
Coal industry backs low-cost carbon storage monitoring

Statement by Mark McCallum, Chief Executive Officer

Australian black coal producers are excited to be working with the Federal Government to fund monitoring of carbon capture, utilisation and storage (CCUS) in the Otway Basin as a further step to reduce emissions from energy production.

The \$45 million Otway Stage 3 Project will develop low cost CCUS monitoring technologies as part of the ongoing Australian Coal industry commitment to reducing emissions.

The Otway project is another important step in securing global leadership for Australia in reducing the cost of long-term carbon dioxide (CO₂) storage and monitoring and securing ongoing community confidence in CCUS as a proven, safe technology.

If Australia is to meet its emissions reduction targets and avoid economic disruption, it is essential to maintain electricity supply reliability and affordability while reducing emissions.

Coal-fired power plants can supply reliable, low-cost energy, however their CO₂ emissions need to be reduced.

The use of safe, proven, reliable CCUS technology can support cost-effective, reliable and cleaner energy.

The Otway Stage 3 Monitoring and Verification Project in south-west Victoria will develop sub-surface storage technologies which reduce the cost and environmental footprint of long-term CO₂ storage monitoring.

It will also provide regulators and communities with ongoing confidence that CO₂ injected deep underground is permanently contained. Technical and scientific work is expected to be complete by June 2022.

The project is jointly funded by the Federal Government, black coal producers through COAL21 and ANLEC R&D, BHP and the Victorian Government.

It involves the drilling of five new wells equipped with the latest technologies in fibre optics sensing and sub-surface gauges.

Through the injection of 15,000 tonnes of CO₂, CO2CRC will test and validate subsurface monitoring technologies including seismic data acquisition techniques, pressure tomography imaging and the closely related technique of pressure inversion.

This industry-backed project will substantially reduce the cost of long-term CO₂ storage monitoring activities and support the wider and ongoing deployment of CCUS across Australia and the world.

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