
Low emissions Australian coal important to world's hydrogen future

Statement by Mark McCallum, Chief Executive Officer

The National Hydrogen Strategy released by the COAG Energy Council has highlighted the vital role of coal with carbon capture, utilisation and storage (CCUS) in ensuring a central role for Australia in the growing global clean hydrogen economy.

A technologically-neutral approach to the establishment of a clean hydrogen industry in Australia is critical to its future success because all forms of hydrogen production will be needed as the global demand increase for this incredible energy source.

COAL21 welcomes the recognition of coal gasification technologies coupled with carbon capture as Australia establishes itself as an affordable, reliable and clean source of world scale hydrogen.

Technology already in use around the world today can support the use of Australia's significant coal resources to produce clean and affordable hydrogen at scale after gasification. Current cost estimates indicate that using coal with the CO₂ removed via carbon capture produces hydrogen up to 13 times cheaper than hydrogen produced by curtailed renewable energy sources, and up to three times cheaper than grid-electricity.

CCUS is essential to the creation of low emissions hydrogen and clean, large scale hydrogen production from coal will be possible within the next few years at Australia's first commercial scale CCUS Hub in Queensland being supported by COAL21.

COAL21 is also investing in and supporting the Latrobe Valley Hydrogen Energy Supply Chain project, which is leading the way in the development of new hydrogen technologies. Together these two regional hubs will support regional industry and jobs in the Surat Basin, Gladstone and the Latrobe Valley now and into the future.

Coal's role in Australia's affordable, reliable and clean hydrogen economy will be central to Australia moving to a lower emission future and meeting the Paris Agreement emissions reduction goals.

With passenger vehicles producing 15 per cent of Australia's greenhouse emissions, Australian coal based hydrogen can also help meet our transport fuel needs, reducing emissions while generating jobs, revenue and taxes for Australians and reducing our reliance on imported liquid fuels.

Affordable and clean Australian hydrogen will also power the economies of our neighbours such as Japan, which is investing significantly in hydrogen to drive economic growth and development, and support emissions reduction in sectors such electricity generation, heating and chemicals production both in Australia and overseas.

COAL21 is a \$550 million low emission technology fund established by the Australian black coal industry with the core purpose of investing in research and deployment of emission reduction technologies, including CCS which will be critical for clean affordable and reliable hydrogen.

Today's further announcement by NERA – Australia's growth centre for the coal, oil, gas and uranium sectors – to establish a Hydrogen Industry Cluster is an important pragmatic action to build on the Strategy and create further collaboration within industry on this emerging fuel.

COAL21 welcomes both announcements and looks forward to working with governments and NERA to power Australia's hydrogen future.

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