

HyNet North West

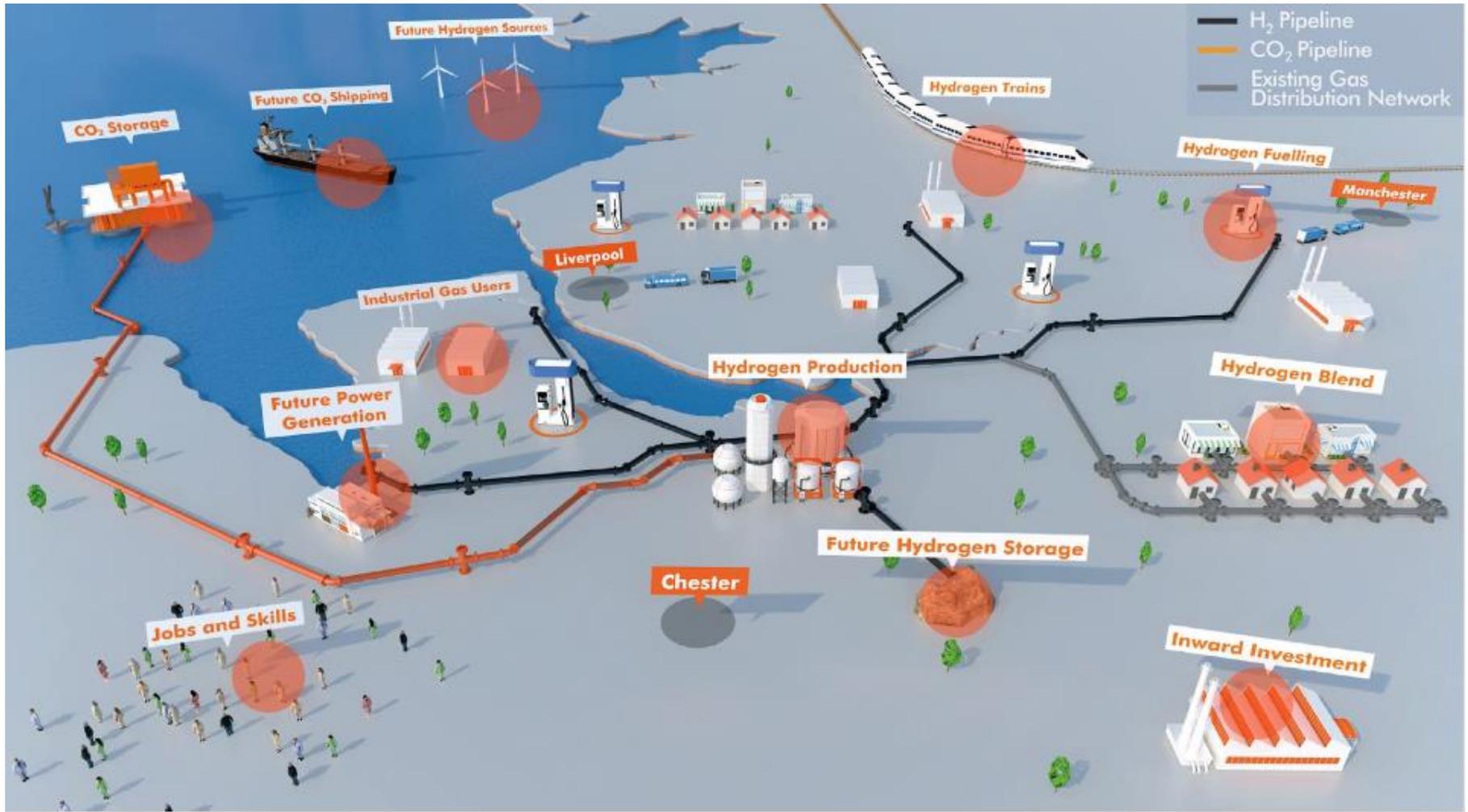
*Presentation to the Cheshire & Warrington LEP
Business Growth Committee*

