



MEDIA RELEASE

Downer EDI Mining part of the solution to climate change – Mining fleet switches to biodiesel fuel

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Downer EDI Mining's year-long biodiesel trial at the Commodore coal mine in Queensland has resulted in a reduction in greenhouse gas emissions of almost 20%, leading the company to introduce biodiesel blend into all its heavy earthmoving equipment at Commodore with effect from 12 January this year.

Downer EDI Mining provides a total mine service to InterGen Australia (part of the InterGen global power-generation group) to operate the Commodore mine 200 kilometres west of Brisbane and deliver approximately 3.5 million tonnes of raw coal per year to InterGen's adjacent Millmerran Power Station.

Downer EDI Mining Chief Executive Officer, David Overall, said that emissions from the mining fleet equipment involved in the biodiesel trial had dropped by 1,025 tonnes CO₂-e since the trial began in November 2007.

"To put this into perspective, this is equivalent to the total annual emissions from 256 average cars.

"By changing over to a biodiesel blend in 27 major plant items at Commodore, our annual greenhouse gas emissions at the site will reduce by approximately 4,100 tonnes CO₂-e, which is equivalent to the total emissions from more than 1,000 cars or approximately 300 Australian households.

At Downer EDI Mining we have embraced our responsibility to develop solutions to the challenges associated with climate change," Mr Overall said.

“We are obviously delighted with the success of the biodiesel trial at Commodore, and with the cooperation of both InterGen and our fuel supplier, Freedom Fuels, which has enabled us to test the feasibility of using alternative fuels in open-cut coal mining.”

The trial not only looked at the impact on the environment, but also at the implications for engine life, maintenance requirements and fuel efficiency.

The biodiesel (B20) blend comprises 80% petroleum diesel and 20% biodiesel. The biodiesel is manufactured from tallow and waste cooking oil by Biodiesel Producers Limited (BPL) at its plant at Barnawartha, Victoria, 20km south of Albury Wodonga.

According to Freedom Fuels Australia Carbon Strategy & Compliance Manager Natalie Tuffley, Freedom Fuels Australia endorses the many benefits associated with choosing biodiesel.

“The job creation and reduced reliance on foreign imports will build as more users choose biodiesel as their lower-carbon fuel alternative. Downer EDI Mining’s decision to bring biodiesel to its Commodore mining operation brings a great sense of pride and achievement to the team at Freedom Fuels Australia,” Ms Tuffley said.

“Freedom Fuels’ values are underpinned by a genuine desire to partner with likeminded parties who wish to leave the planet a better place than they found it. Using biodiesel - and the associated lowering of greenhouse emissions for the Commodore mine - is a solid step, with significant outcomes for the local community and Australia in general.”

InterGen Australia General Manager Operations, Mal Gamble, said that InterGen was extremely supportive of Downer EDI Mining’s decision to introduce biodiesel to the Commodore mining operation.

“At Millmerran, we actively implement InterGen’s worldwide sustainable development policy across a range of programmes, with a significant focus on greenhouse gas emissions.

“Millmerran uses supercritical steam cycle technology, which requires less fuel than an equivalent conventional unit. This technology saves coal and reduces CO²-e

emissions by 400,000 tonnes per year, when compared to conventional coal-fired power stations,” Mr Gamble said.

“We have a similarly strong focus on preserving our water resources, and our programme won national recognition in 2006, when we were awarded the prestigious Banksia Environmental Award in the water category for outstanding achievement in protecting or enhancing Australia’s water resources.

“It is obviously a pleasure to partner with a company like Downer EDI Mining, which shares the same environmental values as us.”

According to Mr Overall, renewable fuels are one of a number of portfolio options that Downer EDI Mining is implementing to reduce its greenhouse gas emissions and deliver on its commitment to be part of the solution to climate change.

“As part of this strategy, each of our 34 projects is undertaking a workshop to identify emission-reduction projects. Operations are identifying between 1 and 3% reduction potential, and we will be driving the project improvements systematically. Already, more than 50 potential projects have been identified and are under review. Additional measures being considered include carbon sequestration using trees,” Mr Overall said.

CONTACT DETAILS

Nikki Wood, Public Affairs Manager, Downer EDI Mining M. +61 417 780 939