydrogen Project

Electrolyser Size (MW): 720

State: Queensland

End Use: Ammonia

Applicant: Murchison Hydrogen Renewables Pty Ltd as trustee for Murchison Hydrogen Renewables Project Trust

Project: Murchison Hydrogen Renewables Project

Electrolyser Size (MW): 1,625

State: Western Australia

End Use: Ammonia

These applicants are developing projects that involve deploying large-scale electrolyzers of at least 50 MW in size, making a significant and faster impact on implementing a new renewable hydrogen industry. The shortlisted applicants are developing projects in Queensland, New South Wales, Tasmania and Western Australia.

Announced in the 2023-24 budget, the Hydrogen Headstart Program aims to catalyse Australia's hydrogen industry to take advantage of Australia's unparalleled opportunity to be a global hydrogen leader.

Under the Program, projects seeking to produce renewable hydrogen or derivatives, such as renewable ammonia or methanol, at scale can apply for a production credit delivered over ten years to bridge the commercial gap between the cost of producing renewable hydrogen and the market price.

Hydrogen Headstart will boost confidence in the emerging renewable hydrogen industry, sending a strong signal that Australia is an attractive investment destination for renewable hydrogen production and associated infrastructure for end use cases.

ARENA CEO Darren Miller said the strong interest in the program indicates that project developers are gaining confidence in Australia's potential to host this important new industry.

“Hydrogen Headstart is a crucial step towards keeping Australia on the path to become a global hydrogen leader, creating new export opportunities, while helping to decarbonise our economy.”

“The applicants shortlisted for the next stage provide us with the best opportunity at fast tracking our renewable hydrogen industry. It’s great to see the commitment from Australian companies who are looking to invest in and utilise hydrogen in their own decarbonisation efforts,” said Mr Miller.

Hydrogen Headstart builds on ARENA’s success as a leader in renewable hydrogen, with the Agency having already committed over \$315 million to 48 renewable hydrogen projects since 2017.

This funding is in addition to over half a billion dollars of Australian Government funding administered by the Department of Climate Change, Energy, the Environment and Water for regional hydrogen hubs in places such as the Hunter, Gladstone and the Spencer Gulf.

ARENA has been instrumental in the early development of an Australian renewable hydrogen industry. Support for renewable hydrogen spans early-stage research and development projects through to first-of-a-kind deployments including hydrogen refuelling and hydrogen vehicles, hydrogen for producing renewable ammonia, hydrogen for use in alumina refining and remote power.

ARENA was impressed by the overall strength of applications to the Program and believes this forms an encouraging base for the industry to grow from in the future.

“ARENA has long supported an Australian renewable hydrogen industry. Hydrogen Headstart is the logical continuation of our work, providing further funding to support the acceleration of renewable hydrogen,” Mr Miller said.

Minister for Climate Change and Energy, The Hon Chris Bowen MP said: “Renewable hydrogen is crucial to reach net zero, while creating economic opportunities for regional Australia.”

“We have the largest pipeline of renewable hydrogen projects in the world – Hydrogen Headstart is about supporting these projects to become a reality, as Australia transforms into a renewable energy superpower.”

Shortlisted applicants have until 27 June 2024 to submit their full application. The Australian Government intends to announce funding recipients in late 2024.

For more information on Hydrogen Headstart, visit the [funding page](https://arena.gov.au/funding/hydrogen-headstart) (<https://arena.gov.au/funding/hydrogen-headstart>).

ARENA media contact:

media@arena.gov.au (<mailto:media@arena.gov.au>).

[Download this media release \(PDF 187KB\)](https://arena.gov.au/assets/2023/12/ARENA-Media-Release_Hydrogen-Headstart-Applications_December-2023.pdf) (https://arena.gov.au/assets/2023/12/ARENA-Media-Release_Hydrogen-Headstart-Applications_December-2023.pdf).

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