# $125 MM To Lower Queensland Emissions

Two Queensland projects will share $125 million in funding through the federal government's Low Emissions Technology Demonstration Fund, (LETDF).

Energy and Resources Minister, Ian Macfarlane, said the Fairview Power Project to extract methane from coal then bury the $CO_2$ emissions will receive $75 million from the federal government to build a new power plant at Injune, near Roma.

"The project involves extracting methane from coal seams located too far underground to be mined", Macfarlane said. "The methane will be burnt in a 100 MW power station and the $CO_2$ emissions will be captured and injected back into the coal seam, closing the loop and reducing emissions."

The total life cycle cost of this project is $445 million with commencement in April 2007 and completion by 2015.

APPEA Chief Executive, Belinda Robinson, said the government's support for the Fairview Power Project acknowledged the increasingly important role gas will play in a substantially less greenhouse intensive future.

"Combining a 50% less greenhouse intensive energy source in the form of natural gas with innovative carbon capture and storage techniques provides a double benefit in addressing the greenhouse challenge", Robinson said. "APPEA has long advocated the prominent role that natural gas could, should and will play as Australia and the world make the transition to a lower greenhouse energy mix.

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"The project demonstrates that innovative greenhouse solutions can be more than fanciful ideas that fill conference venues. Government and industry working in partnership means real projects delivering real solutions to very real problems."

The federal government will also provide $50 million from the LETDF to CS Energy's world-first Oxy-Fuel Demonstration Project to retrofit the Callide power plant. "This $188 million demonstration project involves burning coal in an oxygen-rich environment to produce electricity", Macfarlane said. "The resulting exhaust gases, which include a high concentration of carbon dioxide, can be captured and stored underground." He said the project will be completed by 2015.

Meanwhile, in other greenhouse emission-friendly news, the federal government has also announced two other grants under the LETDF; $75 million for a large-scale solar concentrator in regional Victoria and $50 million for a pilot for a brown coal drying and a post-combustion $CO_2$ capture and storage project. ■

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