Hydrogen Champion appointed as government accelerates UK hydrogen investment

- Business Secretary meets with industry to drive forward government's hydrogen ambitions and unlock £9 billion investment into the UK
- Jane Toogood appointed UK's first Hydrogen Champion
- joint revenue and grant funding round for low-carbon hydrogen projects opens for applications, supporting hydrogen production equivalent to fuelling 45,000 buses a year

The Business and Energy Secretary will today (20 July 2022) meet with industry to accelerate private investment in hydrogen as a clean energy source and a super-fuel of the future.

At the Hydrogen Investment Summit later today a new round of funding will be announced to give investors the confidence they need, reaffirming the government's vision for the UK to be a hydrogen-based economy — as set out in the <u>Hydrogen Strategy</u> published in August 2021. This is a major next step in delivering the government's ambition to have 1GW of electrolytic hydrogen in operation or construction by the end of 2025 — which could produce enough hydrogen to fuel up to 45,000 buses per year.

Kwasi Kwarteng will demonstrate how the government is making good progress on unlocking the £9 billion investment needed to make hydrogen a cornerstone of the UK's greener future, while supporting a move away from costly fossil fuels. In recent months, the government has opened applications for the £240 million Net Zero Hydrogen Fund, published the Hydrogen Investor Roadmap, and set out details for the Hydrogen Business Model and Low Carbon Hydrogen Standard.

Energy Minister Greg Hands will announce the opening of the joint allocation round for electrolytic ('green') hydrogen projects, a method which uses an electrical current to separate hydrogen from oxygen in water. Under this joint round, funding is available from both the Net Zero Hydrogen Fund (NZHF), and the Hydrogen Business Model (HBM).

Kwasi Kwarteng will also announce the appointment of Jane Toogood as the UK's first Hydrogen Champion (subject to agreement of final terms), which will see her play a vital role in bringing industry and government together to realise the government's hydrogen ambitions — including supporting up to 10GW of hydrogen production capacity by 2030, aiming to run annual allocation rounds for electrolytic hydrogen, and designing, by 2025, new business models for hydrogen transport and storage infrastructure. These targets will put us on track to make the UK a world-leading hydrogen economy, attracting billions of pounds in inward investment and supporting 12,000 jobs across the country.

Business and Energy Secretary Kwasi Kwarteng said:

The UK's hydrogen sector is open for business. With the right investment, we can unlock the enormous potential of hydrogen by reindustrialising our economy and ending our dependency on expensive fossil fuels.

The new funding represents an important step forward in realising this potential, and I look forward to working with Jane Toogood as our new Hydrogen Champion, ensuring industry and government are aligned to accelerate hydrogen production as a clean, home grown energy source — boosting our energy security and creating jobs.

New Hydrogen Champion Jane Toogood will help drive industry investment and deployment at this critical stage in the early development of the UK hydrogen economy. She will identify current barriers to building a strong UK hydrogen economy and develop creative solutions for how these can be addressed to accelerate the project pipeline and deliver on the UK government commitments.

Hydrogen Champion Jane Toogood said:

The government has ambitious plans for the UK to ramp up hydrogen technology. Hydrogen deployment as a clean energy source is one of the key solutions to help the UK reach its net zero targets and I strongly believe there is an opportunity to accelerate this, working collaboratively across industry and government to land projects and infrastructure on a timeline that serves stakeholder and customers' needs.

At Johnson Matthey, we see that demand for hydrogen ecosystems globally is being taken up across industry, transportation and the power sector at a rapid pace, especially with the increased focus on energy security. As the UK's Hydrogen Champion, working with industry and government, I hope to ensure we make progress in building a thriving hydrogen economy ensuring private sector investment and policy decisions are aligned to support timely decisions and outcomes.

Clare Jackson, Chief Executive of Hydrogen UK said:

Jane Toogood's appointment as the UK's first Hydrogen Champion — and opening of the joint allocation round for green hydrogen projects — is a welcome statement of intent from the government. Hydrogen UK looks forward to working closely with policy officials to review progress against the landmark Hydrogen Strategy of 2021, and to setting ambitious goals for the future as we work together to build a British hydrogen economy, which is crucial if we are to reach our much-needed net zero goals.

Today's announcements are also supported by the publication of several

documents that deliver on commitments set out in the UK Hydrogen Strategy and the British Energy Security Strategy. These include:

- a Sector Development Action Plan which sets out actions government and industry can take to seize the opportunities presented by the low carbon hydrogen economy, in areas like investment, supply chains, skills and exports
- an update to the market on progress on delivering on the Hydrogen Strategy
- a Research and Innovation (R&I) brochure giving industry guidance how support and funding for hydrogen R&I projects can be accessed from major public sector organisations
- the application form and guidance for the Net Zero Hydrogen Fund (NZHF) and Hydrogen Business Model (HBM) joint allocation round, which builds on feedback from a recent market engagement exercise to set out the key criteria for the round

Together, these documents further strengthen the policy and regulatory landscape for the UK's hydrogen sector and help keep up the momentum that has characterised the last 12 months for the hydrogen economy, providing further certainty for investors and industry alike.

About Jane Toogood

Jane is Chief Executive of Catalyst Technologies at Johnson Matthey, a FTSE 250 company which is a major player in the research and development of technologies to accelerate the transition towards net zero.

Jane is co-Chair (with the BEIS Secretary of State) of the Hydrogen Advisory Council, created for government and industry to work together to identify and promote the actions required to enable the supply of low carbon hydrogen at scale for use across the UK's energy system.

She has a wealth of experience in business transformation and growth, built over many years across global companies, covering multiple industry sectors from automotive, to healthcare, to petrochemicals.

Notes to editors

From today, new low carbon electrolytic (known as 'green') hydrogen projects can apply for government funding through:

- the Hydrogen Business Model (HBM) a contractual business model for hydrogen producers to incentivise the production and use of low carbon hydrogen through the provision of ongoing revenue support.
- the Net Zero Hydrogen Fund (NZHF) up to £240 million of grant funding to support the upfront costs of developing and building low carbon hydrogen production projects

Projects can apply for both capital funding via the Fund, and revenue support through the HBM. Details on the budget for this first allocation round will be confirmed when the project shortlist is published, due in early 2023.

The Hydrogen Champion appointment follows recent announcements appointing Simon Bowen as industry advisor for Great British Nuclear, Tim Pick as the government's Offshore Wind Champion to further boost the UK energy mix for generations to come, and Nick Winser as Electricity Networks Commissioner.