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Frequently Asked Questions Renewable Hydrogen Fund

These Frequently Asked Questions (FAQ) supplement the content of the:

Western Australian Renewable Hydrogen Strategy and the Renewable Hydrogen Fund Applicant Guidelines.

Please review all three documents prior to submitting any application to the Renewable Hydrogen Fund.

What is renewable hydrogen?

Hydrogen can be produced by electrolysis where electricity is used to split water into hydrogen and oxygen. If renewable generation is the source of the electricity, then renewable hydrogen is produced without greenhouse gas emissions. There are also other methods of producing renewable hydrogen including from biogas, pyrolysis and solar thermal energy.

What is the process for applying for the Renewable Hydrogen Fund?

All information about applications to the Renewable Hydrogen Fund (Fund) as well as details on eligibility criteria and the assessment process, can be found in the Applicant Guidelines (Guidelines), available from:

http://www.drd.wa.gov.au/projects/EnergyFutures/Pages/Renewable-Hydrogen-Fund.aspx

Are market studies or other research studies eligible to apply to the Fund?

No. The only studies eligible to apply are those feasibility studies that will lead to an investment decision. Concept and pre-feasibility studies are not eligible under this Fund. A demonstration project can include a research and development component as long as it is a minor component of the demonstration project.

How do I demonstrate that my feasibility study is likely to lead to an investment decision?

The Assessment Panel will examine the relevant information provided. This may include the proposed scope of work, previous work completed and ongoing work, status of approvals, site suitability, level of community engagement, the resourcing for the study and the capacity of the applicants to access debt and equity.

Will there be other funding rounds?

A decision about running any future funding rounds will be made once all applications from the first round have been assessed. Any future funding rounds will depend on the allocation of funds in the first round.

What are the cash contribution requirements for the Fund?

Applicants will need to demonstrate a minimum cash contribution of 25 percent of the total feasibility study cost or total project cost. Applicants should also note that the ratio of eligible leveraging costs divided by grant request is a merit criteria for the competitive assessment of proposals.

Are renewable generation systems or renewable energy monitoring equipment an eligible leveraging cost?

No. Only hydrogen related plant, equipment and technology can be considered an eligible leveraging cost.

My project involves buying a fuel cell electric vehicle, will the Fund pay for this?

Applicants are free to request any amount of funding within the maximum grant limits shown in Section 1.4 of the Guidelines. The Fund is not designed as a fixed percent of relevant costs. However, applicants should note that the minimum 25 per cent cash contribution is an eligibility criteria and the ratio of eligible leveraging costs divided by grant request is a merit criteria for the competitive assessment of proposals.

The construction of my project goes beyond 30 June 2023, am I eligible to apply?

Currently the Fund can only support activities completed before 30 June 2023, so a project that is to be commissioned in financial year 2023-24 is not eligible to apply. It is suggested that proponents consider staging large project proposals where feasible.

Are low-carbon hydrogen proposals eligible to apply to the Fund?

Proposals for low-carbon or zero-emissions hydrogen from natural gas with carbon abatement are eligible to apply. However, the merit assessment is a competitive process and includes how well the proposal aligns with the State Government aspiration to achieve net zero greenhouse gas emissions across the WA economy by 2050.

How will the knowledge sharing merit criteria be assessed?

The Assessment Panel will examine the proposed knowledge sharing plan for the quality and quantity of information to be published. Information that is only to be shared with the WA Government is of less merit than public information. It is suggested proponents clearly document in detail what information will be public and what will be commercial in-confidence.

An example template is the knowledge sharing plan template used for ARENA's Advancing Renewables Program, available from the ARENA webpage: https://arena.gov.au/assets/2018/05/knowledge-sharing-plan-template.docx

I need assistance on understanding the regulatory implications of my project, am I eligible to apply?

Please contact the Renewable Hydrogen Unit at hydrogen@dpird.wa.gov.au to discuss this further. The Renewable Hydrogen Unit may be able to progress regulatory assistance separately to any application to the Fund.

My project is a hydrogen production project, do I need to have secured offtake?

The Assessment Panel will make a consideration on a case-by-case basis but proposed projects with secured offtake or clear plans to obtain offtake will be more likely to score higher on the merit criteria.

I still have questions. Who shall I talk to?

Please send any further enquiries to the Renewable Hydrogen Unit at: hydrogen@dpird.wa.gov.au

Where appropriate, this FAQ document will be updated with generic advice provided.

The State of Western Australia reserves the right to administer the Fund in such manner as it sees fit.