

Investing in infrastructure

Envirogen New South Wales & Queensland

Envirogen owns and operates four power stations based on waste coalmine methane. Power from the stations is generated using waste methane gas extracted during the mining process in underground coalmines.



Capturing the methane normally released into the atmosphere from coalmines eliminates significant quantities of greenhouse gases. It also uses a resource that would otherwise be wasted to generate the electricity needed to power 43,860 homes.

Envirogen's power stations have an aggregate installed capacity of 35MW. This was expected to increase to 41MW in July 2009.

What is the investment?

Envirogen's power stations all have long-term site leases, generation connection arrangements, gas supply agreements and electricity off-take contracts. The electricity produced by the power stations is sold into the local grid, which reduces transmission losses.

Location

Tahmoor, Teralba, Glennies Creek, New South Wales and Oaky Creek, Queensland

AustralianSuper's interest in the asset 9.4%

How AustralianSuper invests in infrastructure

Australiansuper invests in infrastructure assets as a way of diversifying our investment portfolio. To most people infrastructure means assets like bridges, toll roads and utilities, but in fact it can include a wide range of other investments. We are keen to invest in projects that have direct benefits for the community and/or the environment.



The stations are all fully operational and recently commissioned, so they require minimal plant upgrades to expand their capacity. Envirogen intends to expand its operations to take advantage of the other opportunities available in this sector.

How does AustralianSuper invest?

AustralianSuper invests in Envirogen through the Utilities Trust of Australia, which is managed by Hastings Funds Management.

(Information sources: Hastings Funds Management, Envirogen website, June 2009)

Did you know...

- Methane gas has 21 times the global warming potential of carbon dioxide, so using it for power generation has big benefits for the environment.
- Envirogen's power stations abate around 1,400,000 tonnes of carbon dioxide equivalent each year. This is like removing 314,000 cars from the road.
- Envirogen and the waste coalmine gas sector eliminate 6.5 million tonnes of CO₂-e per annum. This represents 80% of Australia's reduction of fugitive emissions under its Kyoto reporting obligations.

Would you like more information?

If you have any questions about making an investment choice

Call AustralianSuper on:

1300 300 273

and ask to speak to one of our qualified financial advisers – they can provide over-the-phone financial advice at no cost.

Or visit our website at:

www.australiansuper.com/infrastructure

Our website also provides a wealth of investment information and resources.

Important information: This document was prepared by AustralianSuper in January 2010. This document is of a general nature and does not take into account your personal objectives, situation or needs. Before making a decision about AustralianSuper, consider your financial requirements and read our Product Disclosure Statement, available at www.australiansuper.com/Forms/Publications or by calling 1300 300 273. AustralianSuper Pty Ltd ABN 94 006 457 987 AFSL 233788, Trustee of AustralianSuper ABN 65 714 394 898. 'Industry Superfund' logo used with permission of Industry Fund Services (IFS). This consent had not been withdrawn at the date of publication.