

6 July 2023

Committee Secretary
Senate Standing Committees on Environment and Communications
PO Bo 6100
Parliament House
Canberra ACT 2600

Dear Committee

INQUIRY INTO THE ENVIRONMENT PROTECTION (SEA DUMPING) AMENDMENT (USING NEW TECHNOLOGIES TO FIGHT CLIMATE CHANGE) BILL 2023 [PROVISIONS]

Chevron Australia appreciates the opportunity to make a submission to the inquiry by the Senate Standing Committees on Environment and Communications on the Environmental Protection (Sea Dumping) Amendment (using New Technology to Fight Climate Change) Bill 2023 [Provisions] legislation (the Bill).

Chevron supports the provisions of the Bill and its passage through the Senate given it will facilitate meeting net zero emission commitments in Australia and the region through deployment of carbon capture, utilization, and storage (CCUS).

Chevron also supports the recommendations and comments provided in the submission provided by the Australian Petroleum Production & Exploration Association (APPEA) on this matter.

For further information on the importance of CCUS to Australian and regional climate change mitigation please see Chevron's recent submission to the House of Representatives Standing Committee on Climate Change, Energy, Environment and Water report on the inquiry into the 2009 and 2013 amendments to the London Protocol

Chevron Australia Pty Ltd ABN 29 086 197 757 1 The Esplanade, Perth WA 6000 Tel: 08 9216 4000 Senate Standing Committees on Environment and Communications Page 2 July 6, 2023

and its recommendation to ratify the London Protocol 2009 and 2013 amendments<sup>1</sup>. In that submission, we highlighted the following:

- The transport of carbon dioxide (CO<sub>2</sub>) across national boundaries for permanent storage will play an important role in reducing industrial emissions at scale, particularly in hard-to-abate sectors.
- Australia's comprehensive regulatory frameworks for CO<sub>2</sub> storage, both at a Commonwealth and State/Territory level (where they have been implemented), ensure any local environmental risks are identified and mitigated effectively.
- There is significant interest in the Asia-Pacific region for the development of an international export market for CO<sub>2</sub> for permanent storage, particularly from Australia's major trading partners such as Japan, Singapore and South Korea.
- The treatment of carbon capture and storage (CCS) and cross-border transport
  of CO<sub>2</sub> for the purposes of storage in national inventories is provided for in the
  Intergovernmental Panel on Climate Change (IPCC) Inventory Guidelines.

We would like to highlight that CCUS is a proven technology with several projects around the world storing CO<sub>2</sub> safely and permanently in subsurface geology, both offshore and onshore. In Australia, Chevron operates the Gorgon carbon capture and storage (CCS) system on Barrow Island.

## The Gorgon CCS System

Carbon capture and storage (CCS) is a proven solution for reducing greenhouse gas emissions. CCS is the process of capturing CO<sub>2</sub> either to prevent it from entering the atmosphere or to directly remove it from the atmosphere and permanently store that CO<sub>2</sub> underground. CCS is critical to a lower-carbon future and essential to achieving the net zero goals of the Paris Agreement.

The Chevron-operated Gorgon CCS system is currently the largest integrated CCS project of its kind in the world. Chevron is committed to safely injecting and sequestering CO<sub>2</sub> as part of its emissions reduction strategy, while sharing lessons learned with the Western Australian and Australian Governments, research institutions and other energy producers to assist in the deployment and scalability of CCS in Australia. Since commencement of the CCS system, Chevron has:

- Injected/stored or offset more than 15 million tonnes of GHG (including more than 8 million tonnes of actual abatement and more than 8 million verifiable offsets acquired and surrendered); and
- Invested more than \$3.2 billion in the Gorgon CCS System with further investment in the coming years to improve system performance and increase injection/storage rates.

<sup>1</sup> Submissions - Parliament of Australia (aph.gov.au)

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Chevron reiterates its support for the passage of the Bill through the Senate as an important legislative step to enable deployment of CCUS projects offshore that help reduce emissions of both Australia and the region.

Yours faithfully,

David Fallon