

National Hydrogen Technology Skills Training Centre in Victoria

FEDERATION FUNDING AGREEMENT - ENVIRONMENT

Table 1: Formalities and operation of schedule	
Parties	Commonwealth Victoria
Duration	This Schedule is expected to expire on 30 June 2028
Purpose	<p>This Schedule will support the establishment of the Renewable Hydrogen Worker Training Centre (the Centre). The Commonwealth will contribute up to \$10 million in addition to the Victorian government's existing commitment of \$10 million towards the Centre. Of this \$10 million, Victoria has allocated \$2 million to resourcing and administration to lead the design and procurement of the Centre.</p> <p>The commitments by the Parties reflects a project scale that is needed to promote hydrogen workforce development that will be needed to support the skilled workforce needs of the growing renewable hydrogen industry.</p> <p>The Centre will provide a focal point for renewable hydrogen workforce development, benefiting both those seeking to learn new competencies and those seeking to teach the new techniques required for the renewable hydrogen sector. Though based in Victoria, training modules will meet specific industry requirements and the workers who graduate from the Centre will be able to readily apply their skills in all jurisdictions facilitating the establishment of an Australia-wide renewable hydrogen workforce.</p> <p>Establishing this Centre will help address national clean energy workforce needs and bring forward the development of a skilled workforce to deliver Commonwealth Government's Future Made in Australia agenda and Renewable Energy Superpower ambitions. As set out the Victorian Government's <i>Cheaper, Cleaner, Renewable: Our Plan for Victoria's Electricity Future</i>, the Centre will support Victoria's electricity transition by skilling, up-skilling and training Victoria's energy workforce.</p>

Estimated
financial
contributions

The Commonwealth will provide an estimated total financial contribution of up to \$10.0 million to Victoria, subject to a signed grant agreement between Victoria and a successful proponent (Proponent) for the development of the Centre. The Parties contributions to the grant amount to the Proponent will be as follows.

For a suitable project (Project) valued at:

- **Up to \$1, 999, 999:**
 - Victoria: the total amount of the grant funding.
 - Commonwealth: Nil funding, and there will be no performance milestones and reporting requirements for Victoria as outlined in this Schedule.
- **Between \$2 million to \$13,999,999:**
 - Victoria: \$2 million plus 50% of the grant funding between \$2 million and \$13,999,999
 - Commonwealth: 50% of the grant funding between \$2 million and \$13,999,999.
- **Between \$14 million to \$18 million:**
 - Victoria: \$8 million.
 - Commonwealth: the balance of the grant funding up to a maximum of \$10 million.

Commonwealth funding will be provided in arrears in accordance with the milestones in Table 2. Any unspent portion of the Commonwealth contribution (for example if the Project is not fully delivered) will be returned to the Commonwealth.

The maximum value of contributions by the Parties is \$18 million. For a project valued at more than \$18 million, the balance of the Project cost above \$18 million will be funded by the Proponent or from other sources. All figures in this schedule are GST exclusive.

Table 1

(\$ million)	2025-26	2026-27	2027-28	Total
Estimated total budget	4.0	8.0	8.0	20.0
<i>Less estimated National Partnership Payments</i>	2.0	4.0	4.0	10.0
Balance of non- Commonwealth contributions	2.0	4.0	4.0	10.0

Additional terms	<p>1. <u>Use of Commonwealth funds</u></p> <p>Commonwealth funding will be used for the establishment of the Centre through an open and competitive grant process conducted by Victoria for the selection of the Proponent and will not be used for any program administration related expenditure incurred by Victoria. Victoria will provide up to \$8 million for the grant funding and additional funding up to \$2 million to support Project delivery.</p> <p>2. <u>Grant administration</u></p> <p>Victoria will consult with and seek agreement from the Commonwealth when establishing eligibility and assessment criteria for the grant program to ensure alignment and not duplicate the efforts of existing Commonwealth's initiatives. The criteria will include a requirement for the Centre to be located in Victoria. The requirements will specify that the Centre will support renewable hydrogen, and that other forms of hydrogen or energy technologies will be out of scope and ineligible for grant support.</p> <p>The criteria will allow non- traditional delivery models, including cooperative models across business and workers.</p> <p>The eligibility and assessment criteria will include commitment for the selected Proponent to work with Victoria and the Commonwealth for early and regular engagement with other states/TAFE Centres of Excellence on its activities for the purposes of:</p> <ul style="list-style-type: none"> • avoiding the potential for duplication of effort • sharing learnings on best practice and supporting knowledge translation • partnering on projects of mutual interest where appropriate. <p>The eligibility and assessment criteria will include commitment to engage and collaborate with relevant Jobs and Skills Councils, industry, unions, employers, national and state accreditation authorities to ensure delivery of appropriate training in partnership with key stakeholders and the accredited training meets specific industry requirements and has the potential to be recognised nationally.</p> <p>The eligibility and assessment criteria may include an option for the Commonwealth to evaluate the grant Project to measure how well the outcomes and objectives have been achieved at the conclusion of the Project. Victoria and the Proponent will be permitted to participate in the evaluation process.</p> <p>Upon receiving payment from the Commonwealth, Victoria will manage and deliver payments to the Proponent in accordance with the agreement between Victoria and the Proponent under Victoria's Grant Management Framework.</p>
------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

3. Reporting arrangements

Victoria will provide performance reports in accordance with Table 2. Victoria will provide project data and share relevant information with the Commonwealth, as reasonably requested by the Commonwealth for assurance, general promotional purposes, to respond to specific enquiries, and support policy development.

