

## **Australian coal-based hydrogen delivers cheaper energy and lower emissions**

### **Statement by Mark McCallum, Chief Executive Officer, COAL21**

Australian coal-based hydrogen will deliver more regional jobs and investment in the resources sector and position Australia as a major supplier to global energy markets.

COAL21's submission to the National Hydrogen Strategy argues that Australia's significant black and brown coal resources can be used sustainably to produce hydrogen with low to zero emissions at least cost.

Current cost estimates indicate that coal and carbon capture technologies producing hydrogen are up to 13 times cheaper than hydrogen produced by curtailed renewable energy sources and up to three times cheaper than grid-electricity.

Carbon capture, utilisation and storage (CCUS) is essential to the creation of low emissions hydrogen and is ready today, with Australia having significant storage and utilisation for carbon capture both onshore and offshore.

Australia must have a technologically neutral approach towards the production of hydrogen by using mature technologies such as coal gasification and carbon capture.

Coal's role in Australia's and our region's hydrogen economy will be a critical part of the energy transition to a lower emission future and meeting the Paris Agreement.

Australian coal based hydrogen can make a critical contribution to our transport fuel needs, reducing emissions from passenger vehicles and reducing our reliance on imported liquid fuels. It will also power the economies of our neighbours such as Japan who are investing significantly in hydrogen to drive economic growth and development.

This technology solution will also support emissions reduction in sectors such electricity generation, heating and chemicals production.

COAL21 is a \$555 million investment by Australia's coal industry that is reducing emissions from coal and is strategically supporting a number of hydrogen based programs including the Hydrogen Energy Supply Chain Project in the Latrobe Valley.

COAL21's investment and support for the Latrobe Valley Hydrogen Energy Supply Chain project is leading the way in the development of new technologies that will reduce our reliance on imported liquid fuels.

Investments by COAL21 in new ready-to-go technologies such as hydrogen production and CCUS will support regional industry and jobs in the Surat Basin, Gladstone and the Latrobe Valley now and into the future through the use of low emission technologies.

COAL21 also acknowledges that both the Australian Government and Opposition recognise the significance of hydrogen, however coal with CCUS must be central to any national hydrogen strategy to ensure that Australia continues to be an energy superpower.

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