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13th April 2021



HyNet North West Background



“The leading hydrogen and CCUS project in the UK today”

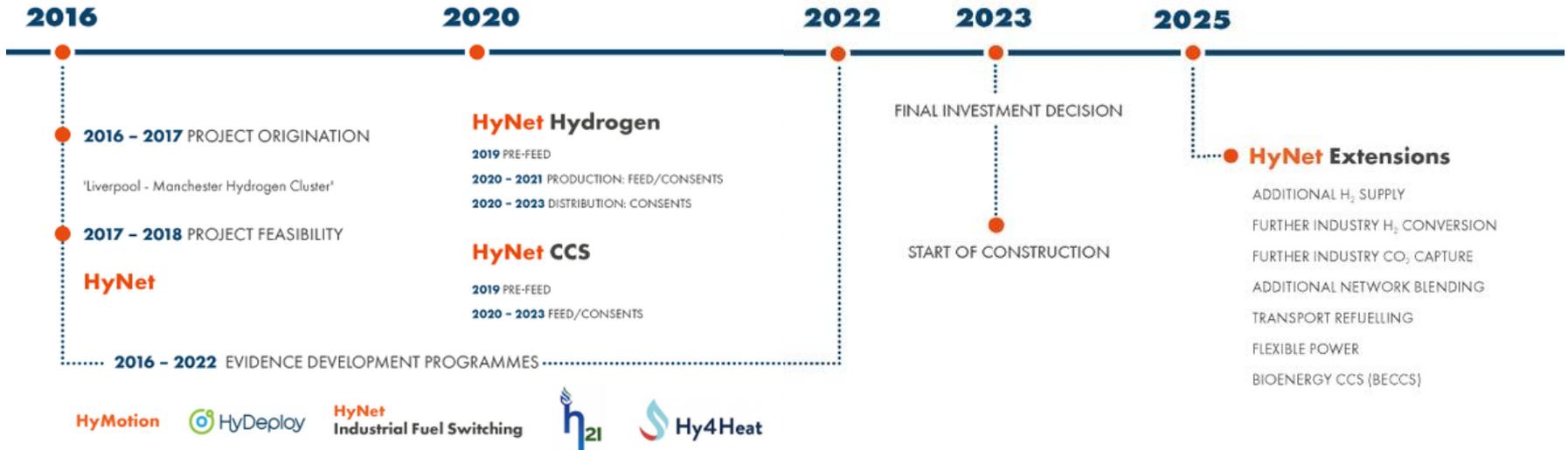
Hydrogen All Party Parliamentary Group
– 2020 report

What is HyNet?

- HyNet North West is a significant clean growth opportunity for the UK.
- It is a low cost, deliverable project which meets the major challenges of reducing carbon emissions from industry, domestic heat and transport.
- HyNet North West is based on the production of hydrogen from natural gas.
- It includes the development of UK's first carbon capture, and storage (CCS) infrastructure. CCS is a vital technology to achieve the widespread emissions savings needed to meet the 2050 carbon reduction targets.
- Accelerating the development and deployment of hydrogen technologies and CCS through HyNet North West positions the UK strongly for skills export in a global low carbon economy.

HyNet North West can be expanded into Lancashire, Cumbria, Derbyshire, parts of the West Midlands and further into Wales.

Delivering HyNet by 2025



HyNet has attracted significant funding to date:

