

Net Zero Treasury Minister visits Humberside green energy cluster

- Net Zero Treasury Minister Kemi Badenoch visits key East Coast Cluster sites, with less than 100 days until COP26
- Minister tours Saltend Chemicals Park, home to world-leading blue hydrogen project to reduce CO2 emissions, Saltend Power Station and British Steel
- Green energy innovation in the region key to delivering on the UK's net zero target and supporting up to 55,000 jobs by 2030

The Net Zero Treasury Minister visited Humberside yesterday (August 2) to see how the East Coast Cluster is actively bringing together communities, business, industry and academia – including energy firms Equinor and SSE – to deliver the infrastructure needed to decarbonise the UK's key industrial heartland.

Kemi Badenoch joined staff at key sites where activities are ramping up to create green jobs, including Saltend Chemicals Park near Hull, home to a project that could help the chemicals and renewable energy businesses onsite to switch over to hydrogen energy.

During a tour of the Park, the Minister met workers from Equinor, who are leading the project, which has the potential to be the largest of its kind in the world to convert a plant reliant on natural gas to hydrogen. This will reduce emissions by nearly 900,000 tonnes of CO2 per year.

Investing in new hydrogen industries could support thousands of new green jobs by 2030, bring new economic opportunities across our regional economies, and help to level up across all corners of the country. It follows the Chancellor's commitment of a £240 million Net Zero hydrogen Fund at the Spending Review 2020, which aims to kick-start low carbon hydrogen production in the UK.

Speaking after the visit, Net Zero Treasury Minister Kemi Badenoch said:

It was fantastic to see how these world-leading projects in the East Coast Cluster are accelerating decarbonisation in the region and beyond.

From what I have seen in Humber and Teesside is that just a small number of organisations are beginning to make a big difference in our united effort to address climate change and deliver on our net zero target by 2050.

Hydrogen could be an important part of this work, as well as support thousands of green jobs, and that is why we are backing it with investment to create a clean, resilient, and sustainable economic recovery from Covid-19.

Alex Grant, Senior Vice President and UK Country Manager for Equinor, said:

It was a pleasure to welcome Kemi Badenoch, the Exchequer Secretary, to the Humber. As part of the UK's East Coast Cluster, the Humber is poised to be part of the UK's, and the world's, first net zero industrial cluster, and the birthplace of the UK's new hydrogen industry.

Partnership between the Treasury, the Department for Business, and industry, will bring thousands of jobs and zero carbon skills, and help make the UK a global leader in these industries of the future.

The Minister also toured the neighbouring Saltend Power Station and met staff at British Steel, one of 12 companies in the Zero Carbon Humber (ZCH) Partnership working to make the region net zero by 2040.

She rounded off the day by touring Keadby 2 power station which is currently under construction. Once complete, it is expected to become the cleanest and most-efficient gas-fired power station in Europe.

As part of the Prime Minister's Ten Point Plan for a Green Industrial Revolution, the Government has committed to deploy carbon capture, usage and storage (CCUS) in four industrial clusters by 2030, with the first two by the mid-2020s. The £1 billion CCS Infrastructure Fund will help to support meeting this four cluster ambition.

The plan – which is part of the PM's mission to level up across the country – will mobilise £12 billion of government investment to create and support up to 250,000 highly-skilled green jobs in the UK, and spur over three times as much private sector investment by 2030.

This Spring, the Treasury launched a new UK Infrastructure Bank which will help to finance important projects in every region and nation of the UK in sectors including clean energy, transport, digital, water and waste. And later this year, subject to market conditions, the Treasury will issue its first Sovereign Green Bond, to help finance projects that will tackle climate change, finance much-needed infrastructure investment and create green jobs across the country.