

Firm planting 20m trees to battle CO₂

Nigel Wilson
Energy writer

TWENTY million mallee trees will be planted in NSW and Western Australia under a deal being hailed as the nation's biggest carbon offset program.

Carbon offset company CO₂ Group has signed an agreement with Woodside to plant mallee trees in the 2008 and 2009 growing seasons to offset the CO₂ produced by the giant gas company's \$12 billion Pluto LNG project.

The plantations will have an estimated carbon offset value of \$25 million over 50 years, with most value being generated in the first two years.

Woodside has the option of funding additional plantings between 2010 and 2012, which would lift the value of the offset program by a further \$75 million.

Woodside chief executive Don Voelte said yesterday that as part of the resource company's environmental investigation for the Pluto project on Western Australia's Burrup Peninsula, several options had been examined to handle the

1.7 per cent CO₂ contained in the gas.

Mr Voelte said Pluto's CO₂ emissions could be offset most efficiently by planting the trees.

CO₂ Group's chief executive, Andrew Grant, said the carbon offset program, which the company would manage for Woodside through its subsidiary CO₂ Australia, confirmed the scale of business opportunities in the rapidly emerging carbon market.

"Our CO₂ Australia carbon sequestration program is well-positioned to capitalise on this emerging market, as CO₂ Australia offers a low-cost and highly saleable accredited solution to major Australian companies, multinationals and governments," Mr Grant said.

The CO₂ Group said next year's plantings would take place in NSW, with all subsequent plantings in Western Australia. Mr Grant said mallee had been chosen because it required little water and could be planted in degraded farming land.

The program, if developed to its full extent, would require about 25,000ha of land.