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APA VTS Australia (Operations) Pty Limited ACN 083 009 278
Level 25, 580 George Street
Sydney NSW 2000

Attention: Harriet Floyd

By email: harriet.floyd@apa.com.au

Dear Harriet

Re: Victorian Gas Transmission System – Hydrogen Safety and Integrity Assessment

AGL Energy Limited (“AGL”) confirms its support for APA Group’s (“APA”) hydrogen safety and integrity assessment, as part of its Victorian Gas Transmission System (VTS) 2023-2027 Access Arrangement submission to the Australian Energy Regulator (AER) (“Submission”).

AGL is a leading integrated essential service provider, with a proud history of innovation and a passionate belief in progress – human and technological. We deliver 4.5 million gas, electricity, and telecommunications services to our residential, small and large business, and wholesale customers across Australia. We operate Australia’s largest electricity generation portfolio, which accounts for approximately 20% of the total generation capacity within Australia’s National Electricity Market.

Hydrogen as an alternative to natural gas is a key component of Victoria’s gas substitution roadmap. For APA, the repurposing of existing gas infrastructure for hydrogen is lower cost than building entirely new pipeline networks. Before hydrogen can be blended in the VTS, APA and the energy industry will need to characterise what the safety and integrity risks might be and find solutions to mitigate such risks. AGL understands that APA submitted a business case as part of their Access Arrangement Submission, which outlined the required studies to assess the preparedness of the VTS for hydrogen.

We understand that APA supports the global transition to a lower carbon future and has demonstrated their commitment to enabling low carbon technologies and fuels to enter the Australian energy mix in a number of ways:

1. Announced ambitions of net zero operations emissions by 2050.
2. Completed Phase 1 of an investigation into the conversion of a section of the Parmelia Gas Pipeline in Western Australia to be hydrogen ready¹. Phase 2 of this investigation is underway.
3. Executed an MoU with Wesfarmers Chemicals, Energy and Fertilisers (WesCEF) to undertake pre-feasibility study to assess the viability to produce and transport green hydrogen via APA’s Parmelia Gas Pipeline.²
4. Executed an MoU as one of the founding consortium members of the Central Queensland Hydrogen Export Project³.

¹ [APA set to unlock Australia's first hydrogen-ready transmission pipeline | APA Group](#)

² [Australia’s first potential conversion of a gas transmission pipeline to pure hydrogen a step closer](#)

³ [APA Group joins international hydrogen consortium | APA Group](#)



Whilst AGL intends to make further responses in relation to the APA's Submission to the AER, AGL is supportive of APA's intention to undertake its risk analysis into the safety and integrity risks of injecting hydrogen into the VTS.

If you have any questions, please do not hesitate to contact Bronwyn See at [redacted].

Yours faithfully

Travis Hughes
GM EnergyHubs