4. Payments

The Commonwealth will make payments in accordance with achievement of milestones in Table 2.

If the maximum Commonwealth payments are not made in a given financial year (e.g. due to delays in Project delivery), the Commonwealth will endeavor to move funds into a later year at its discretion. The Commonwealth makes no guarantee that unspent funding (if any) will be carried into later years.

Table 2: Performance requirements, reporting and payment summary

Output	Performance milestones	Report due	Payment
Establish the Renewable Hydrogen Worker Training Centre	<p>Milestone 1</p> <ul style="list-style-type: none"> • Agreement between the Commonwealth and Victoria on the eligibility and assessment criteria of the grant program to select Proponent. • Provision to the Commonwealth of a copy of signed grant agreement between Victoria and the Proponent for development of the Centre. • Commonwealth acceptance of a project plan for development of the Centre including the following: <ul style="list-style-type: none"> ○ Project management arrangements, including an implementation schedule for the delivery of the project; ○ Risk management plan for both project delivery and potential operational risks; ○ Governance arrangements for delivery of the project including management of any approvals or regulatory requirements; ○ Stakeholder engagement plan; ○ Expected employment opportunities generated as a result of the project; ○ Expected business and worker involvement, and actions to promote further cooperation ○ Complementary opportunities for the New Energy Apprenticeships program ○ Project expense report containing total grant commitments and payments • Evidence to the satisfaction of the Commonwealth of Victoria's financial contributions made from project commencement to 31 March 2026 and report showing grant contributions paid, project payments/expenses paid, and showing comparison to projected budget as included in the project plan 	1 May 2026	<p>Equal to:</p> <ul style="list-style-type: none"> • For a Project valued less than \$2 million, Nil payment <p>OR</p> <ul style="list-style-type: none"> • For a Project valued at \$2 million and up to \$13,999,999 - 20 per cent of the total project value less \$2 million, divided by 2 <p>OR</p> <ul style="list-style-type: none"> • For a Project valued at \$14 million and up to \$18 million - 20 per cent of the total project value less \$8 million
	<p>Milestone 2</p> <ul style="list-style-type: none"> • Satisfactory progress against the project plan demonstrated by a status report to the satisfaction of the Commonwealth providing evidence of: <ul style="list-style-type: none"> ○ Completion of concept design for the Centre 	31 August 2026	<p>Equal to:</p> <ul style="list-style-type: none"> • For a Project valued less than \$2 million, Nil payment <p>OR</p>

	<ul style="list-style-type: none"> Evidence to the satisfaction of the Commonwealth of Victoria's financial contribution made from project commencement to 30 June 2026 and report showing grant contributions paid, project payments/expenses paid, and showing comparison to projected budget as included in the project plan. 		<ul style="list-style-type: none"> For a Project valued at \$2 million and up to \$13,999,999 - 20 per cent of the total project value less \$2 million, divided by 2 OR For a Project valued at \$14 million and up to \$18 million - 20 per cent of the total project value less \$8 million
	<p>Milestone 3</p> <ul style="list-style-type: none"> Satisfactory progress against the project plan demonstrated by a status report to the satisfaction of the Commonwealth Evidence to the satisfaction of the Commonwealth of Victoria's financial contribution made from project commencement to 31 March 2027 and report showing grant contributions paid, project payments/expenses paid, and showing comparison to projected budget as included in the project plan. 	1 May 2027	<p>Equal to:</p> <ul style="list-style-type: none"> For a Project valued less than \$2 million, Nil payment OR For a Project valued at \$2 million and up to \$13,999,999 - 20 per cent of the total project value less \$2 million, divided by 2 OR For a Project valued at \$14 million and up to \$18 million - 20 per cent of the total project value less \$8 million

	<p>Milestone 4 –</p> <ul style="list-style-type: none"> Commonwealth acceptance of a final report providing evidence of: <ul style="list-style-type: none"> Opening of the Centre and achievement of all activities as outlined in the project plan The final report should explain how the development of the Centre has contributed to the availability of appropriately skilled 'renewable hydrogen-ready' workforce to support the growth of the hydrogen industry Final financial report to the satisfaction of the Commonwealth providing evidence of Victoria's financial contributions made, project payments/expenses paid over the life of the project, and showing comparison to projected budget included in the project plan. 	1 May 2028	<p>Equal to:</p> <ul style="list-style-type: none"> For a Project valued less than \$2 million, Nil payment OR For a Project valued at \$2 million and up to \$13,999,999 - 40 per cent of the total project value less \$2 million, divided by 2 OR For a Project valued at \$14 million and up to \$18 million - 40 per cent of the total project value less \$8 million
--	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

The Parties have confirmed their commitment to this schedule as follows:

Signed for and on behalf of the Commonwealth
of Australia by



The Honourable Chris Bowen MP
Minister for Climate Change and Energy

[Day] [Month] [Year]

12/02/25

Signed for and on behalf of the
State of Victoria by



The Honourable Lily D'Ambrosio MP

Minister for Climate Action
Minister for Energy and Resources
Minister for the State Electricity Commission

05/03/2025