

Business Standard

Uttar Pradesh govt targets 1 million tonne capacity and 120,000 jobs

The state had received investment proposals worth Rs 2.73 trillion for green hydrogen plants from 20 companies at the UP Global Investors Summit in February 2023

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Photo: Bloomberg

Uttar Pradesh is looking to construct one million tonne per annum (mtpa) green hydrogen production capacity. The project may create 120,000 jobs, according to state energy minister A K Sharma.

The state had received investment proposals worth Rs 2.73 trillion for green hydrogen plants from 20 companies at the UP Global Investors Summit in February 2023. The policy being created by the state will offer investment incentives, including on capital outlay, land availability, power transmission, etc.

Green hydrogen is produced by breaking down water in an electrolyser using renewable energy, thus leaving no carbon emission. Later, hydrogen can be combined with nitrogen to make 'green' ammonia. Green ammonia is used to store energy and make fertilisers. UP will also be able to leverage its vast network of rivers as water plays a vital role in producing green hydrogen.

The global green hydrogen market is estimated at \$90 billion by 2030, growing at a compound annual growth rate (CAGR) of 54 percent during 2021-30. It was valued at \$1.83 billion in 2021.

Meanwhile, UP is also planning to establish two centres of excellence (CoE) for research and innovation on green hydrogen. It will be under the ambit of UP New and Renewable Energy Development Agency. At present, the hydrogen demand in UP is estimated at 900,000 tonnes per annum, especially in the fertiliser and refinery sectors.

Moreover, the policy will lay emphasis on increasing hydrogen blending in regions where green hydrogen is consumed. The policy, it is believed, will pave the way for setting up carbon dioxide recovery units to utilise carbon produced from biogas and other industries.

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