



**Carbon Capture & Storage Association**

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Week 3 November 2009

# CCSA Weekly Newsletter

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## Headlines

National Policy Statements and consultation response published

RWE applies to build a CCS pilot but pulls out of the UK competition

SSE to submit plans for CCS pilot

ICO<sub>2</sub>N release two reports

## 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

National Policy Statements and consultation response published

RWE applies to build a CCS pilot, but pulls out of the UK competition

SSE to submit plans for CCS pilot

## International News

Commission fails to gain support to distribute 300m EUAs

US DOE signs agreement with Hydrogen Energy

Siemens technology chosen for Taylorville Energy Center

Canada expected to fund natural gas CCS projects

## Reports

WCI publishes report on financing CCS

ICO<sub>2</sub>N releases two reports

IEA releases World Energy Outlook 2009

## UK News

### National Policy Statements and consultation response published

9 November 09 - Ed Miliband, Secretary of State for Energy and Climate Change, made a statement to the House of Commons this week giving an overview of the six draft National Policy Statements (NPS) on energy. The NPSs will guide the work of the Infrastructure Planning Commission and are designed to speed up the process of gaining planning permission. The draft NPSs will now be consulted on. The Department of Energy and Climate Change (DECC) has published *A Framework for the Development of Clean Coal* in response to the recent consultation. In his statement the Secretary of State said that CCS will now be required on a portion of all new coal-fired power stations. A levy will support up to four projects, perhaps two post-combustion projects and two pre-combustion projects. The pre-combustion plants will be expected to fully fit CCS from the start. The post-combustion plants will be expected to fit CCS onto a portion of the plant with the rest to be retrofitted by 2025. The retrofit will also be supported by the levy. The Government confirmed that it has received two bids, from E.ON and ScottishPower, to proceed to the next stage of the current CCS competition. DECC also published their guidance on carbon capture readiness. View the [DECC press release](#) and the CCSA press release below.

## CCSA Press Release

9<sup>th</sup> November 2009

### No time for delay on CCS

The Carbon Capture and Storage Association (CCSA) has today welcomed the publication of the Government's response to the Department for Energy and Climate Change's 'A framework for the development of clean coal' consultation.

The document outlines a funding mechanism for the development of CCS in the UK, a framework for developing pre- and post-combustion CCS and criteria for assessing the stage at which CCS has moved to commercial viability.

Urging the Government to maintain momentum in developing a robust long-term framework for CCS, Jeff Chapman, Chief Executive of the CCSA, commented:

"The Government is now getting to grips with the importance of a sustainable funding mechanism for CCS and we welcome the commitment that levy revenue will be made available for the retrofit of demonstration plants."

"The UK lost out to other countries in the development of wind power, and we must not lose out in the opportunity to develop CCS. The race to develop CCS is well and truly underway, with several other countries coming forward with funding announcements towards large-scale CCS projects."

"We also welcome the publication of the National Policy Statements on Energy Policy & Safety and look forward to working with Government to develop the vital CCS infrastructure which will help kick-start regional investment in the UK."

### RWE applies to build a CCS plant, but pulls out of the UK competition

9 November 09 - RWE npower has announced that the company will shortly be submitting a planning application for a CCS pilot project. The 3MW project will be constructed at the company's 1500 MW coal-fired power station at Aberthaw in Wales. RWE has confirmed that it is not intending to apply for planning consent for new coal-fired power stations at Tilbury in Essex and Blyth in Northumberland. Kevin McCullough, the company's Chief Technical Officer, said: "In the current market, we're unable to make an economic case for new coal-fired power stations. We are considering the implications of the Government's policy review on the conditions to be applied to new coal stations. We firmly believe new coal-fired generation should have a role to play in a low carbon economy alongside gas, nuclear power and renewable energy sources." The PECCS joint venture, of which RWE npower is a part, also said that it will not submit a bid to progress to the next stage of the UK's current CCS competition. View the [press release](#).

### SSE to submit plans for CCS pilot

11 November 09 - Scottish and Southern Energy (SSE) is to submit a planning application for a CCS pilot at its Ferrybridge coal-fired power station in Yorkshire. The 5MW project, which will be carried out in collaboration with Doosan Babcock, will demonstrate operational characteristics of capture plant on an actual power station and the performance of the amine compound on real flue gas. It is hoped that construction of the £21 million project will begin next year, so that trials can commence in early 2011. View the [press release](#).

