



# The Hon Chris Hartcher

## Minister for Resources and Energy

### Special Minister of State

### Minister for the Central Coast

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## MEDIA RELEASE

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Monday 4 June 2012

### **\$54M FUNDING TO RESEARCH CARBON DIOXIDE STORAGE**

Resources Minister Chris Hartcher today announced a \$54 million funding agreement between the NSW Government, Geoscience Australia and the Australian Coal Association to undertake a geological assessment of potential storage opportunities for the carbon dioxide by-product of coal burning power generation in NSW.

Each partner has contributed \$18.1 million to the NSW CO<sub>2</sub> Storage Assessment Program, expected to produce significant additional scientific knowledge of the State's basins.

The next stage of the program will involve the drilling of four wells in the Darling Basin in western NSW, an area which is considered to have strong potential for future carbon storage.

"NSW currently produces over 60 million tonnes of carbon dioxide per year from burning coal to produce electricity," Mr Hartcher said.

"This program is an important one given NSW is a major coal exporter, and encourages industry to apply for any future leases offered for gas storage."

The drilling program builds on earlier work undertaken at Delta's Power Station on the Central Coast which demonstrated that carbon dioxide can effectively be separated and captured after combustion in power generation.

"This is very much a research project and will involve narrow bore wells used for research and testing purposes only," Mr Hartcher said.

"There will be no injection of greenhouse gases on drilling sites, which will immediately be sealed and abandoned.

"The capture of CO<sub>2</sub> along with its transport and storage in sandstone-like formations - over 800m below the surface - may have the potential to significantly reduce NSW emissions."

Drilling in the Darling Basin is expected to commence later this year.