



COUNTRYWIDE  
RENEWABLE ENERGY

## **Submission on the Draft Tasmanian Renewable Hydrogen Action Plan**

### **Introduction**

Countrywide Renewable Energy Pty Ltd (CRE) welcomes the opportunity to provide input to the Tasmanian Government's draft *Tasmanian Renewable Hydrogen Action Plan* provided by Minister Barnett on November 19, 2019.

CRE is developing renewable hydrogen projects in Australia with a focus on Tasmania and Victoria.

CRE is an Australian company based in Melbourne that works with local and state governments to develop renewable energy projects to decarbonise our economy and present new industry opportunities to sustain and grow local economies.

CRE's green hydrogen production projects target both the export and domestic markets which complements the draft *Tasmanian Renewable Hydrogen Action Plan*. We applaud the Department of State Growth for its visionary approach to realising the significant opportunity available to this 'green' state.

### **About CRE**

CRE is a project development company that creates opportunities and then partners with strategic and/or financial investors to fund construction and delivery of our projects. Our expertise lies in developing renewable energy projects by engaging with key stakeholders whose 'buy-in' is required to secure the pillars that support a project.

Our team is complemented by expert consultants whose specialised support is required at different intervals during project development and delivery.

### **Response to the draft Action Plan**

Tasmania can offer all the elements required for the production and distribution of green hydrogen locally, to the mainland and internationally.

As detailed in the draft *Action Plan*, the most critical element for the production of green hydrogen will be the price of delivered renewable electricity. With electricity being the key operating input for hydrogen production using electrolysis, the price of delivered power will determine the price of hydrogen produced.

The commentary in the draft *Tasmanian Renewable Hydrogen Action Plan* (Page 35) regarding measures being considered by the Government, include "the provision of in-kind support from Tasmania's Government-owned energy businesses such as concessional electricity pricing". We therefore look forward to working with the State Government and Hydro Tasmania to secure an appropriate power price.

To ensure its long-term financial viability, the Tasmanian green hydrogen industry necessarily needs to deliver hydrogen gas at a price the Japanese and Korean markets will accept. The ability to deliver that price will largely depend on the supplied price of renewable electricity.

In addition, we also anticipate TasNetworks, as another Government Business Enterprise, supporting the draft *Tasmanian Renewable Hydrogen Action Plan* by delivering acceptable network connection costs.

CRE compliments the Tasmanian Government's additional documented support in the form of:

1. The Tasmanian Renewable Hydrogen Fund;
2. ARENA support for projects;
3. Discounted loans;
4. Payroll tax relief; along with
5. Streamlining the approval process for major projects.

Each of these initiatives is relevant to the delivery of substantive green hydrogen projects.

### **Recommendations and considerations**

CRE welcomes the opportunity to provide input to the Tasmanian Government's finalisation of its draft *Tasmanian Renewable Hydrogen Action Plan* and submits the following recommendations and considerations.

#### Government Business Enterprise (GBE) support

As previously mentioned, GBE support can help deliver the Government's aspirations with respect to green hydrogen. Most importantly, working collaboratively the state and private operators can deliver Tasmania as a global flagship for renewable hydrogen.

In turn, positioning Tasmania as a global green hydrogen flagship through a "guarantee of origin", will enhance and reinforce Brand Tasmania's "clean, green" brand.

CRE agrees with the proposals in the draft *Tasmanian Renewable Hydrogen Action Plan* and recommends that Tasmania's GBEs support the draft *Action Plan* by:

1. Providing delivered power for a defined period and at a price that makes renewable hydrogen production viable in terms of prices markets are prepared to pay for the green gas delivered;
2. Providing delivered water at quality and price that is acceptable while also guaranteeing supply;
3. Providing access to port facilities under an acceptable arrangement for the export of green hydrogen;
4. Directing MetroTas to acquire and operate fuel cell electric (FCEV) buses and not contracting to purchase any new diesel buses pending assessment of the performance of the FCEVs;
5. Encouraging local governments close to hydrogen refuelling stations to lease/acquire FCEVs;
6. For State Government Departments to commit to each lease/acquire several FCEV passenger cars and other FCEVs to demonstrate commitment to decarbonising Tasmania; and

7. Offering incentives and promoting FCEV uptake targeting waste collection trucks, buses, vans and ferries; for example, stamp duty, registration and other concessions.

In addition, CRE recommends the Tasmanian Government develops and executes a public education campaign to apprise Tasmanians and others of the virtues of renewable hydrogen while dispelling the myths surrounding the safety of hydrogen.

The recent ABC radio interview conducted by Dr Evan Franklin from UTAS on 17 December, 2019 ( <https://www.abc.net.au/radio/hobart/programs/breakfast/hydrogen-future-dr-evan-franklin/11802184> ) is an example of the communications that will garner community and stakeholder support for a green hydrogen industry in Tasmania and foster uptake of the gas as a fuel and power source.

Further, the hydrogen certification or guarantee of origin, will provide stakeholders globally with evidence that the hydrogen they are purchasing is sourced from renewable resources to decarbonise the state and beyond. We would encourage a certification brand to be offered to all offtakers of Tasmania's green hydrogen as a marketing initiative for the state and the gas.

We look forward to being able to access financial support from the proposed Tasmanian Renewable Hydrogen Fund along with Federal Government financial support to make a green hydrogen project in Tasmania viable.

## **Conclusion**

Tasmania is uniquely placed to deliver the first large-scale green hydrogen in Australia and to establish the state globally as a leader in emissions reduction, decarbonisation and the wise and responsible use of energy.

To achieve these outcomes, a collaborative approach is required that brings together the Tasmanian Government, its GBEs, businesses and their allies, CRE and other green hydrogen developers and producers.

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