

PRESS RELEASE

18 October 2022

New consortium announces initial 100MW green hydrogen portfolio

Partners seek to deploy green hydrogen production at multiple sites in North West.

A consortium, comprising Progressive Energy, developer and HyNet founding partner, Statkraft, Europe's largest generator of renewable energy; and sustainability-led alternative assets investment manager, Foresight, will be working together to jointly develop a suite of green ('electrolytic') hydrogen projects in the North West of England.

The consortium has signed a collaboration agreement under which it aims to develop multiple green hydrogen projects. The initial phase of 100MW of projects will reduce carbon dioxide emissions from industry by up to 180,000 tonnes.

Central to the portfolio is the proposed 28 megawatt (MW) Cheshire Green Hydrogen project, which will use renewable electricity from Foresight's managed Frodsham wind farm in Cheshire to generate green hydrogen. The project will be supplemented by further renewable electricity contracted from wind and solar generation within Statkraft's project portfolio.

Cheshire Green Hydrogen will be located at the [Protos](#) site and will supply low carbon hydrogen via the HyNet project's planned pipeline. The hydrogen will potentially be supplied to Cadent's proposed [Hydrogen Village](#) in Whitby and to local industry, including major local employer Encirc, which manufactures container glass.

The consortium is also seeking to develop a portfolio of green hydrogen projects directly co-located at major manufacturing sites within the region, including those at Pilkington and at Kellogg's. An initial five 'hydrogen-ready' sites have been selected for the first phase of development, with discussions ongoing on a number of further sites.

At each co-located site, the consortium will generate green hydrogen with power contracted from wider wind and solar generation within Statkraft's project portfolio. This will be used, instead of fossil gas, to fuel manufacturing processes.

Each plant will connect to the HyNet hydrogen pipeline network allowing potential expansion to supply broader industry. Hydrogen will also be safely stored within HyNet's underground salt caverns, providing secure storage of locally produced energy - contributing to the UK's wider energy security.

Adam Baddeley, Head of Industrial Hydrogen at Progressive Energy, said:

"The North West is an ideal place to deploy green hydrogen production. Not only can it be distributed at low-cost via the HyNet pipeline network, but we have a large number of industry sites ready and enthusiastic to switch to low carbon hydrogen from fossil gas."

"Progressive Energy is proud to be leading this consortium which we hope will bring the first large-scale dedicated green hydrogen production to the region."

Matt Kelly, Head of RES eFuels at Statkraft UK, commented:

“Producing home-grown green hydrogen is a key part in helping the UK to move to a more sustainable future and is a crucial part of the future energy mix. We’re excited to build on our recent green hydrogen announcements in the UK and build on the expertise in this consortium to bring these projects to fruition in the North West of England.”

Joe Davis, Associate Director at Foresight, added:

“The partnership with Progressive and Statkraft constitutes Foresight’s second hydrogen investment this year and first in the UK. We are very pleased to be making this investment in the North West and we see an important role for hydrogen in the decarbonisation of industry. We are supportive of the HyNet industrial cluster.”

ENDS

Notes

The UK Government’s Hydrogen Strategy, published in August 2021, called for 5GW of hydrogen production capacity by 2030. In the Energy Security Strategy, published in April 2022, this target was increased to 10GW, of which at least half is to be green hydrogen. To fund deployment of the projects, the consortium is participating in the Government’s ‘Joint Allocation’ funding rounds for the Net Zero Hydrogen Fund and Hydrogen Business Model, the first of which closed on 12th October. The intention is for all first phase projects to be operational by 2025 or 2026.

HyNet, the UK’s leading industrial decarbonisation cluster, will use a combination of low carbon hydrogen and carbon capture and storage technologies to provide a route for energy intensive industries to decarbonise over the next decade. Low carbon hydrogen from HyNet will also ultimately be used to initially heat around 2 million homes, thousands of businesses and provide fuel for heavy goods transport.

Contact

Amy Bodey, Progressive Energy: amy.bodey@progressive-energy.com / 07754 852979

Lucy Sherwood, Foresight Group: marketing@foresightgroup.eu / 07774 432466

Seumas Skinner, Statkraft: seumas.skinner@statkraft.com / 07442 905 496

About Progressive Energy

Progressive Energy are experts in project development and implementation with extensive experience of overcoming the technical and commercial challenges associated with bringing new technologies to market.

The team are passionate about tackling climate change by creating meaningful and deliverable projects. Progressive Energy translate innovative technologies, such as hydrogen and carbon capture, utilisation and storage (CCUS), into concepts and ideas all the way through to their deployment to

make a material difference to climate change. Progressive Energy originated and leads the development of the HyNet decarbonisation cluster.

For more information, visit www.progressive-energy.com/

About Statkraft

Statkraft is at the heart of the UK's energy transition. Since 2006 and has gone from strength to strength in the UK, building experience across wind, solar, hydro, storage, grid stability, EV charging, green hydrogen and a thriving markets business.

We've invested over £1.3 billion in the UK's renewable energy infrastructure and facilitated over 4 GW of new-build renewable energy generation through Power Purchase Agreements (PPAs).

Across our UK businesses we employ over 300 staff in England, Scotland and Wales and play a key role in helping the global business reach its goal of 9 GW of developed wind and solar power by 2025.

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

About Foresight

Foresight Group was founded in 1984 and is a leading listed infrastructure and private equity investment manager. With a long-established focus on ESG and sustainability-led strategies, it aims to provide attractive returns to its institutional and private investors from hard-to-access private markets. Foresight manages over 330 infrastructure assets with a focus on solar and onshore wind assets, bioenergy and waste, as well as renewable energy enabling projects, energy efficiency management solutions, social and core infrastructure projects and sustainable forestry assets. Its private equity team manages ten regionally focused investment funds across the UK and an SME impact fund supporting Irish SMEs. This team reviews over 2,500 business plans each year and currently supports more than 200 investments in SMEs. Foresight Capital Management manages four strategies across six investment vehicles with an AUM of over £1.5 billion.

Foresight operates across seven countries in Europe and Australia with AUM of £12.6 billion*. Foresight Group Holdings Limited listed on the Main Market of the London Stock Exchange in February 2021. www.fsg-investors.com

**Based on Foresight Group unaudited AUM as at 30 September 2022.*