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CCS funding decision levels the playing field for carbon abatement options

Energy Networks Australia welcomes the decision by the Federal Government to level the playing field by allowing the Clean Energy Finance Corporation to fund Carbon Capture and Storage technology.

Energy Networks Australia CEO John Bradley said permitting investments in Carbon Capture and Storage (CCS) technologies by the Fund was consistent with a “technology neutral” regulatory framework for achieving carbon abatement.

“Australia’s economy is inherently carbon intense and it needs all viable technology options on the table to achieve deep decarbonisation in line with the Paris aspiration of zero net emissions by the second half of the century,” Mr Bradley said.

“CCS has the potential to support long-term carbon abatement in major industries with significant carbon emissions, like metal manufacturing, fertilisers and advanced manufacturing.

“CCS technologies are not ‘pro-coal’, they are just one of the potential tools that could help Australia to efficiently achieve carbon abatement at scale, while maintaining energy security and affordability.

“The Clean Energy Finance Corporation should determine its investments based on the prospective projects which can leap frog our carbon abatement capability in Australia. Respected international institutions including the International Energy Agency, have identified CCS as having the potential to play a key role in a low carbon future.”

Mr Bradley said a technology neutral approach should guide both support mechanisms for Research, Development and Demonstration, like the CEFC, and the development of stable and enduring carbon policy which is urgently required to de-risk future energy investments.

“Energy networks are committed to enabling deep decarbonisation in Australia’s energy system,” Mr Bradley said.

“Our recent work with the CSIRO in the Electricity Network Transformation Roadmap recommended technology neutral approaches, and noted that technologies like CCS, concentrated solar thermal, pumped hydro and Power to Gas hydrogen solutions all have potential to play a key role in future energy systems.

“Similarly, the recent Gas Vision 2050 publication identified CCS, along with renewable biogas and hydrogen technologies, as transformational technologies that could enable our gas infrastructure to achieve deep decarbonisation.”

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Energy Networks Australia represents Australia’s electricity transmission and distribution networks and gas distribution networks. Our members provide energy to virtually every household and business in Australia.