HyNet North West

Press Release

30/03/2023

Major HyNet project announcement on 'Energy Security Day'

- Hanson Cement, Viridor, Encyclis, Buxton Lime Zero (Tarmac) and Vertex Hydrogen, committed to removing carbon dioxide emissions through the HyNet project, have been announced by Government to move forward in decarbonising their operations creating an entirely new Carbon Capture sector in the North West of England and North Wales.
- The five projects announced today will, together, remove about 3 million tonnes of carbon dioxide each year – supporting the UK's net zero target.
- The news follows the Government's £20bn pledged investment into the decarbonisation of industry through carbon capture and storage.
- The announcement will strengthen the UK's world-leading position in industrial decarbonisation while growing the economy and creating and safeguarding jobs.

Today, five HyNet partners have been announced by the UK Government as moving forward to the next stage of negotiations to enable the decarbonisation of the industrial cluster in the North West of England and North Wales from the mid 2020's. These partners are Hanson Cement, Viridor, Encyclis, Buxton Lime and Vertex Hydrogen.

The news follows the Government's £20bn investment package into carbon capture and storage (CCS) through clusters, including HyNet, announced in the Spring Statement earlier in March.

HyNet will decarbonise essential industries that the UK depends on but whose emissions are difficult to eliminate. These include the manufacture of cement, chemicals and glass as well as refining and energy-from-waste. In addition, the project will help attract investment into new industries such as Sustainable Aviation Fuel. HyNet will help to secure the UK's position as a world leader in CCS with billions of pounds of private sector investment mobilised and thousands of jobs created.

HyNet's CCS infrastructure will capture carbon dioxide emissions from hard-to-decarbonise industrial sectors across the North-West of England and North Wales, and Eni will gather, transport and store these emissions in its depleted gas reservoirs in Liverpool Bay. In addition, HyNet is poised to unlock over 1GW of low carbon, locally-produced hydrogen that will allow industry to move away from high-carbon fuels.

HyNet's leading industrial partners are committed to switching to regionally produced low carbon hydrogen. These include companies such as Heinz, Kellogg's, Encirc, ESB, Essar, Novelis, Tata Chemicals and Pilkington Glass, all of which have outlined investment plans to deliver low-carbon plants, which will, together, create the world's first low carbon industrial cluster.

Unlocking low carbon growth across the Britain's traditional industrial heartlands is vital to maintaining and attracting regional investment as the world transitions to a net zero carbon economy. By the early 2030s, HyNet will have reduced industrial carbon dioxide emissions by 10 million tonnes every year – the equivalent of taking four million cars off the road, providing important support to the UK ambition to store 20-30 million tons of carbon dioxide

each year. HyNet's plan to deliver 4GW of low carbon hydrogen production capacity is 40% of the UK Government's 2030 target.

Luciano Vasquez, Managing Director, Eni UK said:

"We are delighted that the UK Government has granted approval to five of HyNet's partners to begin decarbonising their operations as part of the industrial cluster. This marks a significant step forward, and Eni is proud and on track to be providing the transportation and storage of CO_2 from the emitters into our own depleted gas reservoirs in Liverpool Bay.

"Eni looks forward to continuing to work with the UK Government and other emitters to make full use of our transportation and storage system, which will have the capacity to store about 10 million tonnes of CO_2 per year, to further decarbonise the region."

David Parkin, HyNet Project Director at Progressive Energy said:

"We are absolutely delighted that five HyNet partners have been successful in receiving the go-ahead from Government today, enabling the project to move into construction in 2024. Together within the HyNet cluster, these projects will remove just under 3 million tonnes of carbon dioxide each year – supporting the UK's net zero target.

"HyNet is at the forefront of the UK's new British carbon capture sector – leading the way in the development of the infrastructure, skills and the supply chain.

"The North-West supports the most manufacturing jobs of any UK region. HyNet will enable the region to retain high value roles, secure 6,000 new jobs, attract inward investment and cultivate a supply chain across the region. It will also give industry the ability to produce the environmentally friendly products that consumers are increasingly demanding.

"This is good news for the UK's fight against climate change, good news for the North West and North Wales region, and good news for British industry and the economy."

