



New Leadership.



FACT SHEET

National Clean Coal Initiative

As part of our National Clean Coal initiative a Rudd Labor Government will establish a \$500 million National Clean Coal Fund.

Today's announcement includes 3 new investments in the National Clean Coal Fund.

- \$50 million in a pilot coal gasification plant in Queensland.
- \$50 million to demonstrate carbon capture and storage in New South Wales.
- \$5 million for mapping and testing of carbon storage potential in Western Australia.

Coal is used to generate around 80 per cent of our electricity.

Coal is Australia's single largest export commodity, worth \$22 billion in 2006-07.¹

The coal industry contributes enormously to Australia's economic growth, employment, regional development and national prosperity.

The coal industry employs over 30,000 people directly and a further 100,000 indirectly – with many of these jobs in regional areas including the Hunter Valley in New South Wales, Central Queensland, Victoria's Latrobe Valley and Collie in Western Australia.²

Coal fired power stations are significant emitters of greenhouse gases. The Australian Greenhouse Office has estimated that coal fired electricity generation was responsible for one-third of all greenhouse gas emissions in Australia in 2005.³

Clean coal technologies offer the potential to trap and safely store carbon emissions, dramatically reducing greenhouse gas emissions from our fossil fuel fired power stations.

Federal Labor's National Clean Coal Fund will generate \$1.5 billion worth of new investment in clean coal technologies by working in partnership with industry.

Pilot coal gasification plant in Queensland

A Rudd Labor Government will commit \$50 million from the *Clean Coal Fund* towards the establishment of a pilot gasification plant in Queensland, in partnership with the State Government and industry.

This will see the development of integrated coal gasification and combined cycle power generators that are significantly more efficient than traditional coal fired power stations and

can be adapted to capture and store the carbon dioxide produced through the gasification process.

There is growing international interest in the potential for Integrated Gasification Combined Cycle (IGCC) power plants with carbon capture and storage as an efficient, low emission, technology for the future use of coal resources. Australia should be active in that international research effort.

Demonstrating carbon capture and storage in New South Wales

A Rudd Labor Government will commit \$50 million towards a \$150 million project to demonstrate carbon capture and storage in New South Wales.

In partnership with the State Government and industry, the project will involve:

- \$20 million for identifying possible geological storage sites for carbon dioxide in New South Wales and testing the suitability of those sites.
- Installing a large scale post combustion capture unit on an existing coal fired power station which would capture in excess of 50,000 tonnes of carbon dioxide a year.

Post combustion capture in the Latrobe Valley in Victoria

A Rudd Labor Government has previously committed to invest \$50 million to install a large scale post combustion plant on an existing coal fired power station in Victoria's Latrobe Valley. Labor will aim to have the plant installed by 2011.

The project will be critical in the development of full scale post combustion capture technology on existing brown coal fired power stations in the Latrobe Valley.

National Carbon Mapping and Infrastructure Plan

The development of clean coal technologies cannot succeed unless we identify large scale geological storage sites for carbon dioxide.

That is why Federal Labor has previously committed \$50 million from the *Clean Coal Fund* towards a National Carbon Mapping and Infrastructure Plan to map suitable areas and conduct detailed seismic and drilling work to test their geology.

The National Carbon Mapping and Infrastructure Plan will:

- Map and test suitable large geological storage sites that are stable and secure.
- Map and assess the infrastructure needed to transport captured carbon to those sites.
- Create the necessary regulatory framework to govern carbon storage.

A Rudd Labor Government will commit \$5 million from its *National Carbon Mapping and Infrastructure Plan* to work with the Western Australian Government and industry to identify and test possible geological carbon storage sites in Western Australia.

A Rudd Labor Government will also work with the States and industry to establish a robust regulatory framework for carbon capture and storage.

Funding the demonstration of clean coal technologies

While continuing research into clean coal technologies is important, the need to actually demonstrate the feasibility of those technologies is becoming vital.

Beyond the projects outlined above, a Rudd Labor Government will seek advice from industry and State Governments to identify and support further clean coal projects that offer the best outcomes.

National Research Program

A Rudd Labor Government will invest \$75 million in a **national research program** to develop clean coal and related low emission technologies. This will include \$25 million for the CSIRO to support its research efforts into clean coal technologies.

Labor will work with State Governments, industry and research institutions to set out national research priorities for the development of clean coal and related low emission technologies in Australia, and a roadmap to guide their deployment.

This will ensure that our national research effort is coordinated and draws together the many different research streams currently being pursued, to bring forward the deployment of clean coal technologies.

The research streams to be given priority will include:

- Black coal gasification.
- Black coal post combustion capture technologies.
- Brown coal gasification and post combustion capture.
- Integrating renewable energy with clean coal technologies.

An immediate task will be to identify the most effective way to continue the research currently being conducted by the CO2CRC and the CSSD, given the funding for both bodies is due to run out within three years.

Endnotes

¹ ABARE – Australian Minerals series.

² Australian Coal Association (2007).

³ Australian Greenhouse Emissions Information System (AGEIS) on the website of the Australian Greenhouse Office.