



## **Fortescue starts work on \$550M Arizona renewable liquid hydrogen project**

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### **Body**

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Australia's **Fortescue** Metals ([OTCQX:FSUMF](#)) said it [broke ground](#) Friday at its \$550M green hydrogen project in Arizona, which it expects will produce as much as 11K metric tons/year of liquid renewable hydrogen to help decarbonize heavy-duty transport in the southwest U.S.

The Arizona Hydrogen project is the first of **Fortescue's** ([OTCQX:FSUMF](#)) planned green energy investments in North America; the company is working on other U.S. projects, including a manufacturing plant in Michigan for electrolyzers, batteries and electric vehicle chargers, and with the U.S. Department of Energy to build a Pacific Northwest Hydrogen Hub that would include a green hydrogen production plant in Washington state.

**Fortescue** ([OTCQX:FSUMF](#)) Executive Chair Andrew Forrest, speaking at the groundbreaking ceremony, praised the U.S. for supporting decarbonization projects but also noted some proposed policies that he said could stall investment.

"**Fortescue** is unashamedly a first-mover in this space, [but] we need to be encouraged to that, not punished," Forrest said. "There are rules right now under consideration with the Biden Administration that would make already announced projects like this one dramatically more expensive and smaller."

Forrest was referring to the proposed Clean Hydrogen Production Tax Credit, or section 45V of the Inflation Reduction Act, which outlines how hydrogen producers qualify for the credit; draft rules propose to limit hydrogen producers' ability to provide project-specific information, such as upstream emissions data, when calculating the carbon intensity of their hydrogen.

[Critics say](#) eligibility for the 45V tax credit based on national average carbon intensity, rather than the real emissions associated with each producer's operations, would cause the U.S. government to essentially reward dirtier natural gas production while discouraging other producers from cleaning up their processes.

More on **Fortescue**

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[Historical earnings data for Fortescue](#)

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