



**Carbon Capture & Storage Association**

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# CCSA Weekly Newsletter

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## Headlines

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- EPRI to study post-combustion capture
- CCS included in Canadian budget
- House approves \$825 bn stimulus package
- New CCS legislation for Kansas
- Venezuela opposes inclusion of CCS in CDM
- Carbon price volatility threatens CCS investment
- McKinsey warns of challenge to avoid 2°C rise

## Our website

For more information about the Carbon Capture & Storage Association, our members, news highlights, events, links and much more please visit our website.

[www.ccsassociation.org](http://www.ccsassociation.org)

## UK News

- Miliband comments on CCS
- Unite backs CCS

## European News

- Commission proposes €1.25 bn for CCS

## International News

- Leed and Zhejiang universities form alliance
- EPRI to study post-combustion capture
- CCS included in Canadian budget
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- Australian Government expected to make CCS funding announcement
- New CCS legislation for Kansas
- Venezuela opposes inclusion of CCS in CDM

## Reports

- Carbon price volatility threatens CCS investment
- McKinsey warns of challenge to avoid 2°C rise

## UK News

### Policy

#### Miliband comments on CCS

25 January 09 - In an interview with The Sunday Times, Ed Miliband has said that “Britain should lead by example on CCS.” He refused to comment on if the government would award money to E.ON for CCS at Kingsnorth, or if he would approve the plant if it did not win the competition. In Parliament last week, Miliband said “I believe that we will be in a strong position to secure at least one of the European demonstration projects in addition to our own.” View the [full story](#) and the [transcript](#) from Parliament.

### Announcements

#### Unite backs CCS

23 January 09 - Derek Simpson, joint leader of Unite, has expressed the union’s support for CCS and called for further financial support for research and development work in the area. Unite is campaigning to ensure that the UK manufacturing industry is fully involved in any CCS work programme. View the [full story](#).

## EU News

### Announcements

#### Commission proposes €1.25 bn for CCS

28 January 09 - The European Commission has presented proposals for €5 billion of investment in energy and broadband infrastructure projects as part of the EU recovery plan. The €5 billion comes entirely from unspent money in the EU budget and a total of €1.25 billion has been proposed for investment in five CCS demonstration projects. (This funding would be in addition to the 300 million EUAs that have previously been agreed upon.) A list of specific CCS projects that could potentially benefit from the money has been drawn up, with an envisaged Community contribution of €250 million for each project. Under the proposal Germany, the Netherlands, Poland, Spain (with Portugal) and the UK will all host a project. The projects listed to potentially receive the funding in the UK are Kingsnorth, Longannet, Tilbury and Hatfield. View the [full story](#) and a further [press release](#).

Also view the [CCSA press release](#) and the [CBI press release](#), which said “The British Government must now show real urgency and vision to ensure UK CCS demonstration plants can be up and running as soon as possible.”

## International News

### Projects

#### Leeds and Zhejiang universities form alliance

25 January 09 - Academics from the University of Leeds and Zhejiang University in China have formed a strategic research alliance that will operate under the name UoL-ZJU International Centre for Sustainable Energy Sciences and Technologies. The alliance aims to study issues such as pollution control, CCS and alternative fuels. View the [full story](#).

#### EPRI to study post-combustion capture

27 January 09 - The Electric Power Research Institute, along with several utilities and other companies and organisations, will study the impact of retrofitting advanced amine based post-combustion capture technology to existing coal-fired power stations. The study will be conducted this year, with reports given from each site. The five sites selected for the study are as follows:

- Edison International's 1,536-MW Powerton plant, operated by Midwest Generation LLC in Illinois.
- Great River Energy's 1,100-MW Coal Creek plant in North Dakota.
- Emera Inc. subsidiary Nova Scotia Power Inc.'s two 160-MW units at its Lingan plant in Nova Scotia.
- One of the two units at Intermountain Power Agency's 1,640-MW Intermountain plant in Utah.
- The 176-MW circulating fluidized-bed boiler at FirstEnergy Corporation's Bay Shore plant in Oregon, Ohio.

View the [full story](#).

### Announcements

#### CCS included in Canadian budget

27 January 09 - The Canadian budget, which was unveiled on Tuesday, includes a \$1 billion fund to support clean energy projects such as CCS. Over five years the fund provides \$15 million for research and \$850 million for demonstration of large-scale CCS and other technologies. Companies that invest in CCS will also receive tax breaks along with direct assistance. Greenpeace in Canada have condemned the funding as “an environmental travesty” and described CCS as a “pipe dream”. View the [full story](#) and the [comments](#) from Greenpeace.

