



## **'A political mischief': Forrest hits back at green hydrogen detractors**

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**Highlight:** Mining executive Andrew Forrest has denied he is abandoning his ambitions for green hydrogen, saying the fuel is imperative for combating climate change.

### **Body**

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Mining executive Andrew Forrest has described as "a political mischief" reports he is divesting from green hydrogen, declaring the energy form would be an "absolutely imperative" tool for combating climate change.

"We are producing green hydrogen as we speak," he said.

"It's a political mischief to say that the world's major green hydrogen champion is turning away from green hydrogen - it's completely untrue."

Forrest's **Fortescue** said on Wednesday it would slash 700 jobs in coming weeks, and merge its renewable energy and iron ore divisions, as it seeks to reduce duplication and costs.

Asked several times on Wednesday whether he remained committed to his ambitious goal to produce 15 million tonnes of green hydrogen a year by 2030, Forrest said he remained committed to 15 million tonnes a year in the future.

That sparked headlines claiming he was abandoning his ambitions for green hydrogen - which is produced through a process of electrolysis and using renewable energies including wind and solar.

Forrest told this masthead he remained resolutely committed to green hydrogen, and described the shift as a policy "broadening, not change".

"We have to commit, across the world, to green electricity and green hydrogen. If you don't, you're basically giving up on the world," he said.

"For us to say we're giving up on green hydrogen, as some people have tried to twist it, is just like saying you're giving up on your kids [and] giving up on the world."

International conflicts including Russia's invasion of Ukraine had driven up the price of all fossil fuels, and dragged green electricity with it, Forrest said.

"And there's precisely nothing we can do about it, unless we invest upstream in generating very large quantities of green electricity ourselves, which is what the company announced," he said.

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"We're consolidating by investing upstream so we can get the price of electricity down to a point where green hydrogen becomes more competitive."

In recent years, Forrest has toured the globe seeking opportunities to produce the huge amount of affordable, emissions-free electricity needed to separate hydrogen from water in commercially meaningful quantities.

The potential markets are in replacing hydrogen from gas and coal in the manufacture of fertiliser and chemicals, and providing an emissions-free fuel in applications where batteries may be impractical, such as long-distance shipping.

However, **Fortescue** found the cost of that clean energy prohibitively high and now wants to focus on developing renewable energy projects to drive down the major cost in producing green hydrogen.

"If the electricity cost is high, then we can't make hydrogen cheaply enough to compete with fossil fuels," Forrest told Radio 6PR in Perth on Thursday.

Climate Change and Energy Minister Chris Bowen defended the viability of green hydrogen projects, which are being developed by more than 50 companies in Australia at a cost of \$225 billion.

"Green hydrogen will be one of the best ways Australia can decarbonise domestic heavy emitters and help develop robust low-carbon manufacturing," he said.

While Bowen said the federal government was committed to working with the project proponents, opposition energy spokesman Ted O'Brien said **Fortescue's** move had "blown a gaping hole" in Labor's renewables-focused energy plans.

"Labor thinks it's picking winners, but we now know they are picking losers, and it's Australian taxpayers who are picking up the bill," O'Brien said.

The federal government's \$2 billion Hydrogen Headstart program is its highest-profile backing of the nascent industry. In December, six projects - none backed by **Fortescue** - were shortlisted for funding. Recipients will be announced late this year.

O'Brien said the Coalition had supported the hydrogen industry while in government, and it was optimistic the fuel would have a long-term role in the energy mix.

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