



Department for
Energy Security
& Net Zero

Rt Hon Graham Stuart MP
Minister of State for Energy Security and Net
Zero

**Department for Energy Security & Net
Zero**
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Claire Baker MSP
Committee Convener
Scottish DA Economy and Fair Work Committee
The Scottish Parliament
Edinburgh
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25th January 2024

Dear Claire,

During my appearance at the Scottish DA Economy and Fair Work Committee hearing on Grangemouth oil refinery on Wednesday 17th January, I promised to write to you regarding whether there have been discussions with industry about the potential for hydrogen production at Grangemouth.

Ministers have spoken with Petroineos, INEOS and PetroChina on multiple occasions recently.

As you will be aware, at a recent Scottish DA Economy and Fair Work Committee, INEOS representatives stated INEOS “will continue with (its) plans to produce blue hydrogen and (it) will have a CO₂ export stream that will need to be stored”, continuing to explain “the scope of (INEOS’s) tie-ins via the feeder number ten pipeline and to the Acorn project is unchanged”.

The Scottish Cluster plans are expected to include at least one project located at Grangemouth, which I understand will be an up to 1GW new CCUS-enabled hydrogen production facility. I understand this will be focused on providing low-carbon hydrogen to the existing Combined Heat and Power (CHP) Unit that provides power to the INEOS Chemicals Processing Plant in Grangemouth as well as to an ethylene plant at the site. My officials have held discussions with INEOS recently regarding their potential hydrogen production project at Grangemouth and will continue to do so.

Yours sincerely,

Rt Hon Graham Stuart MP
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