



Australian Senate

Christine Milne

Australian Greens Senators for Tasmania

media release

Otways carbon storage pointless PR, bad Budget decision

Hobart, Wednesday 2 April 2008 Australian Greens climate change spokesperson, Senator Christine Milne, today called on the Rudd Government to stop paying polluters by subsidising projects such as the Otways carbon storage project being opened today.

Senator Milne said "The Otways project is yet another attempt to demonstrate the safety of carbon storage while bypassing the really difficult aspect of proving that carbon can be effectively and affordably captured at coal fired power stations.

"The storage of CO₂ stripped from natural gas that will be done at the Otways is tiny in comparison to similar projects that are already being done overseas and will add little to our understanding of whether carbon can indeed be stored permanently and nothing to our understanding of whether significant carbon capture is possible.

"Years after being first proposed as Australia's carbon solution, there has still been no pilot plant demonstration of capture technology. Like cold fusion and 'Generation 4' nuclear power, carbon capture is always just over the horizon, while renewable energy technologies move ahead in leaps and bounds, even without the tremendous government support.

"The leader of the Otways project, Peter Cook, has admitted that this technology will always be too expensive to retrofit onto existing old power stations and new infrastructure will need to be built. If that is the case, surely we should leapfrog straight into the renewable energy technologies which don't create pollution in the first place.

"The Otways project is government-funded PR for the coal sector and would be a perfect place to start for a government looking to find Budget cuts.

"Instead of paying polluters to keep being able to justify their existence, the Government should use its first Budget to shift funding away from coal, oil and roads across to renewable energy, energy efficiency and public transport."

Ferguson out of line on coal, uranium

Martin Ferguson, Minister for Resources and Energy, is undermining any credibility the Rudd Government has on climate change, Senator Milne warned, and must be pulled into line.

Senator Milne said, "While the Prime Ministerial cat is away, the mice will play, and Martin Ferguson is taking the opportunity to raise his environmentally destructive flag once again.

"Martin Ferguson's vision that we can run our car fleet on liquidised coal is undoubtedly playing a key role in his proud support of the Otways project. He is fast-tracking funding to this horrendously polluting transport fuel while his Rudd Government colleagues talk up their commitment to climate action.

"Ferguson has also taken the opportunity of Prime Minister Rudd's overseas trip to resurrect the Howard Government's Uranium Industry Framework, pushing the boundaries on an issue that has already threatened to split the ALP. Mr Rudd must pull him into line."

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Notes:

- The Otways project will attempt to store some 100,000 tonnes of CO₂ stripped from natural gas over the course of 18 months.
- In comparison, a similar project in Algeria being undertaken by BP is storing around 1,000,000 tonnes each year.
- The other major storage projects, Sleipner and Snohvit in Norway, also involve storing CO₂ stripped from natural gas.
- There is no project anywhere in the world storing CO₂ stripped from coal at power stations.
- The dreams of effective geosequestration were dealt a significant blow earlier this year when plans for the world's first integrated carbon capture and storage project, FutureGen in the USA, were put on hold due to being well over budget and behind schedule. The Australian Government had invested in FutureGen.
- The ZeroGen project in Queensland, Australia's pin up for demonstrating carbon capture, is still several years from commissioning.
- There are a raft of major issues with liability for potential leakage that are yet to be worked through. With an issue that will require permanent storage, will companies or governments bear the long-term liability?
- Even at best estimates, geosequestration could only capture 70-90% of emissions from coal fired power stations.
- This means that geosequestration cannot provide a long-term solution for the complete decarbonisation that is necessary in the coming decades. It can only provide a very expensive and risky short-term option.