Insights and experience from starting up hydrogen projects

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CAPABILITY ACROSS THE VALUE CHAIN

Continued wealth of opportunities right across the net zero electricity value chain

2030 BUSINESS GOALS			
Cut Carbon intensity by 80%		Increase renewable energy output fivefold	
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Enable low-carbon generation and demand		Champion a fair and just energy transition	
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Offshore wind

SSE-led projects delivering ~20% of UK's offshore wind target

Onshore wind





Hydro options

Coire Glas: more than doubling UK's electricity storage capacity



Progressing over

part of SSE

business

Renewables

1GW of pipeline as



Plans to build

CCS at Keadby and Peterhead to help

a net zero future,

with Hydrogen

optionality

FUTURE **ENERGY** SYSTEM

Energy independence Renewables-led Efficient networks keep the lights on in Critical flexibility Storage capacity Greening demand Lowest cost for consumers





Expected over 20% of planned GB investment enabling decarbonisation

SSE Thermal Sites

Current portfolio of 7.5GW providing critical system balancing role





PRESENCE ACROSS UK INDUSTRIAL CLUSTERS

• Carbon Capture Power Station

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Hydrogen Power Station



Carbon Capture & Storage Projects

Pipeline of two shovel ready carbon capture projects

Peterhead Carbon Capture Power Station

- SSE Thermal and Equinor are developing a CCGT with post combustion carbon capture at Peterhead.
- Peterhead Carbon Capture will be the only flexible power plant in Scotland and connect to the Scottish Cluster CO₂ transportation and storage network.



Keadby 3 Carbon Capture Power Station

- SSE Thermal and Equinor are developing a CCGT with post combustion carbon capture at Keadby.
- Keadby 3 will reduce the emissions intensity of power generation in the Humber region whilst creating new highly skilled job opportunities.





SSE Thermal Hydrogen Strategy

Cross value chain approach - producing, storing, supplying and using low-carbon H2



demand

Building Strategy for success



Expanding core teams across SSE Thermal has seen a growth of **135 FTE additional employees** between 21/22 and 22/23, **over 200 offers to be accepted** this FY



Utilising SSE Thermal strengths for H2 and CCS growth

- Gas handling & storage expertise
- Power generation expertise
- Gas and power trading capability
- Strong OEM and partner relationships e.g. Siemens, Mitsubishi
- Safe operators with engineering excellence



Built expertise across green hydrogen, blue hydrogen and power CCS, capitalising on common links between technologies including markets, potential offtakers, regulatory framework and business models.



Aldbrough Hydrogen Pathfinder

First-of-a-kind project in the Humber

- Located at SSE Thermal's existing Aldbrough Gas Storage site on the East Yorkshire coast, designed to demonstrate the interactions between electrolysis, cavern storage and 100% hydrogen dispatchable power
- Supports evidence base for wider deployment of flexible hydrogen power in the UK's net zero journey and major enabler of SSE Thermal's wider Humber ambitions
- Project seeking support in the UK Government's Net Zero Hydrogen Fund
- Contract signed with Siemens Energy and Black & Veatch
 for topside FEED, and Atkins for subsurface FEED



Hydrogen Production

Produced via a 35MW electrolyser, using electricity from the grid that complies with the LCHS

Hydrogen Storage

Stored in a converted salt cavern – currently used for natural gas – with a capacity of c.20GWh

Hydrogen Power Gen

Used in a 50MW OCGT operating on 100% hydrogen, exporting flexible green power back to grid



Existing Hydrogen Power and Storage Projects

Keadby 4 could be the world's first 100% hydrogen fuelled power station



- Aldbrough Hydrogen Pathfinder A first-of-a-kind project which unites hydrogen production, storage and power generation in one location.
- Keadby 2 Power Station A state of the art 893 MW CCGT with the potential to blend hydrogen.
- Saltend Power Station Preparing the power plant to blending up to 30% hydrogen from 2027, with an ambition to increase up to 100%.
- Keadby 4 The 900 MW project could be the world's first 100% H2 fuelled power station, producing zero emissions at the point of combustion.
- Aldbrough Hydrogen Storage Developing plans for what could be one of the world's largest hydrogen stores at 320 GWh



Challenges and Learnings: Hydrogen Technology

Gas Turbine Technology

Single CAN/ burner testing to full engine testing with 100% H2

Flashback prevention

NOx control

Startup with or without a natural gas supply

Other

Limited experience with high pressure and high flow rate compression

H2 metering

Gas and flame detection

Salt Cavern Storage

Development of design and test standards for hydrogen, and qualification of subsurface components

Hydrogen interaction in the subsurface



Electrolysis

Confidence in ability to perform

Input water requirements

Water rejection

Learnings:

- Technology development and demonstration
- Learning together across OEMs and partners
- Leading development of design standards
- Insurability of FOAK hydrogen technology
- Experience designing and operating new technologies



Challenges and Learning: Safety and Environmental

- Lack of formal guidance on Best Available Techniques (BAT) for electrolytic hydrogen production
- Fugitive emissions
- Lack of formal guidance on Best Available Techniques (BAT) covering 100% hydrogen combustion
- Limits on NOx from hydrogen combustion
- COMAH Safety Report modification

Learnings:

- Sets safety case precedent for other hydrogen projects
- Learning together across regulatory agencies
- Advancing understanding of combustion control
- Refining guidance with real-world application



Thank you

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