## House approves \$825 bn stimulus package

28 January 09 - The House of Representatives voted in favour of the \$825 billion stimulus package. The package, known as the American Recovery and Reinvestment Act of 2009, includes \$2.4 billion for demonstration of CCS technologies. The Senate is also expected to approve a similar version of the bill. Once that has happened the differences between the two must be resolved by House and Senate negotiators to create a final package. View the [full story](#) and the [text of the Act](#) relating to CCS, which is under the heading 'Fossil Energy' in Department of Energy Programs.

## Australian Government expected to make CCS funding announcement

29 January 09 - The Australian Government is expected to reveal offers of federal funding, possibly of more than \$1 billion, for companies looking to develop a full-scale CCS project in Australia. It is thought that the announcement will be made at the opening of the Global Carbon Capture and Storage Institute (GCCSI) in Canberra next month. View the [full story](#).

### Policy

## New CCS legislation for Kansas

26 January 09 - Lawrence Republican, Tom Sloan, has introduced new legislation that would require new power stations in Kansas to capture and store or reuse 45% of their CO<sub>2</sub> emissions. House Bill 2038 would also require existing plants to be retrofitted to capture 20% of their emissions by 2015. Opposition to the bill has already been expressed by the state's largest utilities, who say that CCS will not be available for 10 to 15 years and the bill will therefore prevent any new plants being built. View the [full story](#).

## Venezuela opposes inclusion of CCS in CDM

28 January 09 - Venezuela has submitted a paper to the UN saying that CCS should not be included in the Clean Development Mechanism. Venezuela says that it is too early for CCS to be allowed to earn credits for emissions reductions under the CDM and calls for more research into storage sites and leakage risks as well as legal work on long term liability. View the [full story](#).

## Reports

### Carbon price volatility threatens CCS investment

23 January 09 - Economic consultants, The Brattle Group, have released a report saying that any climate change policy must include a mechanism to control carbon price volatility or risk delays in investment of up to 20 years in technologies such as CCS. The report suggests using a slowly evolving floor price to address volatility, although it notes that a carbon fee or tax would be a better system than cap-and-trade to see stable prices. View the [full story](#).

### McKinsey warns of challenge to avoid 2°C rise

26 January 09 - A new report written by McKinsey has warned that any further delay in global efforts to tackle climate change is not an option if rises in temperature of 2°C are to be avoided. The report estimates the cost of addressing climate change to be €200-350 billion per year by 2030, which equates to about 0.5% of GDP. CCS, it says, will be amongst the most costly measures to be deployed. View the [full story](#).

## Quote

"If CCS is to play a significant role in meeting climate change targets, it's imperative that this technology is implemented as quickly as possible."

Jeff Chapman, Chief Executive of the CCSA  
(Commenting on the European Commission's proposal)

## Upcoming events

### Building Conferences: Delivering Energy Infrastructure



24 February 2009, London, UK

For more information view the brochure on the CCSA website.  
[ccsassociation.org/useful\\_info/associated\\_events.html](http://ccsassociation.org/useful_info/associated_events.html)

### Platts 3rd Annual European Carbon Capture and Storage conference



26-27 February 2009, Brussels, Belgium

€300 EXCLUSIVE DISCOUNT FOR CCSA MEMBERS  
 Quote 'CCSA'

Platts 3rd Annual European Carbon Capture & Storage conference will once again unite the CCS community in tackling the current structural challenges, review CCS projects in their various stages and look to uncover opportunities in what will be a changed regulatory environment to ensure CCS lives up to its potential.

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 Visit: [www.platts.com/Events/2009/pc965/](http://www.platts.com/Events/2009/pc965/)

### CO<sub>2</sub> Capture, Sequestration & Utilisation



5-6 March 2009, Beijing, China

Highlights: "Integrating Energy Production with Carbon Management Strategy"

- Integrating CTL with CCS
- Current international cooperation/partnership on CCS
- Environmental, regulatory framework and incentives, socio-economic challenges
- Current CO<sub>2</sub> capture technologies
- CO<sub>2</sub> geological storage & criteria for site mapping
- Other applications of CO<sub>2</sub>
- Carbon markets and linkage with CCS

