Coolimba welcomes Government $2 billion CCS commitment

Integrated energy company Aviva Corporation (ASX: AVA) today welcomed the Federal Government’s $2 billion Budget commitment to the development of Carbon Capture and Storage technology in Australia.

Aviva is developing the Coolimba Power project in WA’s mid-west region, which has been designed as one of Australia’s first, commercial scale, carbon capture ready power stations.

The Government announced it would allocate more than $2 billion of new funding to develop industrial-scale carbon capture and storage (CCS) projects to boost Australian technology and tackle climate change. The funding will be invested over nine years in the Carbon Capture and Storage Flagships program, which will support first-of-a-kind industrial-scale demonstration projects for CCS.

Aviva CEO Lindsay Reed said the commitment was a great vote of confidence in the future of CCS.

“We welcome this significant commitment by the Federal Government for the development of CCS technology in Australia, and the recognition of its central role in a low carbon economy of the future,” Mr Reed said.

“Coolimba Power is now a project of global significance, and we believe it is the best opportunity in Australia for a commercial scale integrated CCS project,” he said.

The Coolimba Power project is located 270km north of Perth. It involves a proposed 400-450MW coal fired power station, with provision for a 360MW gas fired power station and up to 2.9 million tonnes per annum carbon sequestration project. The project is being jointly developed by local integrated energy company Aviva and global power company AES.

Aviva and Mid West oil and gas producer, AWE Limited recently engaged world leading CCS specialists CO2CRC to investigate carbon storage potential in the North Perth Basin. The study concluded that the carbon storage potential in the North Perth Basin was of the order of 500Mt.

Coolimba’s CCS credentials are bolstered by its proximity to storage locations and the experience of development partner AES, which captures up to 12% of the flue gas emissions at two of its power plants in the USA.

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ABOUT AVIVA
Aviva is an integrated energy company listed on the Australian Stock Exchange (ASX:AVA) and the Botswana Stock Exchange with its head office in Perth. The company is growing a portfolio of integrated energy assets. Aviva's most advanced asset is the Coolimba Power project in Western Australia.

Coolimba Power is a 400MW base load power station in the Mid West. The project is conveniently located in the northern half of the SWIS power grid to take advantage of demand growth both in the SWIS and from new resource projects in the Mid West Region. The location has the advantage of low cost fuel, available water, adjacent infrastructure, existing mining lease and freehold land.

Please visit: www.avivacorp.com.au or www.coolimba.power.com.au

ABOUT AES
The AES Corporation is one of the world's largest global power companies, with 2007 revenues of $13.6billion. With operations in 29 countries on five continents, AES’s generation and distribution facilities have the capacity to serve 100 million people worldwide.

AES’s 15 regulated utilities amass annual sales of over 78,000 GWh and AES's 123 generation facilities have the capacity to generate approximately 43,000 megawatts. AES’s global workforce of 28,000 people is committed to operational excellence and meeting the world's growing power needs. To learn more about AES, please visit www.aes.com or contact AES media relations at media@aes.com.