## International News

### Commission fails to gain support to distribute 300m EUAs

3 November 09 - Point Carbon reports that the European Commission has failed to gain support that would allow it to distribute the 300 million allowances (EUAs) set aside from the New Entrants Reserve to fund CCS and innovative renewables. The Commission has cancelled a vote on its proposal that had been scheduled for 16 November. Instead a German proposal is said to be gaining traction, under which the allowances would be divided between Member States according to the proportions of the emissions trading scheme. View the [full story](#).

### US DOE signs agreement with Hydrogen Energy

6 November 09 - The US Department of Energy has signed a cooperative agreement with Hydrogen Energy to build and demonstrate a 250 MW IGCC power plant with CCS in Kern County California. Each year approximately 2 million tonnes of

CO<sub>2</sub> will be captured from the plant and transported via pipeline to the Elk Hills oilfield, where it will be used in Enhanced Oil Recovery and stored. The project is expected to cost \$2.3 billion (of which the DOE will contribute \$308 million), and create 1,500 construction jobs and 100 permanent operation positions. It is due to begin operating in 2016. View the [press release](#).

## Siemens technology chosen for Taylorville Energy Center

9 November 09 - Siemens coal gasification technology has been chosen by Tenaska to be used at the proposed Taylorville Energy Center (TEC). The TEC will be a 730 MW IGCC power plant with CCS. The TEC is expected to cost \$3.5 billion and construction is due to be completed in 2014. View the [press release](#).

## Canada expected to fund natural gas CCS projects

10 November 09 - The Natural Resources Minister, Lisa Raitt, has said that Canada may fund CCS projects in British Columbia and Saskatchewan. "The third area that we're looking at is natural gas, the application of carbon capture and storage for gas," Raitt said. "We're talking to a number of proponents and hopefully will be having some kind of announcement in the coming months." View the [full story](#).

## Reports

### WCI publishes report on financing CCS

6 November 09 - The World Coal Institute (WCI) has published a new report entitled *Securing the Future - Financing Carbon Capture and Storage in a Post-2012 World*. The report finds that CCS massively reduces the cost of responding to climate change and urges governments to support its deployment. View the [press release](#).

### ICO<sub>2</sub>N releases two reports

9 November 09 - The Integrated CO<sub>2</sub> Network (ICO<sub>2</sub>N) has published two new reports on CCS. The first, which is written by ICO<sub>2</sub>N, contains updated analysis on costs and deploying CCS at scale in Canada. It considers what an entire CCS system might look like. The second report, written by the Delphi Group, compares different low-carbon technologies (including wind and CCS) in terms of their potential to reduce emissions as well as supply, timing and costs. The report finds that CCS has the most significant potential for annual reductions in Canada, closely followed by nuclear, wind power and vehicle fuel efficiency improvements. View the [press release](#).

## IEA releases World Energy Outlook 2009

10 November 09 - The International Energy Agency (IEA) has published their latest *World Energy Outlook*, which demonstrates that avoiding dangerous climate change is possible, but will require a profound transformation of the energy sector. A 450 Scenario in the report sets out an aggressive timetable of actions to limit long term concentration of greenhouse gases to 450ppm. In this scenario energy efficiency accounts for about half of total abatement by 2030 and 60% of global electricity production comes from low-carbon sources: renewables account for 37%, nuclear accounts for 18% and CCS accounts for 5%. View the [press release](#).

## CCSA News

### CCSA in the press

Jeff Chapman, Chief Executive of the CCSA, featured in the following article in the Wall Street Journal: [Clean Coal: Another One Bites the Dust in Britain](#).

