

2 November 2023

Consultation: Advancing New Zealand's energy transition Energy and Resource Markets Ministry of Business, Innovation & Employment P O Box 1473 Wellington 6140

By email: <a href="mailto:hydrogen@mbie.govt.nz">hydrogen@mbie.govt.nz</a>

Dear Team.

## **RE: Interim Hydrogen Roadmap**

The Independent Electricity Generators Association Inc. (IEGA) appreciates the opportunity to provide feedback on the Ministry of Business, Innovation and Employment (MBIE) Interim Hydrogen Roadmap.

The IEGA comprises about 40 members who are, either directly or indirectly, associated with predominantly small-scale power schemes connected to local distribution networks throughout New Zealand for the purpose of commercial electricity production (referred to as distributed generation). IEGA members are small, entrepreneurial businesses, essentially the SMEs of the electricity generation sector. The generation plants use the range of renewable fuels – hydro, wind, solar, geothermal and biogas. Combining the capacity of member's plant makes the IEGA the sixth largest generator in New Zealand. Members have new renewable generation investment options which are economic relative to grid connected generation.

We note MBIE assume decentralised hydrogen production plant will form part of the supply chain. This hydrogen production could be co-located with IEGA members' distributed generation, dispersed throughout New Zealand, to produce green hydrogen. The Hydrogen Roadmap should encourage new investment in renewable distributed generation using hydro, geothermal, biomass as well as wind and solar to support dispersed users of hydrogen. Existing and new distributed generation could form a refueling network for heavy transport.

We also agree that regionally dispersed production of hydrogen provides resiliency benefits for local and regional communities. Renewable distributed generation can be used to manufacture hydrogen, storing the energy for later use. This approach could increase the utilisation of existing or new distributed generation capacity. Production and sale of hydrogen could be a steady income stream, compared with the wholesale electricity market, which assists with financing new generation developments.

We welcome the opportunity to discuss with you the potential for renewable distributed generation to support New Zealand's hydrogen production.