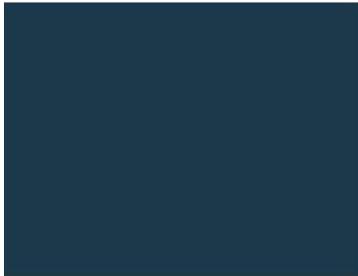
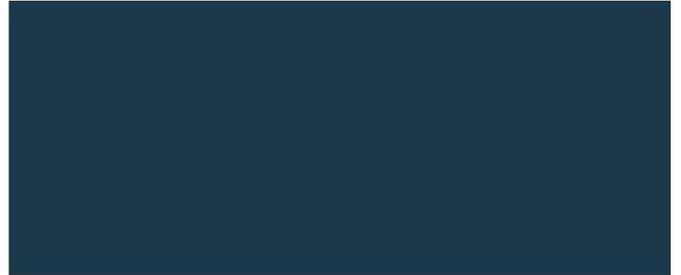


ReCFIT

Renewables, Climate and
Future Industries Tasmania



Green Hydrogen Price Reduction Scheme (GHPRS)

Frequently Asked Questions (FAQ)

GHPRS FAQ – Version Control

Version	Date	Approved by	Notes
Version 1	24/10/23	KE	Approved for publication

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Why is the GHPRS funding being made available?

The Green Hydrogen Price Reduction Scheme (GHPRS) is the second round of funding under the Tasmanian Renewable Hydrogen Industry Development Fund (TRHIDF) which was originally released in 2020. The fund totalled \$50 million and was comprised of three separate funding areas to support and facilitate the development of a renewable hydrogen industry in Tasmania. The first round of funding which occurred in 2021, supported three large feasibility studies by Origin Energy, Grange Resources and ABEL Energy, these were publicly published to share the learnings, opportunities and challenges of establishing a large-scale renewable hydrogen project in Tasmania.

The GHPRS marks the second round of funding under the TRHIDF which focuses on supporting smaller scale domestic renewable hydrogen projects in Tasmania. The funding provided will reduce the sale price of green hydrogen and encourage local demand and diversity in hydrogen off-takes. By funding a reduction in sale price, green hydrogen will become a financially viable option within Tasmania, making it a legitimate alternative fuel for industries and sectors seeking to decarbonise.

The intent of this new round of funding is to encourage and incubate private investment into capital assets that are compatible with green hydrogen to encourage uptake of this zero emissions fuel. The funding will reduce the sale price of green hydrogen ensuring a consistent price and supply over the life of the funding, which is expected to last for approximately five years, but is contingent on the price reduction required.

Throughout the funding program, the Tasmanian Government will seek knowledge sharing from green hydrogen producers and end users to understand the opportunities and challenges involved in the transition to green hydrogen. The information gathered throughout the program will help to better inform industry and the government on the most advantageous uses for green hydrogen.

Applications are encouraged from applicants/businesses looking to establish domestic green hydrogen production and have engaged with prospective off-takers.

Who is this funding for?

Proposals are encouraged from applicants/businesses looking to establish domestic production, sale and use of green hydrogen at an approximate scale of up to 5-10 MW and are interested in supporting local demand.

The purpose of this funding is to accelerate market activation of the domestic Tasmanian green hydrogen industry. This is specifically focused on projects that aim to produce, use and sell green hydrogen within Tasmania.

By pricing green hydrogen as a legitimate and competitive substitute to diesel or other fossil fuels at a stable price it is expected a range of hard to abate industries will be interested.

What funding is available?

Up to \$8 million is available to support this Green Hydrogen Price Reduction Scheme

If successful, when will payments be given?

The payments will be paid to a successful recipient as per the terms of a funding agreement and upon the sale of renewable hydrogen at an agreed \$/kg rate of green hydrogen produced and sold. This requires applicants to outline their customers' demand, the approximate quantity produced and

the aggregate demand. The funding will continue to be released until the individual funding allocation is exhausted or the agreement is terminated.

How will the funding be calculated?

Applicants are asked to provide their estimated cost of production supported by evidence and sound justifications.

Applicants are also required to provide their proposed sale price of green hydrogen.

The funding amount will be determined based on the difference between the cost of production and the sale price. Applicants will be asked to nominate the funding rate on a \$/kg basis of green hydrogen produced and sold.

The proposed figures below are purely an illustrative example to demonstrate how the funding scheme will work. The figures below are not intended to provide a cost or price target or guide to any potential applicant.

EXAMPLE ONLY – GHPRS Funding Calculation.

