

Question on Notice
No. 1238
Asked on Friday, 28 October 2022

MR D LAST ASKED MINISTER FOR ENERGY, RENEWABLES AND HYDROGEN AND MINISTER FOR PUBLIC WORKS AND PROCUREMENT (HON M DE BRENNI)

With reference to the joint media statement attributed to the Minister and the Premier, published on 21 September 2022, which states that the Han-Ho Hydrogen Consortium intended 'to develop future green hydrogen and ammonia opportunities' and given the need for ammonia in the production of fertiliser and other products—

Will the Minister advise what steps the government is taking to ensure access to green ammonia produced in Queensland for Queensland farmers and other industries reliant on ammonia?

ANSWER

As an industrial gas, hydrogen is already produced in large volumes in Queensland, primarily to meet demand for the production of ammonia, methanol, plastics, and in metal processing and petroleum refinery operations. However, traditional hydrogen manufacturing processes release substantial carbon emissions, so assisting domestic industries to adopt renewable hydrogen is a significant opportunity for Queensland.

As the Member notes, the Queensland Government is supporting the development of green hydrogen and ammonia opportunities through the *Queensland Hydrogen Industry Strategy 2019-2024*, the \$35 million Hydrogen Industry Development Fund and the \$4.5 billion Queensland Renewable Energy and Hydrogen Jobs Fund.

The development of a green hydrogen industry in Queensland will not only help our export partners to decarbonise, but also assist local industry to reduce emissions through its potential use as a low-carbon fuel source for ports, airports and heavy transport.

A key domestic opportunity will be the production of green ammonia as a key input into manufacturing processes such as fertilisers for use in Queensland. This will create an ongoing and valuable resource for our farmers in the transition to a lower carbon future. Currently in Queensland there is over 2 million tonnes per annum of ammonia nitrates and ammonia phosphates produced. These production facilities could potentially be converted to renewable ammonia as large-scale renewable hydrogen production develops in Queensland.

In addition to the planned Ark Energy Han - Ho Hydrogen Consortium development at Collinsville, which will produce over 1 million tonnes of renewable ammonia per annum, there are over 40 renewable hydrogen projects progressing in Queensland that will potentially increase the supply of renewable ammonia into the domestic market. These include the following projects that will produce substantial amounts of renewable ammonia:

- The Australian-based Hydrogen Utility proposal to construct a large-scale chemical complex at Gladstone with up to 5,000 tonnes per day in renewable ammonia production capacity.

- Fortescue Future Industries and Incitec Pivot Limited (IPL) planned conversion of IPL's Gibson Island ammonia facility. This project could ultimately produce up to 400,000 tonnes per annum of renewable ammonia.
- Queensland Nitrates Pty Ltd Renewable Hydrogen and Ammonia Project planned production of 20,000 tonnes per annum of renewable ammonia at Moura.

The recently released Queensland Energy and Jobs Plan includes several initiatives to support the growth of the renewable hydrogen industry including:

- \$15 million to supercharge, coordinate and further plan for renewable hydrogen hubs in key locations across the state such as Gladstone and Townsville; and
- \$5 million to increasing community awareness and engagement to make sure Queenslanders are informed about the opportunities of our renewable hydrogen future.

The Queensland Government has also committed to reviewing and updating the Queensland Hydrogen Industry Strategy to support the industry's continued growth. This work will examine ways to further support green hydrogen and ammonia production and use in Queensland, including considering how this can help farmers and other businesses. As part of this work, the Queensland Government will investigate renewable hydrogen targets in consultation with industry.