

Ministry of Power notifies Green Hydrogen/ Green Ammonia Policy

A Major Policy Enabler by Government for production of Green Hydrogen/ Green Ammonia using Renewable sources of energy

A step forward towards National Hydrogen Mission

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Hon'ble Prime Minister launched the National Hydrogen Mission on India's 75th Independence Day (i.e. 15th August, 2021). The Mission aims to aid the government in meeting its climate targets and making India a green hydrogen hub. This will help in meeting the target of production of 5 million tonnes of Green hydrogen by 2030 and the related development of renewable energy capacity.

Hydrogen and Ammonia are envisaged to be the future fuels to replace fossil fuels. Production of these fuels by using power from renewable energy, termed as green hydrogen and green ammonia, is one of the major requirements towards environmentally sustainable energy security of the nation. Government of India is taking various measures to facilitate the transition from fossil fuel / fossil fuel based feed stocks to green hydrogen / green ammonia. The notification of this policy is one of the major steps in this endeavour.

The policy provides as follows :

- i. Green Hydrogen / Ammonia manufacturers may purchase renewable power from the power exchange or set up renewable energy capacity themselves or through any other, developer, anywhere.
- ii. Open access will be granted within 15 days of receipt of application.
- iii. The Green Hydrogen / Ammonia manufacturer can bank his unconsumed renewable power, up to 30 days, with distribution company and take it back when required.
- iv. Distribution licensees can also procure and supply Renewable Energy to the manufacturers of Green Hydrogen / Green Ammonia in their States at concessional prices which will only include the cost of procurement, wheeling charges and a small margin as determined by the State Commission.
- v. Waiver of inter-state transmission charges for a period of 25 years will be allowed to the manufacturers of Green Hydrogen and Green Ammonia for the projects commissioned before 30th June 2025.
- vi. The manufacturers of Green Hydrogen / Ammonia and the renewable energy plant shall be given connectivity to the grid on priority basis to avoid any procedural delays.
- vii. The benefit of Renewable Purchase Obligation (RPO) will be granted incentive to the hydrogen/Ammonia manufacturer and the Distribution licensee for consumption of renewable

power.

- viii. To ensure ease of doing business a single portal for carrying out all the activities including statutory clearances in a time bound manner will be set up by MNRE.
- ix. Connectivity, at the generation end and the Green Hydrogen / Green Ammonia manufacturing end, to the ISTS for Renewable Energy capacity set up for the purpose of manufacturing Green Hydrogen / Green Ammonia shall be granted on priority.
- x. Manufacturers of Green Hydrogen / Green Ammonia shall be allowed to set up bunkers near Ports for storage of Green Ammonia for export / use by shipping. The land for the storage for this purpose shall be provided by the respective Port Authorities at applicable charges.

The implementation of this Policy will provide clean fuel to the common people of the country. This will reduce dependence on fossil fuel and also reduce crude oil imports. The objective also is for our country to emerge as an export Hub for Green Hydrogen and Green Ammonia.

The policy promotes Renewable Energy (RE) generation as RE will be the basic ingredient in making green hydrogen. This in turn will help in meeting the international commitments for clean energy.

MV/IG

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