Media Release

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LETA
Low Emission Technology Australia

INTERNATIONAL ENERGY AGENCY REVIEW OF AUSTRALIA'S ENERGY POLICIES SAYS WORK STILL TO BE DONE ON SCALING UP CARBON CAPTURE AND STORAGE

An in-depth review of Australia's Energy Policies by the International Energy Agency (IEA) has recommended the Australian Government should ensure that low-emission technologies like carbon capture and storage (CCS) are supported by a coherent national strategy.

While the IEA has reaffirmed that Australia is well-suited to large-scale deployment of CCS to facilitate domestic CO2 abatement and support regional emissions reductions, it has also outlined that there is more that needs to be done.

The IEA has stated that: "The IEA estimates that, on a path toward net zero emissions by 2050, many technologies already exist today but need to be scaled up. Governments need to invest today in the development and demonstration of the most critical technologies needed by 2050. This is notably true for the hard-to-abate sectors, where demonstration has to start before 2030."

The Review's recommendations align with work already under way by LETA to co-invest in CCS and other low emission technology projects.

In particular, the Review has highlighted the importance of pre-competitive geoscience information and that "… high-quality pre- competitive data offers significant competitive benefits for Australia."

LETA recommends the Government work with industry and research organisations to enhance this geoscience information through rigorous, targeted geological characterisation. This work would maximise Australia's natural geological resources towards decarbonisation and energy security, by enabling the identification of storage sites for emissions reduction investment and development in the near future.

Notably the IEA review has highlighted the Carbon Transport and Storage Company (CTSCo) Project as a significant project in Australia that aims to demonstrate the viability of industrial-scale CCS in Queensland, within a Surat Basin hub, that captures and stores emissions from multiple generators and other industrial sources.

LETA CEO Mark McCallum said he was pleased to see the CTSCo recognised by the IEA as an important project for Australia's energy and economic security, as we transition to a low carbon economy.

"Practical, low emissions technology like CCS allow Australia to build on its competitive advantages, reduce emissions from existing industries and enable industries of the future such as hydrogen and it is encouraging to see this reflected in the IEA's report."

"Unfortunately, the discussion in Australia has too often dismissed technologies like Carbon Capture and Storage, because the focus – incorrectly - is on energy source rather than emission reduction outcomes.

"All available and proven technologies must be at the forefront of measures to reduce and remove carbon dioxide from large-scale emissions processes such as power generation, mining, processing and manufacturing.

"We know CCS is essential to the creation of low emissions hydrogen and clean, large scale hydrogen production from fossil fuels will be possible within the next few years at Australia's first commercial scale CCUS Hub in Queensland through the support from LETA and our other co-funders.

"LETA is proud to be investing in such a critical project, which is leading the way in the development of new hydrogen technologies.

"Importantly, this regional hub will support industry and jobs in the Surat Basin, Gladstone and the surrounding areas, now and into the future.

"LETA has been investing in low emissions technologies for more than a decade to significantly reduce emissions and support the transition to a low emission global economy," said Mr McCallum.

"One of the technologies we're advancing is CCS because it can make the fastest, single most significant contribution to emission reduction globally.

"Like any technology it takes time, resources, commitment and strong leadership to develop and deploy at commercial scale, and each new generation of these technologies lowers the cost and increases its effectiveness. Government policy plays a critical role to enable this technology development and deployment."

The Australia 2023 Energy Policy Review is part of the IEA's 5 yearly in-depth peer reviews of its member countries' energy policies.

The report can be viewed on the IEA website at https://www.iea.org/reports/australia-2023

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