

MEDIA RELEASE

9 September 2004

CS Energy supports clean coal research

CS Energy's Callide A Power Station could be the site of a world-first, clean coal demonstration plant following the signing today of a Memorandum of Understanding between eleven Japanese and Australian industry and research partners.

Queensland Energy Minister, The Hon. John Mickel, announced at a ceremony at Parliament House in Brisbane today that collaboration would focus on reducing the impact of essential, coal-fired electricity generation.

CS Energy Chief Executive Mark Chatfield said the agreement marks an exciting development for the energy industry.

"This research is examining the first stage of a possible geosequestration solution to carbon dioxide management for coal-fired electricity generation. It is the first step towards creating a clean coal future," said Mr Chatfield.

The process concentrates the carbon dioxide in power station flue gas, making it easier and cheaper to capture and store the greenhouse gas.

"This technology has been long talked about, and now the Queensland energy industry is at the forefront of testing its potential.

"If it proves feasible, this process would provide a greenhouse solution not only for new coal based generation but for retrofitting into existing plants to eliminate their release of greenhouse gases," Mr Chatfield said.

The two-year study brings together Japanese and Australian expertise in electricity generation, boiler design and construction, and coal and greenhouse gas research, to investigate the potential application of oxy-fuel technology to the electricity generation sector.

The initial study will be used to determine whether one of CS Energy's stored Callide A station generation units could be converted as a demonstration plant. This decision is expected during 2006.

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