

Greenpeace Aotearoa blocks renewable energy and green hydrogen project

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PRESS RELEASE

Hiringa Energy and partner Ballance Agri-Nutrients are shocked and disappointed by Greenpeace Aotearoa's decision to go to the Court of Appeal over the proposed Taranaki renewable energy to green hydrogen project, especially as Greenpeace supports green hydrogen projects throughout the world.

Cathy Clennett, chair of Hiringa Energy, says Greenpeace's action is frustrating and confusing as it will simply stall the decarbonisation of heavy transport and industry and delay the transition from fossil fuels. Greenpeace's action could have a material impact on New Zealand's emission reduction goals.

"Greenpeace's motivation is hard to understand as we are all striving for the same goal of addressing climate change," she says. "The project has already been delayed by more than 12 months by the High Court appeal which was dismissed on all counts. Meanwhile more fossil fuels are burned. Despite this challenge, we remain committed to seeing the Kapuni project through to drive practical decarbonisation in Aotearoa."

The consent Greenpeace is appealing covers the installation of four wind turbines and 5MW of electrolysis for green hydrogen production and a hydrogen refuelling station. It doesn't cover any new urea production facilities or expansion of the existing urea plant at Kapuni. The production of urea is already a separately consented activity at the existing Ballance plant and won't be impacted by this appeal.

While Te Korowai o Ngāruahine Trust has chosen to not further appeal, Greenpeace has continued to challenge the project and the High Court's decision to the Court of Appeal. The project is supported by the mana whenua hapū, Ngāti Manuhiakai. Hiringa Energy has engaged with Ngāti Manuhiakai from early in the project and worked with it to mitigate effects. The hapū developed its own Cultural Impact Assessment that is supportive of the project.

In her decision to dismiss the High Court appeal, Justice Grice stated the expert panel had “properly considered the end use of urea and related environmental effects”.

Hiringa Energy agrees that the wider debate about the use of fertiliser to keep New Zealand’s pastures productive does not belong in a court hearing about wind turbines creating renewable energy for producing hydrogen.

Cathy Clennett says she believes “Greenpeace has failed its supporter base by failing to engage and properly inform itself about this renewable energy and green hydrogen project, or even worse, distorting the facts”.

“Hiringa Energy’s sole purpose is to accelerate climate action with real projects with commercial outcomes that enable the scale of investment required. We suggest Greenpeace takes up our offer of meeting with us so we can show them how we will contribute to decarbonisation and New Zealand’s carbon zero target.”

Co-founder Andrew Clennett, Chief Executive of Hiringa Energy, says the partnership with Ballance is vital in terms of being able to fund the development of green hydrogen at the scale necessary.

“During the next five years New Zealand needs to accelerate the transition to hydrogen. It is already happening. In the main it will be for heavy transport – the big, long-haul trucks. But we have already seen rapid development of hydrogen in the aviation, marine, rail and industrial sectors overseas. Here, Air New Zealand has hydrogen on its radar as a zero emission fuel for its new fleet, and Team New Zealand has also developed hydrogen powered chase boats for the America’s Cup.

“Hydrogen trucks are already in New Zealand with NZ Post trialling them and TR Group planning to introduce a fleet in 2023. While we build our refuelling network throughout New Zealand and increase the numbers of zero emission vehicles (trucks and cars) on the road, we need an economic way of building that infrastructure and providing a flexible supply, as during the early establishment phases there won’t be a constant stream of vehicles arriving to fuel. This project in its consented form gives us that.”

The Hiringa founders say that if small scale renewable projects like that proposed for Kapuni take more than five years to develop with consents being held up by multiple appeal processes, it will become impossible for Aotearoa to meet its climate targets. When consented, the project was one of the first in the world for green hydrogen production at scale, but while this project has been stuck in court processes the world has moved on, and Aotearoa is being left behind. Greenpeace's actions will make renewable energy developers and innovators think seriously about whether to invest in New Zealand.

Ballance says Greenpeace's concern about using hydrogen to produce urea is misdirected. The project will not increase the use of urea in New Zealand, most of which is imported from the Middle East and Asia and produced there using coal and gas.

Mark Wynne, Ballance chief executive, says the urea from the project will replace up to 7,000 tonnes of imported fertiliser. Overall this will offset up to 12,500 tonnes of carbon emissions, or the equivalent to over 4,700 cars. To put this in perspective, New Zealanders would need to spend over \$300 million on battery cars to have the same impact.

"Greenpeace also claims the hydrogen project will 'flood the market with cheap urea'," Mr Wynne says. "In fact the contracted green hydrogen urea will cost more than the natural gas currently used as feedstock at our Kapuni plant.

"Furthermore the contracted price is pegged to the price of imported urea, so this project with Hiringa Energy will not provide a cheaper supply of urea for the New Zealand market."

Cathy Clennett says the Kapuni project will help catalyse the transition from a fossil fuels economy to a carbon-neutral one.

"For local people in Taranaki the project represents an estimated 40 jobs and \$4 million plus wages during the build and the development of local technical expertise," she says. "But much more than that, it gives the region hope that it can achieve a just transition away from a fossil fuel economy.

"Together with Ballance, we are committed to seeing this project through and will continue to work together with hapū and iwi in our region to see the benefits envisioned by the project realised

including support for kaitiakitanga, and environmental monitoring, jobs and access to affordable renewable energy. “

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QUICK FACTS – GREEN HYDROGEN:

- *Green hydrogen is produced from renewable electricity and water, through the process of electrolysis (using an electrical current to separate the hydrogen and oxygen in water).*
- *Hydrogen has the highest energy content of any common fuel (by weight). A hydrogen fuel cell truck can refuel in 8-15 minutes and travel 500-800km.*
- *When used in a fuel cell – hydrogen can enable zero-emission transportation (and recombines hydrogen and oxygen to make water).*
- *For commercial and heavy transport – hydrogen is a zero-emission solution that enables high availability, payloads and range.*
- *Green hydrogen is complementary to the electrification of transport in New Zealand, with the potential to further reduce emissions from heavy transport, industrial processes and chemical production.*