

## **Commercial in confidence**

### **Meeting note – Meeting with the Minister for Climate Change, Bridgend CBC and Marubeni to discuss support for the HyBONT project.**

#### **Present :**

Minister for Climate Change – Julie James MS

Cllr Huw David, Leader of Bridgend Council

Cllr John Spanswick, Cabinet Member for Communities BCBC

Huw Irranca-Davies, MS for Ogmore (Teams)

Janine Nightingale, Corporate Director of Communities

Marubeni

Mr. Tomoki Nishino (President & CEO - Marubeni Europower Ltd)

Mr. Ryota Kobayashi (General Manager, Overseas Power Dept.-II, Power Division - Marubeni Corporation)

Mr. Shinnosuke Watanabe (General Manager, Section 1, Power Business Dept. II - Marubeni Corporation)

Mr. George Dodd (Senior Vice President – Marubeni Europower Ltd)

Welsh Government Officials: David Rosser, [Welsh Government officials x 3]  
[redacted section 40]

MCC opened the meeting by welcoming Marubeni to Wales and asking them to outline what they would like to achieve from the meeting.

Marubeni introduced the corporation and explained how they are very active in building renewable installations in the UK the most significant one to date is a 3.6GW offshore wind development in Scotland. Power to X is a big priority for Marubeni power and therefore a focus on hydrogen and have targeted the UK to develop this business area.

Since committing to work with Bridgend to trial the Active Energy Management Systems (AEMS) they have developed their interest in Wales including: [redacted commercial in confidence section 43]

Marubeni stressed that the HyBONT project is the critical element and must succeed for the others to proceed. He explained the funding streams they are accessing to de-risk the demonstrator project, as well as their investment of c £13M they will bring in funds from NEDO. NEDO will require a MOU from Wales to invest in the region.

Marubeni explained that they are hoping to win DESNZ support for the OPEX and subsidy cost. They have shared with WG officials the requirements from DESNZ

who require detailed predictions of the volume of hydrogen required by offtakers over 15 years and the level of commitment given e.g MOU, Heads of terms or signed offtaker agreement. Buses are anticipated to take 50% of the total hydrogen produced c 1200KG per year. DESNZ require this information by May 22<sup>nd</sup>.

MCC explained that we are keen to have a facility like this in Wales, however there are challenges we need to overcome. Most buses in Wales are privately owned, it will take a further 12 to 18 months to regulate buses and this requires a lot of negotiation and bill needs to be passed at the Senedd . Concerned that the timelines are not aligned to make a commitment now and we need to do this within our procedures and process.

MCC encouraged further dialogue with Marubeni to understand the detail of what is required and to explore the potential for MOU.

BCBC outlined their commitment to the project, they are donating land for the project and looking to invest in the joint venture and are working closely with CCR as joint funder. They are looking whether hydrogen is right fuel for their RCV fleet and heat network, they also see the wider benefits this will bring.

MCC confirmed that BCBC could apply to current Welsh Government waste grant , the level of funding would be at the same level as electric vehicles.

[Welsh Government official] [ redacted section 40] outlined the work to date on modelling the bus fleet in Wales and an outline business case for the Swansea hydrogen bus trial is near completion and being prepared for Ministers. There has been 2 years of detailed work focused on Swansea and this will happen first it would be too complicated to switch to Bridgend. Concerns were raised by Marubeni and BCBC that transporting hydrogen to Swansea would add to the cost per KG.

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[Welsh Government official] [ redacted section 40] said that the Swansea bus project, if it proceeds, could be a part of a potential demonstrator for a new model of working prior to franchising.

MCC ended by reiterating our support for the project and willingness to work on what could be feasible and suggested that officials discuss with DESNZ the funding to understand better what is required and what we can provide.

### **Actions:**

[Welsh Government official] [ redacted section 40] – to look into the data modelling and understand what could be shared with Marubeni and DESNZ in response to the request for information as part of NZHF

[Welsh Government official] [ redacted section 40] – Work with officials in energy to organise a meeting with DESNZ to understand what would be required for NZHF offtaker information

[Welsh Government official] [ redacted section 40] – to discuss with officials in Japan the potential for a MOU with NEDO

Marubeni – to send outline of what could be in a MOU to [welsh government official]  
[redacted section 40] and to discuss with legal.

BCBC – to look further into RCVs and discuss with waste officials.