



Abu Dhabi's ADNOC and Masdar to join bp's UK hydrogen projects

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- ADNOC joins bp's blue hydrogen project H2Teesside and Masdar to join bp's HyGreen Teesside green hydrogen project
- bp and ADNOC commence study for new world-scale ADNOC blue hydrogen project in Abu Dhabi
- Agreements bring international investment into UK hydrogen, strengthening the country's leadership in new low-carbon industry.

bp has taken a major step forward in strengthening its strategic partnership with ADNOC and Masdar of Abu Dhabi, bringing international participation to its planned blue and green hydrogen developments in Teesside in the north-east of England.

ADNOC – the UAE's largest energy company – will take a 25% stake in the design stage of bp's blue hydrogen project, H2Teesside. This will be ADNOC's first investment in the UK. bp and ADNOC will now advance the project, initially to the next stage of design, the pre-FEED stage. H2Teesside is expected to kickstart the UK's hydrogen economy at scale with the development of two 500MW hydrogen production units by 2030. The project is targeting start of operations in 2027.

Masdar – the Abu Dhabi renewable energy company – has also signed a memorandum of understanding to acquire a stake in bp's proposed green hydrogen project, HyGreen Teesside. This project is planned to produce 60MWe (megawatt electrical input) of hydrogen at start-up in 2025, increasing to up to 500MWe by 2030.

Together, these two projects could deliver 15% of the UK Government's recently expanded 10GW target for hydrogen production in 2030.

bp will also join ADNOC to evaluate a new blue hydrogen project in Abu Dhabi, conducting a joint feasibility study for a world-scale, low-carbon hydrogen project in the country. In addition, ADNOC, bp and Masdar have joined with Abu Dhabi Waste Management Centre (Tadweer) and Etihad Airways to explore production of sustainable aviation fuels, from hydrogen and municipal waste gasification, in the UAE.

Bernard Looney, bp's chief executive said: "By joining forces with ADNOC and Masdar we are reinforcing the world-leading role that Teesside, and the UK more widely, can play in developing new supplies of energy, as well as new skills and supply chains. We're backing Britain and the resources, capability and net zero ambition here in the UK make it ideal for the development of low carbon

hydrogen - and together we can help deliver a significant contribution to the UK's newly increased hydrogen ambition.

“As well as boosting home-grown energy, the global nature of our partnership with ADNOC and Masdar will support our plans to decarbonize some of the most hard-to-abate sectors in the world – like industrial manufacturing, power and aviation. Partnerships like this reach beyond borders to provide the new energy solutions the world needs, and I want to applaud Dr Sultan for his continued commitment to help solve the energy trilemma of providing the world with secure, affordable and cleaner energy.”

H.E. Dr. Sultan Ahmed Al Jaber, UAE Minister of Industry and Advanced Technology, ADNOC Managing Director and Group CEO, and Masdar Chairman, said: “ADNOC and Masdar’s deepened partnership with bp is a testament to the UAE and UK’s longstanding track record of bilateral partnership in sustainability as well as the UAE’s intent to play a leading role in the fast-growing clean hydrogen economy both domestically and internationally. To that end, we welcome the opportunity to collaborate with bp in both the UAE and UK, laying the groundwork for deeper commercial partnership in the area of new energies and clean technologies. In the UK, our role in Teesside will represent ADNOC’s first investment into the UK and help to accelerate innovation in decarbonization of energy in industrial sectors. Similarly, the partners’ collaboration in Abu Dhabi is expected to further position the UAE as a regional leader in low-carbon energies and technology-driven industrial growth.”

Mohamed Jameel Al Ramahi, Masdar’s chief executive, added: “Today’s announcements will strengthen the strategic partnership between Masdar, ADNOC and bp and continue to drive clean energy innovation for both the UAE and the UK. Masdar has been a long-standing investor in the UK’s renewable energy sector, and we will leverage our expertise in offshore wind and sustainable aviation fuels to support both nations’ energy transition while solidifying the UAE’s leadership position in the emerging green hydrogen economy.”

These new agreements follow from the formation of a strategic partnership for clean energy solutions in the UK and UAE between bp, ADNOC and Masdar in September 2021, including the intention to work together to develop low carbon hydrogen hubs, such as at Teesside. These initiatives are subject to relevant customary regulatory clearances.

UK Minister for Investment, Lord Grimstone said: “This deal will help us supercharge clean growth by harnessing the expertise of the UK’s renewable energy sector.

“Partnerships like these help level up investment across the country and boost productivity in our high-tech industries. It’s brilliant to see Teesside leading the way towards a net zero future, while also growing the economy and creating hundreds of new jobs.”

Notes

- bp supporting decarbonization in Teesside:
 - Teesside is home to a cluster of industrial customers in some of the most hard-to-abate sectors. It has five of the UK's top 25 emitters and its industries account for 5.6% of the UK's industrial emissions. The region also has existing hydrogen storage and pipelines and ample access to natural gas.
 - H2Teesside will be integrated with the Northern Endurance Partnership carbon capture development. Operated by bp, NEP will develop the CCS infrastructure to export and store carbon dioxide emissions from industrial clusters in Teesside and Humberside.
 - In addition to H2Teesside and HyGreen Teesside, bp is leading development of Net Zero Teesside Power – the world's first commercial scale gas-fired power station integrated with carbon capture technology. This will provide 860MW of power – the equivalent of heating 1.3 million homes or close to 5% of the UK's homes.
 - These developments in Teesside are expected to support thousands of direct and indirect jobs. H2Teesside alone is expected to provide more than 600 direct jobs and 12,000 indirect job opportunities in the UK by 2027.
- Globally, bp has built a significant hydrogen portfolio of options in advantaged markets worldwide with potential hydrogen production capacity of 0.7-1.3 million tonnes a year. It aims to have a 10% market share of the core low carbon hydrogen market by 2030.
- Blue hydrogen is produced from natural gas, with the carbon dioxide also generated captured and securely stored. Green hydrogen is produced by the electrolysis of water, powered by renewable energy.

Further information

Contact

- bp press office, London: +44 (0)7554 987354, +44 (0)7831 095541, bppress@bp.com

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