PLANNING FOR HYDROGEN INFRASTRUCTURE2024

9 MAY | LONDON

Ahead of Planning for Hydrogen Infrastructure, taking place 9th May in London, **Sara Bartle - Green Gas and Hydrogen Policy Lead at REA,** shares thoughts on the opportunities for hydrogen development.

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HOW CAN NEW HYDROGEN PROJECTS OVERCOME PLANNING BARRIERS FACED DURING DEVELOPMENT?

There are a number of barriers that exist in the planning system which are creating hurdles for all renewable energy sectors. The fact that hydrogen projects are so nascent will not help due to the levels of complexity, lack of particular experience, knowledge and perceived dangers felt from decisions makers through to the general public. Much work is needed to improve this but starting in industrial clusters and getting those first big projects over the FID line will be critical. Government has acknowledged there are potential barriers and this is why in December 2023 DESNZ published a report (Hydrogen Projects: planning barriers and solutions: research findings (publishing.service.gov.uk)) Most importantly from a planning perspective, key sources of uncertainty were: the lack of specific guidance and a lack of clarity on how existing policies apply to hydrogen projects, the need for an updated National Planning Policy Framework (NPPF) and National Policy Statements (NPS) to include hydrogen projects. There is a lack of guidance that needs addressing and a need to establish what 'good design' looks like for hydrogen infrastructure.

HOW CAN THE ENERGY SECTOR WORK TOGETHER TO ENABLE FASTER DELIVERY OF HYDROGEN INFRASTRUCTURE ACROSS THE UK?

The Clusters are already showing how different parts of the energy sector can work together, with renewable energy feeding into projects such as low carbon hydrogen, carbon capture and pipeline infrastructure interaction with gas delivery networks (GDNs). This could be seen as a blueprint for cooperative projects provided there are no chinks in the armour!

Outside of the clusters there is still much interest but there are limitations through the lack of transport and storage. DESNZ have started the consultation process on transport and storage business models but initially only for 2 projects of each, although recognising the ambitions for the first round are to create a network linking multiple production projects.

GDNs have their own ambitious projects even out of clusters, such as the Wales and West Utilities Hyline Cymru connecting low carbon hydrogen with industrial demand through a dedicated hydrogen pipeline. This will deal with initial demand with opportunities to increase end use to the area including domestic could follow.

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WHAT FURTHER SUPPORT IS NEEDED TO ENSURE DELIVERY OF HYDROGEN?

The government is making progress with the hydrogen strategy and importantly are trying to provide alignment with policies through recent publication of both a production roadmap and updated hydrogen investment roadmap. Other opportunities addressing supply chain barriers such as through the GIGA (Green Industries Growth Accelerator) fund are also being made and there have been advances in business models to include much needed transport and storage and hydrogen to power opportunities. However, there are concerns about the hydrogen `hype' cycles and even if all those projects successful under HAR 1 will reach FID. Assurance that funding and ambitions will extend the general election and that all the funding promised will remain available is needed.

Theres been much consideration from government to ensure value for money through the allocation rounds so far and hence a due diligence that some may describe as overly burdensome when the risk remains on the developer to deliver for that payment. Although initially ambitious and world leading, the UK may now be seen as falling behind and the momentum needs to pick up pace if the strategy is going to live up to expectations.

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