Cost of Production	\$24/kg
Proposed Sale Price (to the end user)	\$18/kg
<hr/>	
GHPRS Grant funding to offset (subsidy)	\$6/kg
<hr/>	

The information used to inform the funding amount is to be provided in the application forms on the SmartyGrants software platform. See the link at:

www.stategrowth.tas.gov.au/recfit/future_industries/green_hydrogen/ghprs

and in particular the information requirements relating to Criterion 1.

Who is eligible under the scheme?

The criteria for selection released within the scheme guidelines are split into two categories, eligibility criteria and merit criteria. These are clearly communicated in the funding guidelines and on the SmartyGrants application forms which are found on the GHPRS webpage:

www.stategrowth.tas.gov.au/recfit/future_industries/green_hydrogen/ghprs

The eligibility criteria need to be met to be eligible for the scheme and to be considered for assessment.

The eligibility criteria do not prescribe energy consumption limits but it is believed that this funding model is advantageous to projects up to a proposed scale of 5-10 MW.

All representations must be done by the legally responsible delegate.

Applications must be submitted through the SmartyGrants portal, other modes of submission including emailed applications, will not be considered eligible.

How to Register your interest

On the GHPRS Webpage interested parties are encouraged to register their interest in the scheme by emailing the Contact Officer with their name, company and contact details.

This information will be used by ReCFIT to alert registered parties of new information available or changes to the webpage, guidelines or process.

The Contact Officer can be emailed at ghprs.contactofficer@recfit.tas.gov.au

The registration of interest process is not a prerequisite for eligibility, but a useful tool to ensure potential applicants are advised of any new information as quickly as possible that may assist with their application.

Any questions or enquiries sent to the Contact Officer will be considered as to whether a response to all parties is relevant and answers will usually be provided to all applicants through an update of this FAQ document.

Applicants will also be required to register in SmartyGrants to complete their application. However, if applicants would like to be updated of changes and new information, they will also need to register their interest via the Contact Officer.

Guidance for filling in Application process and forms

Applicants will be required to complete an application on the SmartyGrants software platform. See the link at:

www.stategrowth.tas.gov.au/recfit/future_industries/green_hydrogen/ghprs

Applicants are encouraged to pay attention to both eligibility and merit criteria.

There are five (5) merit criteria which will require a substantial amount of information and evidence to prepare a good application. Applicants are strongly advised to carefully read the guidelines and the application forms, including the response templates, **early** to allow enough time to prepare a quality application.

Applicants are encouraged to provide the best answers they can in addressing the questions and requests in the application forms. Please note these are largely merit criteria and will be used to competitively select the best proposals.

Applicants can save partially completed application in SmartyGrants at any time and go back to amend it before submission. However, once the application is submitted, it is unable to be modified.

Applicants are strongly encouraged to check applications carefully before final submission.

Please also note the declaration page prior to submission. Any applicants found to have made false or misleading statements in their declaration will be considered ineligible.

Several of the criteria require applicants to fill in a Microsoft Word template and answer questions related to the relevant criteria. Within the templates, applicants should insert relevant information in the text boxes provided. The text boxes expand as information is entered, and there are no word limits.

Uploading templates in SmartyGrants

Applicants are strongly encouraged to save templates on their own desktop or system prior to uploading to SmartyGrants.

If you click “save” when filling in the Word templates this will NOT save to SmartyGrants but will save to your computer. You then need to click “Choose files” button to upload your completed templates from your computer into the SmartyGrants application.

If you have uploaded a partly completed template to SmartyGrants but later want to amend this you will need to “open” it from SmartyGrants, make changes then save on your own computer. Then upload this newly amended file using the “choose file” button. Then please delete previous drafts from SmartyGrants so there is no confusion between which is the most up to date file response. It is the applicants’ responsibility to ensure that accurate information is correctly uploaded to SmartyGrants.

There is also the ability to attach files, such as pre-prepared reports, supporting evidence or graphs or images such as scanned forms. You can do this using the “choose file” button to upload supporting documents. If you choose to reference any supporting documents in your answers within the templates, then please cross reference these accurately so that the secretariat and panel assessing the applications can quickly find the relevant information.

What do I need to include (upload) when I complete my application?

The full information requirements for an eligible application are presented in the SmartyGrants application portal and application templates.

Applicants are strongly encouraged to carefully read both the Guidelines and the FAQs and review the SmartyGrants application forms and templates. There is significantly more detail in the application forms and templates than the guidelines, and applicants are advised that a quality submission will require significant effort and time to prepare.

