

South Australian Labor Hydrogen Plan March 2021

On 23 March 2021, South Australian Labor Leader Peter Malinauskas MP announced a new hydrogen plan, a year ahead of the state election set for 19 March 2022.

Under this plan, a Malinauskas Labor government will invest \$593 million into a hydrogen power plant, powering between 60 000 and 90 000 homes by the end of 2025. The plant is set to assist the firming of South Australia's electricity production in instances where solar and wind assets are unable to produce electricity.

The policy falls within a \$20 billion pipeline of renewable energy projects from South Australian Labor, to achieve Australia's commitment for net zero emissions by 2050.

Policy

The announcement makes the following commitments:

- \$220 million to construct hydrogen electrolyzers with a 250 megawatt electrical capacity which will supplement the demand on wind and solar systems, and therefore stabilise the grid.
- \$342 million to construct combined cycle turbines with a 200 megawatt electrical capacity. These will be powered by the hydrogen electrolyzers to lower electricity prices and ensure grid reliability by allowing retailers to contract the generation and compete in the market.
- \$31 million to construct hydrogen storage capable of holding 3600 tonnes of hydrogen. This storage is equivalent of two months of power.
- Creation of a government owned enterprise called Hydrogen Power SA that will own and operate the station. Hydrogen Power SA will also develop an export strategy to sell the product as fuel to other generators, export clean hydrogen product to other jurisdictions and market the products manufacturing use, as an alternative to natural gas.

Aims

The plan aims to create:

- Up to 300 jobs in the construction of the plant.
- At least 10 000 jobs unlocked from the pipeline of renewable energy projects.
- More than 900 jobs in the exportation of clean hydrogen product.

Further information

For further information, please contact your Hawker Britton consultant [Simon Banks](#) on +61 419 638 587 or [Stephen Halliday](#) of Halliday Advisory on +61 418 808 799.