

Low Emissions Technology - Blue Hydrogen

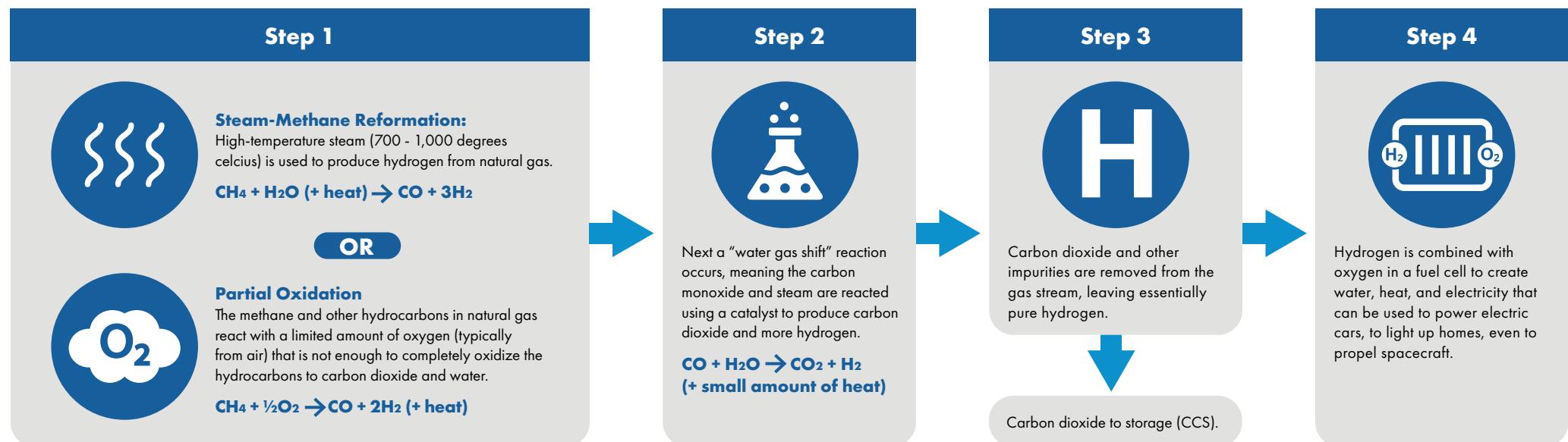
The lowest cost clean hydrogen production option

Clean hydrogen, with near zero emissions, can make a significant contribution to the global pursuit of a lower emissions future. The Australian Government has prioritised developing clean hydrogen for under \$2 per kilogram. [Australia's National Hydrogen Strategy](#) recognises the potential economic, environmental and social benefits of a clean, innovative, safe and competitive hydrogen industry.

As a low emissions technology, clean hydrogen can be derived in two forms – blue or green hydrogen. Blue hydrogen, derived from fossil sources, captures and stores carbon emissions through a process called [steam-methane reforming](#) (SMR).



Australia's abundant land and energy resources, extensive carbon storage reservoirs and reputation as a trusted energy exporter offer competitive advantages that could enable a successful industry.



Blue hydrogen offers a more cost-effective method of production. Current costs reported by the [Global CCS Institute](#) are estimated to be approximately USD2/kg for blue hydrogen, compared to USD2.3/kg to USD7.70/kg for renewable hydrogen produced with electrolyzers. The global production capacity of blue hydrogen is expected to increase over the next decade, outpacing the more costly alternative of green hydrogen.