The applications forms and templates are designed to be as self-explanatory as possible. However, applicants may email the Contact Officer for any enquiries or clarifications.

Please be aware that any answers from the Contact Officer may be published in an updated FAQ document for all interested parties to view.

Proper due diligence is considered essential to the success of this scheme and applicants are advised to review the portal as soon as possible as the information requirements are substantial and may take time to collate and complete.

The portal will be open for a six (6) week period and applicants are advised to prepare their information early as extensions of time to submit for individual applicants will not be granted.

Presentation of information outside the portal, e.g. by email or hard copy will not be considered eligible.

Assessment Process

When does the program open and close?

The funding program will be open for six weeks from the date of commencement.

Description	Time/Date
Program Opens	25 October 2023 10:00 am
Program Closes	6 December 2023 2:00 pm
Applicants notified	Nominally within two months of applications closing (Date TBC). Failure to provide the required information may impact assessment and notification timeframe. Timing may also be impacted by negotiations on the terms of the funding agreements.
Payment to successful applicants	Following approval, this will occur as per the terms of the funding agreement, but not prior to production and sale of green hydrogen by the successful applicant

No applications will be accepted after the closing date and time.

How will applications be assessed?

Applications will need to be submitted to the SmartyGrants portal by the due date.

Applications will be first assessed against the eligibility criteria. Applications that do not meet the eligibility criteria will be considered ineligible.

An independent panel, supported by a secretariat, probity advisor and expert advisors, will assess eligible proposals and applicants against the range of merit criteria to allow the selection of successful recipient(s).

The merit criteria are reflective of the questions and specific information requirements within the SmartyGrants application forms.

When will I know the outcome?

Whilst every effort will be made to process applications as quickly as possible, applicants should allow at least eight weeks from the close of the application period to be notified of the outcome of their application.

ReCFIT anticipates a period of time between assessment of the applications and the announcement of successful recipient(s) to allow time to finalise and execute a funding agreement between the Department of State Growth and successful recipient(s). During this time ReCFIT officers and Government representatives WILL NOT be in a position to discuss the status of any applications or make public announcements. All parties are asked to respect the requirements for due process during this period.

What happens if the selection process is delayed?

Should the assessment and selection process be delayed for any reason, ReCFIT will notify all applicants, and present amended timeframes for assessment and conclusion of the assessment process. Any such amendments to the program will be clearly communicated on the GHPRS website and alerts sent to all parties who have registered for interest.

How do I ask questions about GHPRS or the application process?

In order to assist with enquires, a Contact Officer has been nominated within ReCFIT to facilitate information exchange while the application process is live. All correspondence including questions and enquiries about the project or the process are to be directed to the Contact Officer in writing at:

ghprs.contactofficer@recfit.tas.gov.au

Generally the Contact Officer will provide updated information or clarifications through an updated FAQ document on the GHPRS webpage.

All parties who are registered for interest (see above) will be alerted by email when there is a change to the FAQ or any other change to the guidelines, process, timelines etc.

See also governance and probity arrangements below.

How do I receive updated information or amendments to application and selection process?

Through the application process it may be necessary to provide new information, guidance, clarifications or even significant changes to the guidelines or application process.

This may be precipitated by questions from applicants or interested parties or from expert advice to the assessment panel.

Any new or amended information will be published on the GHPRS webpage, usually in an updated FAQ document. Once any changes are made, approved and uploaded then an email will be sent to all parties who registered their interests (see above) to alert them that a change has been made.

Applicants are then responsible for reading the new information and making sure that their application is consistent with this information.

The ReCFIT Contact Officer is unlikely to provide detailed, individualised responses to enquires which may constitute an unfair advantage. Instead, substantive information updates considered useful to applicants will be transparently published on the web page and/or FAQ document for full transparency and to assist all potential applicants.

What Probity and Governance arrangements are in place?

The probity and governance requirements for the GHPRS application and selection process are clearly spelt out in the program guidelines.

Most importantly, all correspondence or enquires are to be directed to the Contact Officer who will endeavour to resolve any confusion or publish any required updates as soon as possible.

Applicants are strongly discouraged from directly contacting ReCFIT officers or Government representatives, including Ministers or Ministerial Office staff, while the process is being conducted.

Attempts at direct contact outside of the Contact Officer may result in an application being deemed ineligible.

If there are any concerns with the fairness or governance of the process, these should be directed in the first instance to the Probity Adviser, details are given below.

Probity Advisor	Harvey Gibson WLF Accounting & Advisory
Email	Harvey.Gibson@wlf.com.au
Phone	03 6223 6155