



MEDIA RELEASE

MARTIN FERGUSON

Minister for Resources and Energy
Minister for Tourism

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GOVERNMENT SUPPORT EXTENDS CCS PROJECT

One of the world's most significant carbon capture and storage (CCS) demonstration projects - the Queensland-based Callide Oxyfuel project - will receive additional funding from the Australian Government to extend its demonstration phase by fifteen months.

This Queensland-based project demonstrates how oxyfuel carbon capture technology can be applied to traditional coal-fired power stations to significantly lower CO₂ emissions.

The Minister for Resources and Energy, Martin Ferguson AM MP, announced the additional government funding at a ceremony marking the project's move into demonstration phase in Biloela, Queensland.

"The Government will contribute an additional \$13 million to the Callide Oxyfuel project to lengthen the project's demonstration phase out to November 2014," Minister Ferguson said.

"This will allow the project to achieve the 10,000 cumulative operating hours required as a standard to demonstrate new technologies.

"The extension provides stakeholders with greater commercial confidence in the proposed technology, and allows the project team to meet its CCS objectives, including storing some of the captured carbon dioxide."

Minister Ferguson said that he was confident the move would also have a positive impact on Australia's broader efforts to demonstrate and deploy CCS technologies.

"As recent reports by the IEA and ENGO Network highlight, supporting the testing of carbon capture and storage technology projects like this may help Australia meet our long-term emissions reduction targets with the least cost to the economy," Minister Ferguson said.

The remaining cost of the project's extension will be shared by Australian Coal Association Low Emissions Technologies Limited, the project's Japanese commercial partners, J-Power, Mitsui and Company Ltd and IHI Corporation and the Japanese Government.

"It is only through collaboration of this kind that development and deployment of CCS technology will be a viable reality in Australia and internationally in the near future," Minister Ferguson said.

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