



## Green Gas Signed Ukrainian Coal Mine Gas Project

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In December, 2009 Krasnodonugol (KNU) and Green Gas officially signed the agreements for a project to utilise the abundant mine gas from the Sukhodolska-Vostochnaya coal mine, in Krasnodon, 150 km east of Donetsk, in Ukraine. The agreement allows Green Gas to develop the project in co-operation with KNU over a lifespan of 15 years. The gas will be flared through 25 MWth Hofstetter Umwelttechnik flare which should be operational in August 2010. The project has the potential to reduce emissions by the equivalent of some 200,000 tons of CO<sub>2</sub> each year.

Green Gas began long-term co-operation with KNU in 2007 with the improvement of their existing gas drainage system to secure maximum gas qualities and quantities while enhancing mine safety. As a partner to KNU, Green Gas provides the integration of underground gas drainage expertise and gas utilisation capability combined with knowledge and execution of carbon credit related issues.



The project provides significant safety, environmental and economic benefits. The mine benefits from enhanced safety and reduced electricity consumption through improved gas drainage system that uses less power; and additional revenues from the sale of carbon credits. Air quality also improves by destroying methane that would otherwise escape into the atmosphere.

Green Gas intends to install CHP units to generate electricity with a capacity of up to 12 MWeI as a second phase of development. This electricity can be used to power the mine or be distributed into the public grid under a new Ukrainian Green Tariff scheme.