

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Resources, Energy and Tourism Portfolio

Additional Budget Senate Estimates

23 February 2011

Question: AR9
Topic: Coal21
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Senator Ludlam asked:

Senator LUDLAM—Thank you; that is all helpful. I might just put this question on notice. The Australian Coal Association has made a billion-dollar commitment to the COAL21 fund for carbon capture and storage. I am keen to find out how much of that, if any, has actually been spent—not committed to but spent on the various commitments that the Coal Association has made. My understanding is that that was a 10-year commitment, and they are lagging quite seriously in the spending. Could you take that on notice?

Mr Clarke—Certainly.

Answer:

The Australian Coal Association (ACA) established the COAL21 Fund in 2006. The Fund will raise approximately \$1 billion over ten years from a voluntary levy on the production of black coal.

The ACA has advised the Department that at the end of December 2010, the levy had raised \$234,115,394 and of that \$141,248,827 had been expended. This rate of expenditure is consistent with the staged development of demonstration projects, where prefeasibility and feasibility studies are undertaken prior to more significant capital outlays.