

27 February 2020

Media Release

Gas group's hydrogen push moves into Queensland

Australian Gas Networks (AGN) has expanded its national hydrogen push into Queensland.

The move will see the establishment of AGN's A\$4.2 million* hydrogen plant in Gladstone, on the State's central coast. AGN is part of the Australian Gas Infrastructure Group (AGIG), and now sees hydrogen projects being developed across four Australian States.

The Gladstone plant will be Australia's first renewable hydrogen production facility able to deliver up to 10% blended hydrogen across the city's total 770 residential, small commercial and industrial customer base.

The project - part of AGIG's push to use zero-carbon hydrogen initiatives to decarbonise its operations - has attracted A\$1.78 million in grant funding from the Queensland Government's \$15 million Hydrogen Industry Development Fund (HIDF).

Gladstone is already home to Queensland and Australia's east coast Liquefied Natural Gas production, processing and export industry. The entry of hydrogen as another local energy arm will generate new job, education, workplace training and regional economic growth opportunities.

It is anticipated that plant construction will commence in November this year with commissioning by October next year with the plant becoming fully operational in December, 2021.

Australian Gas Network's Chief Executive Officer, Mr Ben Wilson:

"Australian Gas Networks, part of Australian Gas Infrastructure Group, is proud to partner with the Queensland Government on this ground breaking project. Gladstone will become the first entire city in Australia to be on a blend of natural gas and hydrogen.

"The project supports Gladstone's vision to be a key hub for Queensland's domestic and hydrogen export industry, just as it is for natural gas today.

"Queensland, and Australia as a whole, has the potential to be a renewable hydrogen superpower, with jobs and economic growth from supplying clean energy to regional and eventual metropolitan wide markets. The Gladstone plant can deliver a citywide proof-of-concept to enable implementation of blended hydrogen gas across regional cities in Australia.

"Domestically, zero-carbon hydrogen offers a pathway to zero emissions from our gas networks and also for transport, in particular, heavy haulage. AGIG is a leading player in this transition with hydrogen projects now underway in four Australian states, including SA, Victoria and Western Australia."

The Queensland Government has set a target of 2030 to be an Australian leader in renewable hydrogen production.

Gladstone to be Queensland leader

Hydrogen Park Gladstone (HyP Gladstone), planned for a location on Derby Street, will produce about 20kg of hydrogen per day using certified green power from the local power grid, to be then blended into the gas network.

The plant will prove a hub for world-leading technology, with significant learning and training opportunities in the emerging national hydrogen industry for Central Queensland University students.

The facility will include a 175kW Polymer Electrolyte Membrane (PEM) electrolyser, water demineralisation system and process cooling equipment. As the facility is of modular design, it can be readily scaled-up in the future to produce volumes beyond Gladstone's needs, for potential wider domestic and even export markets.

BACKGROUND

About AGN

AGN owns gas distribution networks across Australia, including networks in South Australia, Victoria and Queensland as well as Wagga Wagga and Albury in regional NSW. AGN delivers gas to around 1.3 million homes and businesses.

AGN is part of the Australian Gas Infrastructure Group.

About AGIG

Australian Gas Infrastructure Group (AGIG) formed in May 2017 with the coming together of three businesses – AGN, Multinet Gas Networks (MGN) and Dampier to Bunbury Pipeline (DBP). AGIG owns and operates one of Australia's largest gas infrastructure businesses with operations across every mainland state and the Northern Territory supplying approximately 2 million customers. Operations include 40,000km of gas distribution and transmission pipelines, 57 petajoules of gas storage capacity, gas processing facilities and remote power generation.

AGIG's vision is to be the leading gas infrastructure business in Australia - by delivering for customers, being a good employer, and being sustainably cost efficient.

AGIG has a strong record of performance, delivering over \$2 billion worth of projects on time, on budget and with safety a priority. A recent example of major project success is the new Tanami natural gas pipeline, built on budget in the Northern Territory for Newmont Goldcorp and commissioned in 2019 ahead of schedule.

****This is the total project cost including ongoing operational costs.***

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