Simon Willis, Chief Executive Officer, Hanson UK said:

"I would like to thank Government and all of those that supported us in our bid to receive funding which will enable us to help decarbonise the construction industry and meet our overall ambition to become a net zero business.

"This global exemplar project will provide net zero construction materials for major projects across the country, from new offshore wind farms and nuclear power stations, to clean transport infrastructure."

Joe Seifert, CEO, Vertex Hydrogen said:

"The industrial revolution that led the development of the modern world was founded and nurtured by the people and natural resources of the North West. Now the same region will lead this emerging low carbon hydrogen industry as a world leader in the race to Net Zero."

Encyclis CEO Owen Michaelson said:

"We are delighted that the exciting potential of the HyNet cluster has been recognised by the Government in its latest announcement on the carbon capture programme. This is a significant step towards securing the public investment that's needed to make meaningful progress on deploying carbon capture at scale.

“Our Protos ERF is ideally positioned, as part of the HyNet cluster, to participate in bringing carbon capture forward in the North West. Our plans for a carbon capture plant are already well advanced and we will continue to work closely with all stakeholders to make this happen. Energy recovery can make a crucial contribution to the UK’s decarbonisation goals and we are ready to play our part in that mission.”

Kevin Bradshaw, CEO of Viridor said:

“We are delighted that Viridor’s Runcorn CCS project has been shortlisted by the UK Government. All credible analysis shows CCS to be essential to achieve the UK’s net zero commitments. Carbon capture on Energy Recovery Facilities is critical if we are to decarbonise the waste sector.

“Viridor is proud to be working with government to lead the way. We look forward to engaging with the Government to ensure that the UK becomes a world leader in industrial carbon capture.”

Prashant Ruia, Director, Essar Capital, said:

“The UK Government’s support enables us to confidently move forward as we invest in the energy transition. Huge progress has already been made. We are more confident than ever in the potential of our UK site, with its core contribution to HyNet by building the hydrogen production plants that will play a vital role in the UK’s decarbonisation strategy and to act as a catalyst for significant investment in our region. We are demonstrating how legacy industrial businesses can become part of the solution, and drive decarbonisation across the North West’s industrial heartlands”.

Darren Elsom, Director of Hydrogen Development & Operations said:

“Cadent is a proud partner of HyNet and it is fantastic news that the Government have pledged to provide this level of commitment and will offer important traction to getting the North West up and running with hydrogen.

“We are busy getting the necessary infrastructure ready to deliver the hydrogen that our customers need to help industry decarbonise and to lead the way on our route to net zero, safeguarding our planet’s future in the process.”

Professor Joe Howe, Chair of the North West Hydrogen Alliance said:

“There’s already a tremendous demand for skilled workers in the region and now this will only continue to grow.

“The North West has a long industrial heritage, world leading academic institutions and a highly competent workforce. I passionately believe that we are in a fabulous position to lead the net zero skills agenda for the rest of the UK and beyond.”

Clare Hayward MBE, DL, Chair, Cheshire and Warrington LEP said

“We are absolutely delighted by Government’s commitment in carbon capture and storage technology.

“This is a huge vote of confidence in the decarbonisation of industry. Cheshire and Warrington have ambitious targets to reach Net Zero – we have the skills base to drive forward HyNet, build a regional low carbon economy and create the green jobs for the future, making the region a world leader in low carbon technologies and innovation.”

HyNet North West

For more information:

Amy Bodey, Head of Communications for HyNet

+447754 852979

amy.bodey@progressive-energy.com

Notes to editors:

About HyNet

HyNet is a low carbon energy project at the forefront of the UK's journey to a net zero future, being developed by a consortium of world-leading organisations.

From the mid-2020's, HyNet's infrastructure will store and distribute locally-produced low carbon hydrogen, enabling industry to switch away from natural gas. It will also capture and store carbon dioxide emissions from industry.

This game-changing project has the potential to reduce carbon dioxide (CO_2) emissions by 10 million tonnes every year by 2030 – the equivalent of taking four million cars off the road.

HyNet will create and safeguard thousands of local jobs, as well as attract inward investment across the region.

The HyNet consortium includes Progressive Energy, Cadent, Essar, INOVYN, Eni, University of Chester, Vertex Hydrogen, Viridor and Hanson.

For more information, visit www.hynet.co.uk