

## **CARBON CREDITS METHOD NECESSARY TO ACCELERATE EMISSIONS REDUCTION**

The release today of a draft methodology for public consultation for carbon capture and storage (CCS) under the Emissions Reduction Fund (ERF) is another important step towards accelerating the development and deployment of low emission technologies in Australia.

Low Emission Technology Australia (LETA) Chief Executive Officer Mark McCallum said a CCS method would enable carbon capture and storage projects to sell Australian carbon credit units to the Commonwealth or to the private market which is critical for investors.

“This is a pragmatic move from the Australian Government and one for which we’ve been advocating for a long time,” said Mr McCallum.

“Like carbon farming, CCS projects store CO<sub>2</sub> underground – they should have access to carbon credits.

“Reaching a net-zero carbon emissions future is a global challenge and one which requires all technologies and world-wide collaboration to address.

“Sound policy mechanisms — like carbon capture and storage projects being able to access carbon credit units — are critical to these efforts.

“Contrary to what is often reported, CCS is not a technology in its infancy. It is proven, working around the world today, and becomes more affordable with every project and facility developed. We expect this trend to continue as the technology progresses in Australia, and access to carbon credit units will help us do this and much faster.

“Around the world the interest and investment in CCS is increasing rapidly as a result of supportive funding and policy environments created by respective governments.

“We have projects in Queensland right now which we’re ready to make happen with government support like this in place.”

Mr McCallum said CO<sub>2</sub> storage is key to establishing hubs which can reduce and remove emissions from the industrial sector and help establish Australia’s position as a world leader in clean energy exports.

“Not only will a CCS method give investors certainty and advance the technology, it would also increase Australia’s global competitiveness in developing new industries like hydrogen and ammonia,” he said.

“Storage unlocks carbon hubs, allowing CO<sub>2</sub> from many sources including a range of industries and power stations to be safely and permanently stored, decarbonising those hard-to-abate sectors which we rely on for products we use every day, like power, steel and cement.

“At the same time, it enables industries of the future to be opened up, such as producing clean hydrogen and ammonia for fertiliser, which can be used domestically or to create lucrative export markets.

“We look forward to participating in the consultation process and will continue to pursue all available avenues to accelerate the development and deployment of these critical emissions-reducing technologies in Australia.” ENDS

### **About LETA**

LETA is a \$550 million fund established by the Australian black coal industry to invest in technologies that can significantly reduce emissions and support the transition to a low emission global economy, in line with the Paris Agreement. We partner with government and industry locally and internationally to develop projects that reduce and remove carbon emissions from large-scale industrial processes such as power generation, steel and cement manufacturing, mining, and future energy sources such as hydrogen. Our investment in low-emissions technologies demonstrate and support global action to lower industrial emissions in Australia and overseas.

### **About LETA projects**

LETA's projects include Australia's first carbon hub in Queensland, the Carbon Transport and Storage Company CCUS project, clean hydrogen production and the Allam Cycle – a near-zero emission power generation technology for coal.