

MEDIA RELEASE

Competitive R&D to fast-track lignite low-emissions power

Brown Coal Innovation Australia (BCIA) today announced more than \$3.5 million dollars in funding for research and development to improve the efficiency of low-emissions brown coal power generation.

For its third competitive funding round, BCIA is seeking R&D projects that are technically 'excellent' and that will lead to a sustainable low-emissions future for brown coal-fired power generation as part of Australia's energy mix. BCIA research investment recognises the significant economic value of Australia's world-class brown coal resource and the critical need to reduce carbon emissions from power generation.

BCIA Chief Executive Officer, Dr Phil Gurney said "By 2030, coal is expected to account for more than 40 per cent of the world's fuel needs for power generation. Technology innovation that improves the efficiency of the combustion process will simultaneously lower the rate of CO₂ emissions and the cost of deployment.

"In the long-term, without the application of technologies to reduce or capture CO₂, the use of brown coal for electricity generation will cease to be viable," Dr Gurney said.

BCIA aims to support brown coal power generators in the evaluation of new technologies that can achieve demonstrable improvements in efficiency and profitability and can accelerate the deployment of greenhouse gas reduction technologies.

The key priority areas for BCIA's 2013 funding round are:

- improving power generation efficiency (for example, heat recovery, advanced control & instrumentation)
- reducing the cost of CO₂ capture
- improving coal quality for combustion (for example, silica removal and dewatering)
- reducing the costs of coal preparation (for example, mill optimisation and maintenance).

In 2011, BCIA awarded \$8.3 million in funding for ten world-class research and development projects offering enormous potential to significantly reduce emissions, slash carbon capture costs and create new industry and employment opportunities from low-emissions brown coal utilisation.

BCIA's research investment portfolio encompasses 22 research projects, ten of which are now complete, with a current total leveraged value of more than \$31 million including industry, research institute and State and Federal Government funding.

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ABOUT BROWN COAL INNOVATION AUSTRALIA

Brown Coal Innovation Australia (BCIA) is a not-for-profit, member-based company with a mandate to invest in the development of the future workforce and the technologies required to achieve a sustainable, low-emissions future for brown coal.

Established in late 2009, BCIA has received multi-million dollar funding from the Victorian government, through the Energy Technology Innovation Strategy, and the Australian Government, via a relationship agreement with Australia National Low Emissions Coal R&D (ANLEC R&D). The ANLEC R&D relationship agreement provides for BCIA to manage ANLEC R&D's brown coal energy research portfolio.

Australia has vast brown coal deposits; encompassing about a quarter of the world's known reserves. Innovation of improved technology for brown coal usage involves substantial costs, and time and investment in R&D has significant benefits for industry competitiveness and Australia's future economic prosperity.

BCIA funds and facilitates multi-million dollar research and skills development investments to drive innovation in the brown coal value-chain; from mine-mouth to the capture of CO₂. Strategic management of its R&D investment portfolio underpins BCIA's innovation support and operational activities.

The company is addressing the challenges and opportunities of fostering low-emissions brown coal development by:

- providing a key entry point to progress shared research and development activity between industry, research and government stakeholders
- focusing strongly on skills-development and the expansion of training opportunities to secure the scientific, engineering and trades expertise needed for development of new low-emissions brown coal technologies.

BCIA innovation funding supports research and development initiatives that are technically excellent and that will lead to increased commercial deployment of low-emissions brown coal technologies in the short, medium and long term.

Beyond emissions reduction, current and future international price indications for oil, gas and metallurgical coal provide new exploitation opportunities for the conversion of brown coal to liquids and other high-value commodities. BCIA's research investment objectives are:

- to advance and accelerate innovative technologies in Australia by supporting focused, collaborative research in high priority technologies
- to retain local expertise in, and attract international expertise to, Australia in support of investment in brown coal-related technologies
- to support growth in skills and capacity in Australian brown coal-related technologies for the domestic and international markets
- to make the results of that research available, as appropriate and respecting intellectual property, to BCIA's funders and to the Australian public.

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