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Visit: [www.cmtevents.com/?ev=090313&st=31&pg=Sc](http://www.cmtevents.com/?ev=090313&st=31&pg=Sc)

### CDMC 5th Clean Energy Forum - Coal Gasification 2009



1-3 April 2009, Tianjin, China

CCSA MEMBERS SAVE \$200  
 Quote 'CCSA'

CDMC 5th Clean Energy Forum-Coal Gasification 2009 aims to trigger global efforts in facilitating clean coal reliability, commercial viability and economics and engender customer confidence. The world industry pioneers and practitioners will bring you the latest developments and performances of coal gasification, UCG, IGCC and CCS. Also you will reach the first hand information of clean coal related business opportunities all over the world, particularly in China, India, Indonesia, South Korea and Central Asia etc.

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## Petroleum Economist Forum on Carbon Capture & Storage

- Event postponed until June



9-10 June 2009, London, UK (Note the change of date)

AS A MEMBER OF CCSA YOU CAN SAVE £245.

Join the Petroleum Economist Forum on Carbon Capture & Storage and explore the complex challenges behind the realities of implementing CCS technologies:

- Is CCS the key to large scale de-carbonisation?
- What policies are needed to drive progress?
- Testing, testing, testing - justifying the demonstration projects
- Developing commercial opportunities for CCS
- The PR challenge - How can CCS win over public opinion?

For more information:

Visit: [www.petroleum-economist.com/ccs](http://www.petroleum-economist.com/ccs)

Call: +44 (0) 20 7779 8840

Email: [events@petroleum-economist.com](mailto:events@petroleum-economist.com)

## External events

### Coal UK 2009 Conference and Awards Dinner

26 February 2009, London

<https://pull.xmr3.com/cgi-bin/pull/DocPull/9327-173448-1CAB/54023308/Coal%20UK%20-%20Email%203.pdf>

### Carbon World Doha Summit 2009

27-28 April 2009, Doha, Qatar

<http://www.cmtevents.com/eventschedule.aspx?ev=090420&>

### Coal-Gen Europe

1-4 September 2009, Katowice, Poland

[www.coal-gen-europe.com](http://www.coal-gen-europe.com)

### 2009 SPE International Conference on CO<sub>2</sub> Capture, Storage and Utilisation

2-4 November 2009, San Diego USA

[www.spe.org/events/co2/](http://www.spe.org/events/co2/)

### IFP 3<sup>rd</sup> International Symposium: "Capture and geological storage of CO<sub>2</sub> - Accelerating Deployment"

5-6 November 2009, Paris

[www.ifp.com/actualites/evenements/congres-et-conferences/organises-par-l-ifp/colloque-co2-2009](http://www.ifp.com/actualites/evenements/congres-et-conferences/organises-par-l-ifp/colloque-co2-2009)

## In Parliament

### Bill proposed on emissions performance targets

A Private Members' Bill, introduced by Charles Kennedy, seeks to make provisions for establishing emissions performance standards for power stations. The Bill has not yet been debated, but is on the Order Paper for a Second Reading debate on 3 July. View the [website](#).

## CCSA News

### CCSA welcomes EC funding proposal

The CCSA has welcomed the proposal by the European Commission for €1.25 billion in funding for CCS with this [press release](#).

### Jeff Chapman comments on CDM

Jeff Chapman, Chief Executive of the CCSA, has been quoted on BusinessGreen in an article about the failure to include CCS in the Clean Development Mechanism. Commenting on the future of the CDM (which is to be decided at the UNFCCC talks in Copenhagen later this year) he said, "Negotiators in Copenhagen are starting from a blank sheet of paper, so the CDM may not be around after 2012, when investment is needed for the developing world." View the [full article](#).

### WEFS presentations now online

Presentations from the World Future Energy Summit 2009 (including the one given by Jeff Chapman, Chief Executive of the CCSA) are now available on the [WFES website](#).

## Contact Us

The Carbon Capture & Storage Association (CCSA) exists to represent the interests of its members in the business of capture and geological storage of carbon dioxide (known as Carbon Capture and Storage, or CCS) as a means of abating atmospheric emissions of carbon dioxide and potentially, as a means of enhancing the production of fossil hydrocarbons. From its base in London the CCSA brings together specialist companies in manufacturing & processing, power generation, engineering & contracting, oil, gas & minerals as well as a wide range of support services to the energy sector such as law, banking, consultancy and project management.

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