Senate Standing Committee on Finance and Public Administration ANSWER TO QUESTION ON NOTICE

Prime Minister and Cabinet Portfolio Department of Climate Change

Additional Estimates Hearing-February 2008

Written question reference: CC13

Outcome/Output: Response to climate change

Topic: FutureGen coal project

Hansard Page: Not relevant for written QoN

Question:

Senator MILNE—The former Howard government promised a substantial sum of money to the FutureGen coal project, being led out of the US. Can you indicate whether your government is going to continue with that, given that the Bush administration has now withdrawn support for that FutureGen project? How much did the Howard government promise, and how much are you going to pay?

Answer:

This matter falls within the Resources, Energy and Tourism portfolio, which has advised as follows.

The US Government is restructuring the FutureGen project to retrofit carbon capture and storage to existing coal gasification plants, rather than constructing a purposebuilt plant.

The Australian Government is considering all the issues relating to the restructuring of FutureGen before deciding whether to proceed with the previous Government's decision to commit \$15 million to the FutureGen International Partnership.