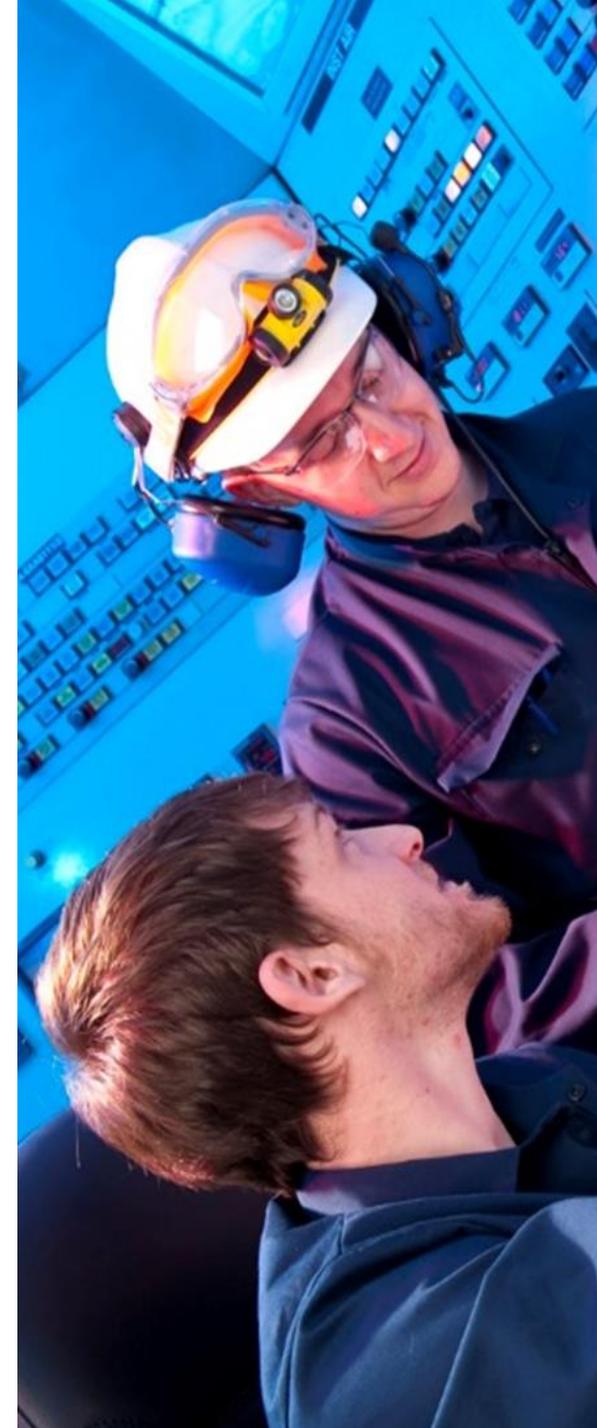
Onshore - £45.2m total cost, of which £19.4m is grant

Offshore - £26.5m total cost, of which £13.3 is grant

Total HyNet : **£72m total cost, of which £33m is grant and £39m partner contribution**

Why does **HyNet** Matter for the Region?

- It is a **genuine regional decarbonisation solution**, not focused on one key anchor energy project.
- It places **cross sectoral decarbonisation of regional industry at its heart** – maximising emission reduction.
- It is the **most affordable & deliverable CCS option by 2025.**
- **Regional fuel switching** to reduce emissions from hard to decarbonise sectors.
- **Decarbonisation of domestic heating.**
- **First hydrogen village.**
- Enables **existing industry to drive low carbon growth.**



HyNet Economic Benefits

- **£17 billion** Gross Value Added for the North West. **£31 billion** for UK.
- **5,000 North West jobs** created to 2025 and many more beyond.
- **Protects energy intensive industry jobs** across the North West and creates **a springboard for regional low carbon growth**.
- First **UK CCUS infrastructure** at low cost through the practical and economic re-use of the Liverpool Bay oil and gas fields site.
- Over **80% of the construction spend** and over **60% of the design** and engineering **sourced in the North West**.
- Positions the **North West as a leader in hydrogen technologies and skills for export**.
- Hydrogen infrastructure can attract **new inward investment – from new marine fuels, sustainable glass and hydrogen tanks**.



What does **HyNet** need from the LEP?

1. Strong Whitehall engagement at Ministerial level
2. Building a coalition of support across Liverpool, Manchester, Cheshire and Warrington
3. Advocacy into local authorities to support planning activity
4. Positive public affirmation of the project to support stakeholder engagement