



MEDIA RELEASE

MARTIN FERGUSON

Federal Minister for Resources and Energy

GEOFF WILSON

Queensland Minister for Mines Energy



**Queensland
Government**

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WORLD-FIRST LOW EMISSION COAL PROJECT UNDERWAY

The Federal Minister for Resources and Energy, Martin Ferguson AM MP, and Queensland's Minister for Mines and Energy, Geoff Wilson, have attended a ceremony to mark the commencement of works at the Callide Oxyfuel demonstration plant in Biloela, Queensland.

The Australian and Queensland Governments have committed \$50 million and \$35 million respectively to the project, which will demonstrate technology capable of reducing emissions from a typical coal-fired power station by 90 per cent.

Minister Ferguson said: "This is the first project of its type anywhere in the world and governments and industry across the globe are keenly awaiting its results."

The key to low emissions coal is the separation of carbon dioxide from other gases produced when coal is burned. The Callide Oxyfuel Project is retro-fitting an existing power station with technology which burns coal in oxygen and recirculated gases (rather than in air), thus creating a concentrated stream of CO₂ which can be captured, transported, and stored.

Minister Ferguson said: "Success at Callide will demonstrate that existing coal-fired power stations do not have to be dismantled to reduce greenhouse gas emissions."

"This project will lay the foundation for the widespread deployment of low emission coal technology so essential for Australian power generation and for the millions of people across the world relying on Australian coal. It is very pleasing to see the Australian coal industry making the significant contribution of \$68 million to this project from its Coal 21 fund."

Coal provides around 80% of Australia's total electricity and accounts for 32% of Australia's total CO₂ emissions. Australia is the world's largest exporter of coal and coal is Australia's biggest export. The coal industry's sustainability directly impacts Australia's economic prosperity, as well as the world's environment and energy supply.

Minister Ferguson said: "Despite the growth of renewable energy, coal will remain a major source of the world's energy for some decades and the International Energy Agency expects that by 2030, coal will provide a higher proportion of the world's electricity than it does today. Clearly, no serious response to climate change can ignore the need to reduce emissions from coal."

Queensland's Mines and Energy Minister, Geoff Wilson, said the Callide Oxyfuel project could be Australia's gift to the world.

Minister Wilson said: "This is about combining our intellectual and policy firepower, and working with industry towards a cleaner, greener energy future. It's Q2 at its smartest."

Minister Wilson said the Callide Oxyfuel project offered real potential for coal-fired power stations everywhere to reduce their carbon footprint.

“We’ve risen to the challenge and we can now encourage other nations to embrace our low emissions coal technology.

“It’s an exciting project. We’re taking Queenslanders and the rest of the nation into the future with strong, smart, green solutions.

“While we push ahead with renewable energy solutions and gas-fired power, coal will continue to play an important role in providing the power we need to get on with our daily lives.

“Our key challenge is to use it in an environmentally-sustainable way. What’s happening here today at Callide is a step in the right direction.

“We must all work together to address climate change. If it’s left to governments alone, it will never work. Climate change is the responsibility of all of us – governments, industry, scientists, and the community.

“Both the Australian and Queensland Governments are showing real leadership in tackling climate change. We’re leading the country towards a better, brighter future.”

Media contact: Michael Bradley – 0420 371 744 (Minister Ferguson)
Ellen McIntyre – 07 3225 1819 (Minister Wilson)