

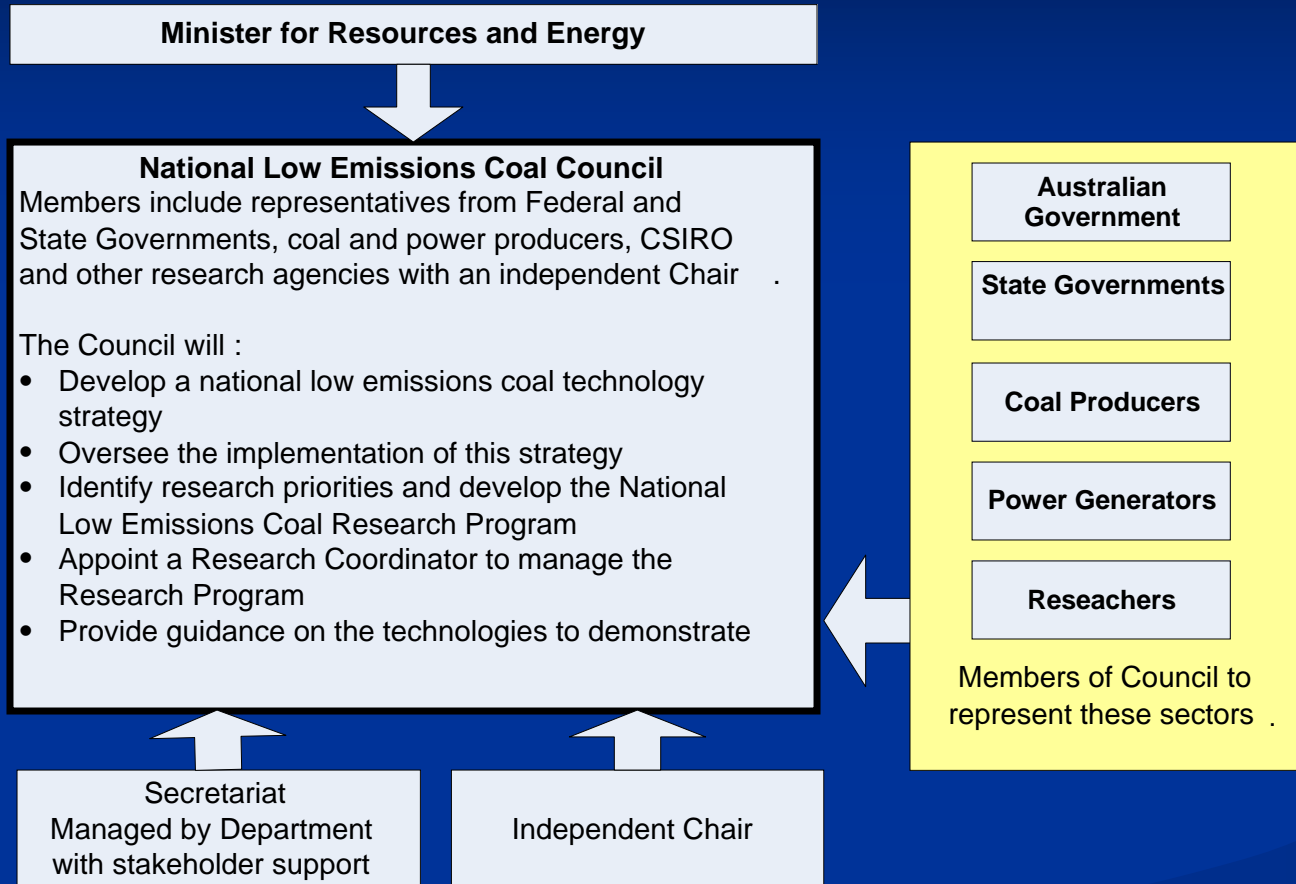
National Low Emissions Coal Initiative (NLECI)

- The NLECI has been established to:
 - Reduce coal emissions to meet 60% emission reduction target by 2050 while enhancing the contribution coal makes to energy security
 - Fast track the development and deployment of low emissions coal technology
 - Coordinate coal research and demonstration programs

National Low Emissions Coal Fund (NLECF)

- NLECI is supported by the \$500 million NLECF which will lever \$1 billion from other stakeholders
- Commitments include:
 - \$75m for a National Research Plan;
 - \$50m each for two PCC projects and one coal gasification research facility;
 - \$50m for a National Carbon Mapping and Infrastructure Plan;
 - \$35m for international engagement;
 - The balance for demonstration projects.

National Low Emissions Coal Council



National Low Emissions Coal Strategy

- Preliminary Report delivered to Minister in January 2009.
- Identified Key Issues:
 - Time imperative i.e. demonstrating CCS technologies at a commercial scale from 2015 and availability for deployment in Australia no later than 2020
 - Technological priorities for Australia
 - Challenges for commercial scale demonstration projects
 - Implications of the Carbon Pollution Reduction Scheme (CPRS)
- Final Report due to be delivered June 2009.

