

Media Alert

26 March, 2008.

LAUNCH OF AUSTRALIA'S FIRST GEOSEQUESTRATION PROJECT

The Federal Minister for Resources and Energy, Martin Ferguson, joined by the Victorian State Minister for Energy and Resources, Peter Batchelor, will officially launch Australia's first demonstration of geosequestration at midday on Wednesday, 2 April, at the project site in south-western Victoria. (Return transport can be arranged by bus from Melbourne.)

A tour for the Ministers and the media of the project facilities will take place following the launch.

The CO2CRC Otway Project will demonstrate the safety and security of the transport, injection and storage of carbon dioxide storage, the world's most common greenhouse gas, in the deep subsurface.

Also known as carbon dioxide geosequestration, the carbon storage project is situated near Warrnambool in south-western Victoria.

CO2CRC is the one of the world's leading collaborative research organisations focused on carbon dioxide capture and geological storage (geosequestration).

WHAT: Launch of Australia's first demonstration of carbon dioxide storage or geosequestration.

WHO: The Federal Minister for Resources and Energy, Martin Ferguson

WHEN: 11am, 2 April. All guests including journalists, photographers and crews will need to arrive at 11am for an on-site induction. The launch begins officially at midday and finishes at 2pm (including tour)

WHERE: Brumbys Lane, Nirranda South, (40km east of Warrnambool), south-western Victoria (Google maps <http://maps.google.com.au/> Get Directions)

Further information: Carmel Anderson, 0418 461 250; Dr Peter Cook, 0419 490 044.
www.co2crc.com.au

*CO2CRC collaborates with leading international and national geosequestration experts to conduct world-class research into geosequestration or carbon capture and storage. Organisations supporting the CO2CRC include CSIRO, Geoscience Australia and the Universities of Adelaide, Curtin, Melbourne, Monash and NSW; the Alberta Research Council in Canada and the US Lawrence Berkeley National Laboratory. CO2CRC industry and state core partners are ACARP, Anglo American, BHP Billiton, BP, Chevron, ConocoPhillips, KIGAM, NSW Department of Primary Industries, NZ Resource Consortium, Rio Tinto, Schlumberger, Shell, Foundation for Research Science and Technology (NZ), Solid Energy, Stanwell, the Victorian Department of Primary Industries, Woodside and Xstrata. CO2CRC is supported through the Australian Government's CRC Programme.

ACHIEVEMENTS OF THE CO2CRC OTWAY PROJECT

- CO2CRC is conducting Australia's first demonstration of geological storage and is leading two other projects to demonstrate carbon dioxide capture.
- CO2CRC is demonstrating that CCS has great potential for enabling Australia to make deep emission cuts from major stationary sources, such as power stations.
- Through the Otway Project, CO2CRC has profoundly influenced government regulations in regard to CCS. Existing State regulations in regard to the Petroleum Act, the Pipelines Act and Planning both at local and State levels were reviewed and amended to accommodate carbon dioxide storage. This leads the way for future large-scale CCS projects in Victoria and other States.
- CO2CRC has profoundly influenced government policy, leading to various national and international initiatives (by industry and government) including proposals for other demonstration projects.
- Proposals for several billion dollars worth of clean energy developments in Victoria, WA, NSW and Qld have been put forward based on CO2CRC findings.
- Internationally, CO2CRC has made significant contributions to the development of the Intergovernmental Panel on Climate Change (IPCC) position on CCS, and the IPCC Special Volume on CCS.
- The Government is investing \$500 million for a National Clean Coal Fund, which offers significant recognition of the work conducted by CO2CRC and offers the prospect of further Federal Government support and funding for the CRC's clean coal carbon capture and storage research programs.
- CO2CRC has for the past 10 years led and will continue to lead the way in identifying suitable carbon dioxide storage sites in Australia. The Federal Government's program to map and test suitable large-scale storage sites in Australia complements CO2CRC research programs that first started in 1998.
- CO2CRC research and demonstration activities have put this country at the forefront of international CCS research, development and deployment.
- CO2CRC is an exemplar of public-private partnership. The Otway Project shows how public benefit and private good can come together to achieve an outstanding result for the country.
- The work of CO2CRC is extremely important to Australia's present and future energy security.
- CO2CRC is and will continue to be a leading agency in developing, demonstrating and deploying clean coal and clean fossil energy for a long time to come.

CAPTURE RESEARCH AND DEMONSTRATION PROEJCTS

The capture of carbon dioxide represents up to 80 per cent of the cost of geosequestration. The CO2CRC Capture Program researches, develops and demonstrates technologies that can reduce capture costs by 75 to 80 per cent.

CO2CRC has more than 50 researchers, post doctoral fellows and doctoral students working at six universities around the country on a range of cost-effective carbon dioxide separation techniques.

Trialing leading-edge capture technologies

The Victorian-based energy technology company HRL Developments, situated at Mulgrave in suburban Melbourne, and CO2CRC are conducting a world-first carbon dioxide capture technology project.

The project will trial patented CO2CRC capture technology, at HRL's Mulgrave research gasifier along with solvent-based membrane and adsorption capture techniques.

During the demonstration, researchers from Melbourne and Monash Universities and HRL will evaluate the capture technologies to identify which are the most cost effective for application to HRL's Integrated Drying Gasification Combined Cycle (IDGCC) power generation technology.

Cost-effective capture technologies could reduce carbon dioxide emissions from an IDGCC power plant by up to 90 per cent.

The successful capture technology could then be trialed at a larger scale at HRL's 400 MW demonstration IDGCC power plant in the Latrobe Valley. The demonstration plant is expected to be in operation in 2009/10.

The successful technology potentially could be used at similar plants around the world, contributing to significant reductions in greenhouse gas emissions.

The \$4.11 million pre-combustion carbon capture project has received \$2.06 million from the Victorian Government's Energy Technology Innovation Strategy (ETIS) Brown Coal R&D Grants program. The remainder of the funding will be provided in equal parts from CO2CRC and HRL.

Latrobe Valley Carbon Capture Research Hub

Another significant capture demonstration project is Australia's first research hub to fast-track the maturity of technologies that capture greenhouse emissions from coal-fired power stations.

In the Latrobe Valley in eastern Victoria CO2CRC, Loy Yang Power, International Power and CSIRO are working on a \$5.6 million research project that focuses on the reduction of emissions from brown coal power stations.

The Latrobe Valley Post Combustion Capture Project is one of the few projects to combine all of the carbon dioxide capture separation techniques in the one location.

During the project, CO2CRC researchers from Melbourne and Monash Universities along with CSIRO researchers will develop carbon dioxide capture technologies that will be tested at Loy Yang Power and International Power's Hazelwood Power Station.

The research project will assist the brown coal power industry in identifying the most cost-effective technology options that could be universally applicable to brown coal electricity generation.

The project has the backing of the Victorian Government, which has provided \$2.5 million of the project funds under ETIS.