



Clean Coal Victoria



Unlocking the potential of brown coal

As part of its strategic planning for the coal resource, Clean Coal Victoria has started a coal exploration drilling program in areas within and outside the Latrobe Valley.

This exploration program will increase understanding of the quantity and quality of the coal resource, provide accurate data to support planning decisions, and contribute valuable information to the Victorian Government's three-dimensional map of Victoria's earth resources.

The Latrobe Valley contains a significant proportion of the world's brown coal reserves, easily accessible in thick seams close to the surface. These brown coal reserves are Victoria's largest natural resource asset.

The increasing scarcity and cost of other energy sources such as oil and gas opens up a potential new range of commercial uses and export opportunities for brown coal.

Examples include automotive gasoline, aviation turbine kerosene, automotive diesel fuel, synthetic natural gas, hydrogen, methanol, ammonia, urea and their derivatives.

With appropriate treatment to reduce reactivity, it is also possible to produce thermal coal, metallurgical coal and activated carbon products for mineral processing. This has the potential to generate significant value from exports.

Clean Coal Victoria will also provide information and support for the Coal Trade Initiative and other Victorian Government programs designed to attract major investment in Latrobe Valley clean coal resource initiatives.

Further information

If you would like to receive this information/publication in an accessible format (such as large print or audio) please call the Customer Service Centre on 136 186.

Published by
Department of Primary Industries
1 Spring Street
Melbourne, Victoria 3000
Australia
May 2009.

© The State of Victoria, 2009.
This publication is copyright. No part may be reproduced by any process except in accordance with the provisions of the Copyright Act 1968.

Authorised by
Victorian Government
1 Spring Street
Melbourne, Victoria 3000
Australia

ISBN 978-1-74217-478-5 (Print)
ISBN 978-1-74217-479-2 (Online)

Disclaimer - This publication may be of assistance to you but the State of Victoria and its employees do not guarantee that the publication is without flaw of any kind or is wholly appropriate for your particular purposes and therefore disclaims all liability for any error, loss or other consequence which may arise from you relying on any information in this publication.

www.dpi.vic.gov.au/minpet

What is Clean Coal Victoria?

Clean Coal Victoria (CCV) is a new body set up by the Victorian Government dedicated to maximising the value of Victoria's coal resources in order to best deliver the economic, social and environmental objectives for local communities and Victoria.

The extensive Latrobe Valley brown coal reserves are Victoria's largest natural resource asset. They supply fuel for 90 per cent of Victoria's electricity generation. Apart from electricity generation, there are exciting opportunities through clean coal technologies for new commercial uses and exports.

Coal has potential to become one of the new drivers of economic growth in Victoria, and CCV will play a key role in unlocking this potential which can be realised by attracting new ideas, investment and people to the Latrobe Valley region.

Clean Coal Victoria will develop strategic resource plans to manage Victoria's valuable coal resources, developing detailed information about our current resources and undertaking test drilling to determine the quality and quantity of brown coal resources in under-explored areas.

It will ensure our brown coal resources are protected for future generations, helping to reduce land-use conflicts and will play a key role in working with the community and industry to attract new investment and economic growth in areas such as the coal-rich Latrobe Valley.

The Victorian Government has provided \$12.2 million to form CCV, which will be based in Traralgon, a regional city in the heart of the Latrobe Valley, and will be a focal point for the community and industry to engage with Government on coal issues.



Principal functions

The principal functions of Clean Coal Victoria are strategic planning, regional environmental planning, research and investigation of the coal resource, and engaging with the industry, the community and other key stakeholders.

Strategic planning for coal will address a range of issues including the next generation of coal mines, new technologies, water use and supply, future coal demands, carbon dioxide capture and storage needs and will support new infrastructure requirements.

Regional environmental planning will involve analysis and advice on environmental issues and requirements, including planning for long term rehabilitation, subsidence management and protection of ground water resources.

Investigation of the coal resource will define the quantity and quality of brown coal reserves, using field activities such as drilling and sampling, other data acquisition techniques, and analysis to develop precise, detailed maps using the latest 3D technologies.

Stakeholder engagement will involve whole of government representation to engage industry, communities, local government, employee groups, research institutions, investors, environmental organisations and other key stakeholders, and to provide stakeholder feedback to Government to guide coal development decisions.

Why Clean Coal Victoria was created

Ensuring secure, reliable and affordable supply of energy from Latrobe Valley brown coal to deliver economic, social and environmental objectives for Victoria is a key aim of the Victorian Government. The Government has committed to develop the Latrobe Valley as a hub for energy and resources.

Since the privatisation of the State's electricity assets the Government has not had a major role in the strategic planning of the coal resources. In its 2006 election platform the Victorian Government announced plans to establish a new body to develop a strategic plan for coal development in Victoria.

The Victorian Government created Clean Coal Victoria to provide strategic planning and develop expertise to ensure the future sustainable development of coal.

A collaborative approach

A significant challenge facing the Latrobe Valley coal resource is the need to reduce greenhouse gas emissions. Future developments will rely on world-leading innovative, clean coal technologies and efficient and sustainable use of coal.

Other environmental and social issues also need to be addressed and demand improved co-ordination and strategic planning of the coal resource. To achieve this, Clean Coal Victoria will work collaboratively with stakeholders.

An important aspect of this collaboration is CCV's role as an interface between the Victorian Government and other stakeholders, such as local community groups, local government, industry and investors, and other government departments, such as the Department of Sustainability and Environment, the Department of Planning and Community Development, and the Department of Innovation, Industry and Regional Development.

What is "clean coal"?

"Clean coal" describes technologies which remove, reduce or isolate the carbon pollutants associated with processing coal. This may be achieved through developing technologies and processes such as those to reduce the amount of CO₂ emitted during coal conversion or those to capture CO₂, where carbon pollutants are isolated and placed in long term storage. Clean coal technologies including carbon capture and storage (CCS), are seen as a means to reduce greenhouse gas emissions arising from the use of coal.

The Latrobe Valley has a unique advantage with the nearby underground reservoirs in Bass Strait offering potential secure long-term storage options for carbon dioxide that may be generated from processing of coal in the region.

Such solutions allow continued use of brown coal with low-emissions, providing a transitional framework for reliable and affordable energy supplies working in parallel with development of renewable energy sources.

The Victorian Government is also committed to meeting a 60 per cent reduction in greenhouse gas emissions by 2050 compared to emission levels present in 2000. The Victorian government has actively funded the development of clean coal technologies and a range of renewable energy sources through the Energy Technology Innovation Strategy. Enabling the future development of the coal industry in a carbon constrained environment is an important aspect of Government's commitment to a low emissions future.