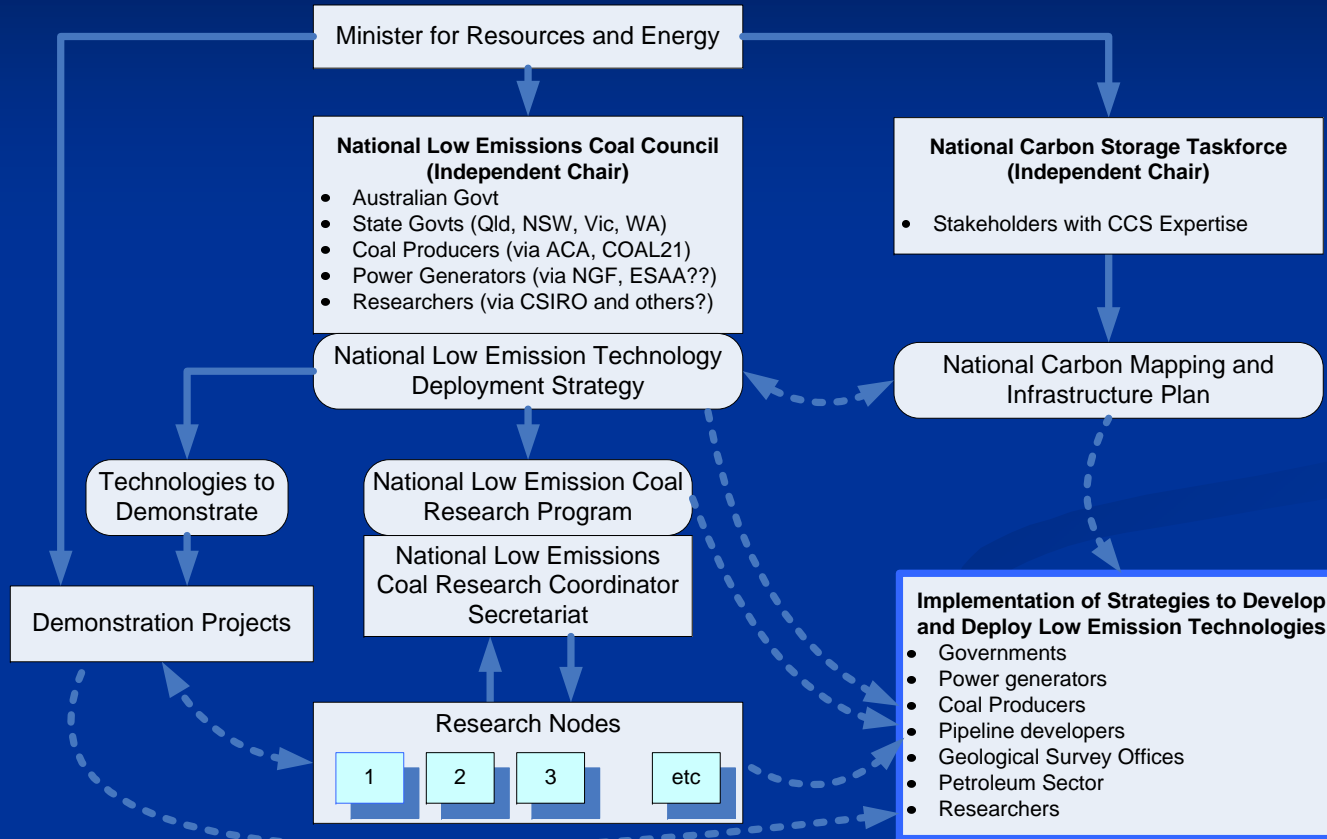
National Low Emissions Coal Research

- The Council will develop a coordinated national research program to provide the concerted effort needed to develop and deploy key technologies.
- The Council has now established a research centre – named National Low Emissions Coal Research Ltd - to coordinate and implement the research program.
- Research will be undertaken by research nodes that will build on a mixture of existing research centres and new centres.
- Contributions including the Australian Government's \$75 million will be channelled through National Low Emission Coal Research Ltd
- National Low Emissions Coal Research Ltd will:
 - Manage financial contributions and payments (agency to meet legal, financial and audit requirements of all contributors)
 - Manage funding and research agreements with research nodes and agencies
 - Manage intellectual property issues

National Carbon Mapping & Infrastructure Plan

- The National Carbon Mapping and Infrastructure Plan is aimed at ensuring access to geological storage sites is coordinated with the development and deployment of technologies to capture CO₂.
- The Plan is due to be delivered to the Minister in May 2009.
- The NLECI includes \$50 million towards a national pool of funds that will support the detailed work needed to develop geological storage sites and assess pipeline infrastructure needs.
- A Carbon Storage Taskforce has been established including stakeholders such as the oil and gas, gas pipeline, and coal sectors as well as State Governments and community groups (WWF, CFMEU). Keith Spence is the independent Chair.
- Implementation arrangements for the Carbon Mapping and Infrastructure Plan will build on cooperative arrangements between Commonwealth and State Geological survey agencies and industry.

Implementation of NLECI



National Low Emissions Coal Initiative Timeline

- Research Arrangements
 - April 2009 NLEC Research Ltd to formally commence operations
- Carbon Storage Taskforce
 - Report due mid-2009
 - Basis for National Carbon Mapping & Infrastructure Plan
- National Low Emissions Coal Strategy
 - Report due mid 2009

Progress to Date

- The final report for the National Low Emissions Coal Strategy is on track to be provided to the Minister in June 2009.
 - The Strategy will help shape Australia's contribution to the Global Carbon Capture and Storage Initiative goal of 20 flagship projects by 2020.

- The National Low Emissions Coal Research Centre - NLEC Research Ltd - has been established.

- Carbon Storage Taskforce
 - A geological ranking of potential storage basins for CCS has been completed.
 - Work has commenced on creating an engagement strategy to address community acceptance issues.