### New members

The Association is pleased to welcome the Howden Group and Fluor as members. Total membership of the CCSA has now reached 78. To find out more about our new members please visit their websites:

- [Fluor](#)
- [Howden Group](#)

## 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.

### The Carbon Capture and Storage Association

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For more information about the CCSA please visit our website:  
[www.ccsassociation.org](http://www.ccsassociation.org)

To be considered by the Board for Membership please contact:

Pamela Rudolph  
[pamela.rudolph@ccsassociation.org](mailto:pamela.rudolph@ccsassociation.org)

## Upcoming events

### Platts 4<sup>th</sup> Annual European Carbon Capture and Storage: From Policy to Practice



23-24 February 2010, Hilton Park Lane, London, UK

View website:

<http://www.platts.com/ConferenceDetail.aspx?xmlpath=2010/pc065/index.xml>

Platts 4<sup>th</sup> Annual European Carbon Capture and Storage: From Policy to Practice conference will continue to will provide attendees with an unrivalled update on Europe's developing CCS market, funding allocation, policy changes, lessons learned from European and international case studies and practical solutions to the challenges of commercialisation – supply chain infrastructure, storage liability, public support and finance.

Industry Leaders Include:

- Graeme Sweeney, Executive Vice President, Future Fuels & CO<sub>2</sub>, Shell
- Gardiner Hill, Director CCS Technology, BP
- Chris Davies, MEP and CCS Rapporteur
- Nick Otter, Chief Executive Officer, Global Carbon Capture Storage Institute (GCCSI)
- Jeff Chapman, Chief Executive Officer, Carbon Capture & Storage Association

*“As a renowned provider of information services in the energy sector it was befitting that Platts were the first to organize a European conference on Carbon Capture and Storage. After four years the annual Platts CCS conference has gained enormous support from high level speakers and attendees alike. I have had the privilege to moderate all of the events and I am looking forward to another successful conference in London.”*

Dr. Jeff Chapman, Chief Executive, Carbon Capture and Storage Association

**PLUS:** CCSA members can save 15% off the conference registration fee. For more information please contact Stacey Knox, quoting ref: CCSAWS:

Tel: +44 (0) 20 7176 6226

Email: [Stacey\\_knox@platts.com](mailto:Stacey_knox@platts.com)

### The 3rd Annual European Carbon Capture & Storage Summit



18-19 November 2009, London

Earlier this year the UK government unveiled a new strategy of pursuing coal power, pledging that no new coal plants will be developed unless they were able to store some of their carbon emissions underground. With many challenges and opportunities facing carbon capture & storage at the moment, City & Financial holds this timely summit, the third in the successful series, to discuss and debate some of these key issues by bringing together a speaker panel of exceptional quality.

Keynote address

Charles Hendry, Shadow Minister for Energy

Among other expert speakers are:

- Stephen Adamson, Commercial Manager CCS, Scottish Power
- Andrew Austin, Senior Associate, Freshfields Bruckhaus Deringer LLP
- John Best, Chief Executive, East of England Energy Group (EEEGR)
- Dr Tony Boerer, Schlumberger Oilfield
- Paul Bowden, Partner, Freshfields Bruckhaus Deringer LLP
- Simon Brooks, Vice President, European Investment Bank
- Keith Burnard, Senior Energy Technology Specialist, International Energy Agency
- Milton Catelin, Chief Executive, World Coal Institute
- Jeff Chapman, Chief Executive, Carbon Capture and Storage Association
- Jon Gibbins, Senior Lecturer, Imperial College London
- Klaus Hammer, Managing Director - Generation, Eon UK
- Nick Horler, CEO, Scottish Power
- Bronwen Northmore, Head of CCS Policy, Department for Energy and Climate Change
- Jan Panek, Head of Unit, Coal and Oil, European Commission
- Ian Phillips, Director CO<sub>2</sub> Infrastructure, CO<sub>2</sub> Deepstore Ltd
- Dr Nicholas Riley, Head of Science Policy Europe, Coordinator of CO<sub>2</sub>, Geonet
- Emily Rochon, CCS Policy Coordinator, Greenpeace
- Stanley Santos, Project Manager Capture and Integrated Systems, IEA Greenhouse Gas R&D Programme
- Ian Temperton, Managing Director, Advisory, Climate Change Capital
- Chris Train, Director of Network Operations, National Grid
- Richard Vernon, Principal-Energy, SLR Consulting

Attendance at this summit will be invaluable for all those involved in the development of CCS, including generating and utility companies, technology suppliers, oil and gas companies, energy ministries, energy regulators, project financiers, lawyers, technical consultants and academics.

