Media statement 25 March 2010

Delta welcomes carbon capture demonstration plant funding

Delta Electricity today welcomed the announcement of funding to fully assess the feasibility of a project to demonstrate integrated post combustion capture, transport and permanent geological storage of carbon dioxide from a black coal power station. The aim of the demonstration project is to capture and store 100,000 tonnes of CO2 per year in a secure deep geological formation.

To date, Delta has participated with CSIRO in a successful pilot research project to test the capture of carbon dioxide at its Munmorah power station. The outcomes of this research have informed the design of the demonstration project.

Industry & Investment NSW are undertaking a state-wide exploration and drilling program to assess the potential for deep geological storage of carbon dioxide in NSW.

Following deep core drilling at Delta's power station sites – Munmorah and Vales Point - on the NSW Central Coast, the exploration program has now moved to the upper Hunter Valley and will then move to western NSW.

The final location of a storage site will dictate at which power station the carbon capture demonstration project will be located.

Investment in the demonstration project, announced by the Hon. Ian Macdonald, NSW Minister for Resources yesterday, is funded equally by the Australian Government, NSW Government and the Australian Coal Association.

Post combustion capture of carbon dioxide is a technology which has the potential to significantly reduce greenhouse emissions from existing coal and gas fired power stations.

Delta is committed to developing a sustainable energy industry. To achieve this we have invested in carbon capture research, low emission gas generation, renewable energy generation using biomass as well as increasing the operational efficiencies of its existing coal fired plant.

ends.