

Question on Notice

No. 1430

Asked on 15 November 2023

MR A POWELL asked the Deputy Premier, Minister for State Development, Infrastructure, Local Government and Planning and Minister Assisting the Premier on Olympic and Paralympic Games Infrastructure (HON S MILES) –

QUESTION:

With reference to the Hydrogen Industry Development Fund—
Will the Deputy Premier advise for each round 1 and round 2 recipient, the amount of funding allocated and how much of this funding has been paid to date?

ANSWER:

On 18 December 2023, I was appointment as Minister for State Development and Infrastructure, Minister for Industrial Relations and Minister for Racing and as such, I am now the responsible Minister to answer this question.

Delivering the Hydrogen Industry Development Fund is an action under the Queensland Hydrogen Industry Strategy. The Fund aims to leverage Australian Government and private sector investment to support early-stage projects including technology demonstration projects.

The funding allocation for each announced project for the Hydrogen Industry Development Fund Round 1 and 2, as at 19 December 2023, is outlined in the below table.

This year has seen three projects that are supported by the Hydrogen Industry Development Fund commence construction:

- Goondiwindi Regional Council's Green Hydrogen Project will integrate hydrogen production into the waste water treatment plant.
- Ark Energy's Sun HQ hydrogen and refueller (Townsville) will fuel five hydrogen prime movers.
- Australian Gas Infrastructure Group's Hydrogen Park Gladstone will trial the inclusion of hydrogen in the gas network.

Collectively, these three projects have an estimated total capital expenditure of over \$43 million which are jointly funded by the private sector, the Queensland Government and the Australian Government.

Across the Australian hydrogen industry, some proponents are experiencing ongoing supply chain delivery delays and construction cost escalations affecting project viability. These challenges are impacting some projects within the Hydrogen Industry Development Fund for which funds have been committed.

The Hydrogen Industry Development Fund operates on reimbursement of eligible project costs, capped at up to 50 per cent of eligible costs for each project milestone that is delivered. Funds are drawn down as projects proceed. Currently Australian Gas

Infrastructure Group has drawn down \$865,562. Other recipients will be reimbursed as relevant project milestones are reached.

Funds allocated to projects that have been withdrawn are being re-allocated to fund new projects.

Recipient	Project status	Conditional funding (round 1)
Ark Energy	SunHQ (under construction)	\$8,080,981
Australian Gas Infrastructure Group	Hydrogen Park Gladstone (under construction)	\$2,728,498
Spicers Retreats	Off-Grid Ecotourism Demonstration Using Low Pressure Hydrogen (project voluntarily withdrawn by proponent)	\$942,522
University of Queensland	Renewable Hydrogen-Powered Intercampus Public Transport at UQ (project voluntarily withdrawn by proponent)	\$4,850,000
Recipient	Project status	Conditional funding (round 2)
Aurizon	Hydrogen Mobility Project (conditional funding offered)	\$5,000,000
Emerald Coaches	GH2BUS (conditional funding offered)	\$2,700,000
Goondiwindi Regional Council	Goondiwindi Hydrogen (under construction)	\$2,000,000
Sealink	SeaLink Hydrogen Ferry (project voluntarily withdrawn by proponent)	\$5,000,000
Transdev	Project H2 (project voluntarily withdrawn by proponent)	\$1,500,000