

## **RESPONSE TO COLDRY PROPOSAL**

The LVSG cannot support the existing Coldry proposal put forward by Environmental Clean Technologies (ECT), because it would add to the load of carbon dioxide already in the atmosphere.

The technology proposes to use waste heat from the existing power companies on site to extract water from the brown coal and then to export most of the dried coal as pellets to countries like China for them to burn in power generation and other industries.

The Coldry pellets produced are said to be equivalent to black coal in heat content. With an initial production target of 2 million tonnes of pellets per annum after 3 years, the burning of this will contribute an extra 7.3 million tonnes of carbon dioxide to the atmosphere each year. When peak production of 20 million tonnes is achieved in 2020, the carbon dioxide entering the atmosphere each year will be 73 million tonnes. This is carbon dioxide which wouldn't be there if this fuel was not burnt.

The view of the LVSG is that Renewable Energy technologies should be encouraged and as much fossil fuel as possible needs to be kept in the ground to prevent further overloading of the atmosphere with carbon dioxide. In our view, creating a product like Coldry will promote the use of more coal and accelerate the process of detrimental climate change and that the money proposed for this project be spent on renewable energy technologies, such as Geothermal, Ocean wave, Wind, Solar Thermal, Photovoltaics, Tidal, Hydro and Biofuels, such as methane as well as a Biochar.

The 6 billion cost of the project would buy 1300 2MW wind turbines producing about 2600 MW of electricity or 1500 to 2000 MW of Ocean Wave electricity and probably much more than this for Geothermal electricity.

However, aspects of the proposal would meet the approval of the LVSG. The conditions under which the LVSG would give its blessing to the Coldry development would be

1. No Coldry pellets to be exported outside the Latrobe Valley
2. No new power station be built in the LV to use any coal products including Coldry pellets
3. Only waste or regenerated heat is used to extract the water from the brown coal.
4. No part of the power stations present electricity production is diverted to the Coldry process, or if it is, the net reduction of carbon dioxide emissions is far greater than that produced by the Coldry process.
5. The cost of the modifications to accommodate the Coldry process by each power station is entirely born by the venture capital and the power companies themselves and that no taxpayer money is to be used to do the upgrade.

We recognise that if these conditions are met, then this proposal may contribute to an overall reduction in the carbon dioxide emissions from brown coal fired power stations and to prolong the acceptability of this type of electricity generation for a little longer than otherwise would have been the case. Eventually, the world of which the Latrobe Valley is a part, MUST stop burning coal. If we don't, then the world will not be able to stay at the projected locked in temperature rise of 2° C globally, with catastrophic effects. We have already seen the effects of climate change with a 0.8° C rise and by the time in the next 30 – 40 years we get to a 2° C rise, we will see much worse.