



New South Wales

A world-class
hydrogen investment
opportunity

Ministers' foreword



The Hon Paul Toole MP
Deputy Premier, Minister for
Regional New South Wales
and Minister for Police



The Hon Stuart Ayres MP
Minister for Enterprise, Investment
and Trade, Minister for Tourism and
Sport, Minister for Western Sydney



The Hon Matt Kean MP
Treasurer and Minister for Energy

The NSW Government is turbo charging Australia's largest hydrogen market with priority investment in renewable energy infrastructure, workforce skill development and access to export scale opportunities.

NSW, Australia's largest state, is well positioned to convert and catalyse the opportunities that the increased use of hydrogen presents the world. We have the resources, infrastructure and ambition to build an integrated green hydrogen economy spanning international export, as well as a range of domestic applications across multiple sectors.

Our NSW Hydrogen Strategy provides a nation-leading framework and \$3 billion of incentives to set the state up as a global green hydrogen leader. With the largest pool of incentives of any jurisdiction in Australia, this strategy is forecast to more than halve the cost of green hydrogen production in NSW, making NSW the best place to invest in hydrogen in the world.

Hydrogen will not only help the state halve our emissions by 2030 and get to net zero by 2050, it will create new opportunities for our heavy industry, and an economic bonanza of investment and jobs.

Join us on our journey to turn NSW into a green hydrogen superpower.

The premier destination for hydrogen investment

With the largest economy in the country, a world-leading hydrogen strategy and well-established trading ports allowing opportunities to scale, NSW is set to become a global force in green hydrogen.

NSW's unique strengths



World-class Hydrogen Strategy

- 60 actions to rapidly increase the scale and competitiveness of hydrogen in NSW
- \$3 billion of incentives to commercialise supply chains and reduce the cost of green hydrogen to under \$2.80/kg and towards \$2/kg



Leaders in emissions reduction

- A bold target to halve emissions by 2030 and reach net zero by 2050, backed up by an ambitious plan to build a net zero economy
- The NSW and Commonwealth Governments will invest almost \$2 billion over 10 years to reduce emissions in NSW



Largest heavy industrial workforce in Australia

- Largest adaptable heavy industrial workforce in Australia
- The most STEM graduates in Australia
- Sydney – the finance capital of Australia and gateway to the Asia-Pacific



Optimal and affordable connection and capacity

- 12GW of new renewable energy generation by 2030
- Lowest 10% for industrial electricity prices in the OECD by 2030



A hydrogen market with optimal conditions for growth

- Existing ammonia and steel production industries
- Large heavy transport market
- Abundant low-cost renewable energy and water
- Four major and two regional ports exporting to local and global markets



Government underwriting

- Long-term energy service agreements to underwrite revenue for generation, long-duration storage and firming projects

A world-leading hydrogen strategy

The NSW Hydrogen Strategy provides the framework to achieve one of the lowest green hydrogen production costs in the world – under \$2.80/kg and towards \$2/kg.

\$3 billion in support:



\$70 million to develop hydrogen hubs



Exemptions from government charges for green hydrogen production



Approximately 90% exemption from electricity network charges for green hydrogen producers



Funding for infrastructure assessments for large-scale production



A hydrogen refuelling station network across the state

Find out more





Policy pillars

Three policy pillars to rapidly commercialise the state's hydrogen market

Pillar 1:

Working with industry and academia to build the ecosystems, skills and regulatory frameworks needed

- Hydrogen infrastructure master plan
- Planning and port infrastructure assessments
- Regulatory frameworks
- Hydrogen skills development
- Support for research and innovation projects

Pillar 2:

Financially supporting the development of foundational infrastructure, supply chains and technology

- \$70m to establish hydrogen hubs
- Funding a refuelling network
- Precinct decarbonisation roadmaps
- \$78m for a foundational hydrogen offtake for Australia's first dual-fuel green hydrogen and gas power plant

Pillar 3:

Supporting industry to rapidly scale and reduce cost across the supply chain

- Network concessions (approx. 90%) for new electrolyzers
- Electricity scheme exemptions
- Financial incentives for green hydrogen
- Supporting high-emissions facilities to transition to cleaner fuels
- Aggregating sources of hydrogen demand
- Target of 20% hydrogen in the NSW Government heavy vehicle fleet by 2030

A hydrogen market with the right growth conditions



Abundant renewable energy

- Large land mass
- Optimal weather conditions



Optimal energy infrastructure

- New high-voltage transmission network capacity
- Minimum 12GW of renewable energy development by 2030 through the rollout of Renewable Energy Zones



Existing ammonia production

- Currently 250,000 tonnes ammonia p.a.
- 40,000 tonnes p.a. of potential hydrogen demand



Heavy transport market

- 31,000 articulated trucks by 2050
- 500,000 tonnes p.a. of potential hydrogen demand



Gas consumption

- Currently 130 PJ p.a.
- 10% blending target (by volume) requires approx 36,000 tonnes of hydrogen



Existing steel production

- Currently approx 4m tonnes of steel p.a.
- 430,000 tonnes p.a. of potential hydrogen demand



The standout destination for business and people in the Asia-Pacific

Livability and a favourable business environment make Sydney and NSW the premier destinations to set up a business, live and work.

NSW fast facts

- Australia's largest and fastest growing population by state
- An economy greater than half-a-trillion dollars – close to a third of national GDP
- AAA credit rating and a stable political and financial environment
- The largest employing state with the most STEM graduates
- Second largest consumer of energy in the country
- Richly diverse population with more than 275 languages spoken and almost a third of residents born overseas

Sydney fast facts

- Australia's economic and financial centre contributing 25% of the country's total GDP
- A global city with multinationals, a large infrastructure sector and connections to regional and global markets
- The Western gateway and financial hub to Asia – favourable timezone and entrenched connections and supply chains to all Asian countries and major cities
- Consistently ranked as one of the world's most livable cities with a cosmopolitan feel, and thousands of expats from all over the world

We'll help make your hydrogen opportunity happen



Investment NSW provides dedicated support to aspirant businesses.



Market intelligence and investment opportunities



Advice on government programs and approvals



Support for business case development



Access to senior executives in government, industry and academic institutions



Identification of investment locations and partners



Incentives



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