QUESTION ON NOTICE

No. 1741

asked on Thursday, 13 November 2008

MRS ATTWOOD ASKED THE MINISTER FOR MINES AND ENERGY (MR WILSON)—

QUESTION:

What is the government doing to progress clean coal technologies?

ANSWER:

I thank the Member for her question.

In September 2008, the Honourable Anna Bligh MP, Premier of Queensland outlined her Government's long-term vision for Queensland in Toward Q2: Tomorrow's Queensland. Q2 creates bold targets that will drive Premier Bligh's vision for a strong, green, smart, healthy and fair Queensland.

The Premier's Q2 vision includes a target of reducing the carbon footprint of Queenslanders by one third by 2020.

The development and deployment of low emission coal technology is an important step toward reducing Queensland's carbon footprint.

The Queensland Government is firmly committed to accelerating the development and deployment of low emission coal technologies in Queensland to achieve deep cuts in greenhouse gas emissions from the stationary energy sector.

The Government and the coal industry have entered into an agreement called the *Clean Coal Technology Special Agreement Act 2007* to invest $900 million to achieve this objective.

The $900 million is comprised of a $300 million commitment by the Queensland Government and the coal mining industry's voluntary fund of $600 million through the Coal21 Fund.

In June 2007, the Clean Coal Council was established as part of the Agreement. The Council is responsible for making recommendations to the Queensland Premier on priorities to be funded from the $900 million fund.

In Queensland, we have three key coal-based low emission technology demonstration projects – ZeroGen's Integrated Gasification Combined Cycle (IGCC) and the CS Energy lead Callide Oxyfuel Project, both with carbon capture and storage, and Tarong Energy's Post-Combustion Capture Pilot Project.

In March 2008, the ZeroGen project was reconfigured to a two-stage development and will now utilise more advanced gas turbine technology that will most likely be applied in a commercial scale plant. This will bring forward the ability to deploy commercial scale IGCC with carbon capture and storage. Subject to positive feasibility outcomes the new two-staged configuration plant will be a forerunner for a commercially based larger plant by 2017.

While IGCC may represent a future alternative to traditional coal-fired power generation, we still need to focus on our existing coal generation fleet.

The recently launched Callide Oxyfuel Project will demonstrate the combustion of coal in an oxygen rich boiler ultimately making the capture of carbon dioxide more effective, which provides Queensland with a potential pathway to retrofit our existing coal-fired power stations for carbon capture and storage.

Another emerging low emission coal technology involves Post-combustion capture which is the process by which carbon dioxide emissions can be captured from power station flue gases. CSIRO recently finalised an agreement with Tarong Energy to host a Post-Combustion combustion Capture pilot plant trial.

The application of low emission coal technology of course relies on the ability to store captured carbon dioxide. For this reason the Queensland Government recently announced commencement of Stage One of a Carbon Geostorage Initiative (CGI) to provide a State-wide assessment of prospective geological sites as potential storage for carbon dioxide. The Australian Coal Association has also committed $20 million to the CGI which is an indication of the coal industry's participation.

Low emission coal R&D activities in Queensland are currently undertaken through the Centre for Low Emissions Technologies (cLET). The Queensland Government has committed $9 million over four years towards cLET, with the final instalment of funds due in December 2008.

Separate to this, the Queensland Government has committed an additional $200,000 to cLET to undertake a pilot gasification scoping study.

Overall, through the combined strengths of its research and development base and leading demonstration projects, the Queensland Government is positioning itself to be at the forefront of low emission coal technologies that will result in deep cuts to the State's greenhouse gas emissions.

The development and deployment of low emission coal technology is an important step towards a cleaner, greener energy future and could be Queensland's gift to the world in the global fight against climate change.