



Speech by

Hon. PETER BEATTIE

MEMBER FOR BRISBANE CENTRAL

Hansard Tuesday, 22 May 2007

MINISTERIAL STATEMENT

Clean Coal Technology

Hon. PD BEATTIE (Brisbane Central—ALP) (Premier and Minister for Trade) (9.46 am): Last week was an historic day for Queensland. An agreement was reached in relation to clean coal research. Clean coal technology, as members know, is the key to cleaner energy. We are developing clean coal technology right now in Queensland with a view to sharing that technology and bringing a much more substantial environmental outcome from some of the world's biggest greenhouse gas emitters like China, India and the United States.

The good news is that the coal industry is on board and backing Queensland's clean coal technology project. Last week, after a meeting the Deputy Premier and I had with the coal industry, I announced, along with the chairman and the CEO of the Queensland Resources Council, that the Queensland coal industry has pledged to raise approximately \$600 million over the next 10 years to fund clean coal initiatives.

This commitment by industry to work with the government in tackling climate change is an historic event and provides the state with the opportunity to combine advanced technologies in a policy setting to ensure continued growth. This fund, together with Queensland government support and the support of other contributors, will position Queensland at the forefront of global efforts to reduce emissions from fossil fuels and guarantee the long-term future of the coal industry.

The \$600 million commitment is in addition to my government's \$300 million investment in a near-zero emissions power plant in Queensland—a total of \$900 million. We will also be looking towards the Commonwealth to provide us with a significant contribution. This agreement that we reached last week with the coal industry will be recognised in special legislation which the Treasurer will introduce as part of the budget bills when she brings down the budget next month. I seek leave to incorporate more details in *Hansard* for the information of the House.

Leave granted.

Let me set the record straight—contrary to some media reports. ZeroGen has not been abandoned by the Queensland Government. This project is very much on the Government's radar.

The ZeroGen project is currently proceeding through a feasibility study, but we are keen to confirm that it is the best application of sponsors funds, to achieve the objective of expediting the deployment of clean coal technology.

In contrast, the BP/Rio Tinto project in Western Australia announced recently that it is only just commencing a four to five year feasibility study which is reported to not reach a decision point until about 2011.

The existing ZeroGen project is scheduled to complete its feasibility study by late 2008, some three years ahead of the Western Australian project.

We need rapid deployment of this technology and I welcome all efforts to add to the knowledge of clean coal technology, but we must do this with a sense of urgency to address the carbon issue.

As part of the ZeroGen feasibility process, drilling is in progress at a test site near Springsure in deep saline reservoirs that have held natural gas for millennia.

We are also keen to work with the Commonwealth to explore the capacity of the Galilee Basin to sequester much larger volumes of CO₂, as part of a larger future campaign to manage carbon.

This is the best opportunity yet for us to be a global market leader in Integrated Gasification Combined Cycle (IGCC) technology to be integrated with carbon capture and storage and for us to achieve deep cuts in greenhouse gas emissions.

This is an exciting time and developments are occurring rapidly.

I want the best clean coal technology project for Queensland so that all parties supporting it get the best possible outcome.

Importantly, the coal industry, Government and industry have agreed that a Clean Coal Council will be established with equal representation from the State Government and industry, in addition to technical experts.

The Council will advise the Government on funding priorities, assess projects and make recommendations on funding for the Government to consider.

Mr Speaker, Queensland is globally recognised for its leading edge clean coal research and development institutes, such as the:

Queensland Centre for Advanced Technologies

Centre for Low Emission Technology

CRC for Coal in Sustainable Development

We are also have a strong track record in innovation and collaboration.

Future deployment of clean coal technology will enable everyone who uses it to achieve deep cuts in CO₂ emissions and avoid the risks and dangers of going the nuclear route.

At the same time it is sustaining the future of Queensland's coal industry.