



1 July 2024

Senate Standing Committee on Environment and Communications
Parliament House
PO Box 6100
CANBERRA ACT 2600

(via email to: ec.sen@aph.gov.au)

Dear Chair

RE: SUPPLEMENTARY SUBMISSION TO THE INQUIRY INTO GLENCORE'S PROPOSED CARBON CAPTURE AND STORAGE PROJECT

LETA understands that the Committee no longer intends to hold public hearings on this inquiry. As such I am writing to provide supplementary information to the Committee following the Queensland Government's announcement that Glencore's Carbon Transport and Storage Corporation (CTSCo) project would not be allowed to proceed. I believe it is important that this information be put on the record as the Committee finalises its report to the Parliament.

As the Committee is aware, reducing Australia's greenhouse gas emissions is critical to limiting the effects of global warming and meeting Australia's targets under the Paris Agreement. Carbon capture and storage (CCS) is a proven technology that can form an essential part of Australia's pathway to net zero, particularly for those parts of our economy with hard-to-abate emissions such as cement, steel and aluminum.

The CTSCo project itself had been independently reviewed by Australian and global experts, including the Australian Government Independent Expert Scientific Committee (IESC), the Queensland Office of Groundwater Impact Assessment (OGIA) and the CSIRO who concluded that any impacts would be local and minor. Commenting on the CTSCo project in the media, Geoscience Australia said:

Due to the basin's immense size and the geology/hydrology of the area identified for the injection, this CO₂ storage project will not threaten the viability of groundwater in the Great Artesian Basin.¹

The resounding view of independent scientific experts was that this project would have a minimal and isolated impact. However, based on an alternative view provided by consultants engaged by the agricultural sector, and the subsequent strong community concerns that these views generated, the project was rejected by the Queensland Government at the final hurdle following years of work and many millions of dollars of investment.

This is both disappointing and a backwards step for Australia's goal of net zero emissions by 2050. It is also a potential challenge to Premier Miles' own ambitious target of 75% emissions reduction by 2035 and achieving net zero greenhouse gas emissions by 2050. It is now incumbent upon the Premier to outline in detail how Queensland achieves its own targets without one of the potentially important options to reduce emissions in hard-to-abate sectors of its economy. These sectors make up a significant portion of Queensland's overall emissions and will have little option other than to purchase carbon offsets.

However, of greater concern to LETA and many other stakeholders is the subsequent decision taken by the Queensland Government to ban CCS activities anywhere in the Great Artesian Basin, regardless of a project's environmental impacts, merits or benefits to the wider economy.

This decision, taken by the Queensland Government without consulting impacted stakeholders, reverses a bipartisan policy that has been in place for more than fifteen years following the introduction of the state's *Greenhouse Gas Storage Act 2009*. It is also a decision that is contrary to the Queensland Labor Government's decision to release multiple greenhouse gas exploration tenements which granted companies permission to begin exploring suitable locations for CO₂ within the GAB.

¹ www.abc.net.au/news/rural/2024-04-04/glencore-wastewater-great-artesian-basin-carbon-capture/103564954.

In relation to the suitability of CCS activities in the GAB, the Queensland Government's own *Business Queensland* website² states:

*Carbon dioxide dissolved in water is not toxic. Naturally occurring dissolved CO₂ is present in high concentrations in certain areas of the Great Artesian Basin. Leaks of CO₂ are extremely unlikely because the geological formations that would be used to store the CO₂ are not open and are sealed by one or more impermeable layers.*³

For over a decade, companies have been invited to invest hundreds of millions of dollars into Queensland through CCS projects. However, the Queensland Government has now bowed to political pressure from certain sectors, ignoring the science in favour of ideology and emotion. All of this investment has now been lost and likely cannot be recovered under the new laws passed by the Queensland Parliament. This sends a poor signal to those looking to invest in emissions reduction projects in Queensland.

More alarmingly though, the Queensland Government has blocked access to a key emissions reduction technology, meaning there are fewer credible solutions for reducing emissions from hard -to-abate industries. This will see the future of these industries become uncertain and Queensland jobs and communities put at risk.

Around the world, Governments, including in the US, UK and EU, and Australia's major trading partners like Japan and Korea, are investing billions of dollars in CCS technologies to support emission reduction efforts of large critical industries like steel, cement and power. Australia cannot afford to be left behind when it comes to supporting the adoption of this important technology – but we are.

Ultimately, without CCS, achieving net zero will cost more, take longer and may not even be possible.

Australia is at a crucial juncture when it comes to the adoption of this technology. We can embrace the science and recognise the important role that CCS can play in decarbonisation, or we can let ideology and emotion win the day. I urge this Committee to choose the former, and not let ideology trump science.

LETA would welcome the opportunity to discuss this submission with the Committee. If you have any questions, or if we can provide any assistance to the Committee,

Yours sincerely

Mark McCallum
Chief Executive Officer

² <https://www.business.qld.gov.au/>

³ www.business.qld.gov.au/industries/mining-energy-water/resources/petroleum-energy/authorities-permits/applying/greenhouse-gas/about-capture-storage