**CCSA members DISCOUNTS:**

20% discount off the standard private sector fee

10% discount off the standard public sector/academic fee

To receive this discount, please quote CCSA and contact Martina Hayter ([mhayter@cityandfinancial.com](mailto:mhayter@cityandfinancial.com))

Organised by:

City & Financial Conferences

Tel: +44 (0)1483 720707

For more information about this event, please visit [www.cityandfinancial.com/eucc3](http://www.cityandfinancial.com/eucc3)

## Carbon Capture and Storage Forum



The *Carbon Capture and Storage Forum* puts a spotlight on moving from debate to action, looking at how large-scale CCS can become a commercial reality. Discuss the opportunities and implications for your organisation at this interactive forum which is being held on 25th November at Le Méridien Piccadilly, London.

### Outstanding speakers include:

Dr Paul Golby, Chief Executive, E.ON UK  
 Nick Horler, Chief Executive, ScottishPower  
 Chris Train, Director, Network Operations, National Grid  
 Bronwen Northmore, Head of CCS Policy, Department of Energy & Climate Change  
 Pierre Dechamps, Adviser for Energy and Climate Change, Bureau of European Policy Advisers to the President of the European Commission  
 Ian Phillips, Director - CO2 Infrastructure, CO2 Deepstore  
 David Porter, Chief Executive, Association of Electricity Producers  
 Nigel Yaxley, Managing Director, Coallmp  
 Dr Doug Parr, Chief Scientist and Director of Policy & Solutions, Greenpeace  
 Dr Samuel Fankhauser, Principal Research Fellow, Grantham Research Institute on Climate Change, London School of Economics & Member of the Committee on Climate Change  
 Tony Grayling, Head of Climate Change and Sustainable Development, Environment Agency  
 Richard MacRory, Barrister and Professor of Environmental Law, University College London

*Bringing together senior decision-makers from energy companies, plant developers, carbon capture technology and CO<sub>2</sub> storage companies, as well as the regulator, this is a unique opportunity to gain a 360° view of the latest sector developments.*

### For more details, please contact us:

Telephone: +44 (0) 20 7760 8699  
 Email: [conferences@marketforce.eu.com](mailto:conferences@marketforce.eu.com)  
 Website: [www.marketforce.eu.com/ccs](http://www.marketforce.eu.com/ccs)

As a member of the CCSA you can enjoy a **10% discount** off the standard registration rate. To take advantage of this discount, please use the code 'CCSA' when registering online or over the phone.

## CCS - Concept to Reality Seminar



25 November 2009, Lakeside Centre, Conference Aston, Birmingham

The UK Government and various bodies are putting in place the necessary legal framework and financial incentives to accelerate the arrival of Carbon Capture and Storage (CCS). TÜV NEL's inaugural CCS Seminar will address the technological developments needed to put the UK and other countries on the path to achieving full-scale capture, transportation and storage of CO<sub>2</sub> emissions.

The success of CCS will rely heavily on the interaction and collaboration between various industry sectors and bodies. This Seminar brings together the various key players and industry sectors to take CCS from a concept to a reality.

### Topics and Themes

- Pilot Plants - the latest development and learning from the CO<sub>2</sub> capture pilot plants
- Transportation - the practicalities and challenges associated with transporting CO<sub>2</sub> by pipeline and ship
- Measurement & Reporting - the needs and challenges associated with process and regulatory measurement throughout the CCS chain, from capture to injection into the storage formation
- North Sea Storage - the value, capacity and qualification of the North Sea for CO<sub>2</sub> storage
- Post Geological Monitoring - ensuring the safe containment of CO<sub>2</sub> in the geological storage sites

The Seminar will provide delegates with the opportunity to network, interact and share experiences with other delegates and speakers, while keeping abreast of the latest technological developments within the field of CCS.

Delegate and exhibitor places are now available for this event. CCSA members are entitled to a 10% discount off the registration fee.

For full details please contact TÜV NEL on Tel: +44 (0) 1355 272858, or email or book online

**EIC Future Policy Risks and Opportunities for the UK's Environmental Industry: Anticipating UK and EU Policy**

**Future Policy Risks and Opportunities for the UK's Environmental Industry: Anticipating UK and EU Policy**  
 8 December 2009 Cavendish Conference Centre, London W1  
 For info [click here](#)



8 December 2009, Cavendish Conference Centre, London

EIC's conference will provide an unrivalled analysis of current and future UK and EU environmental policy, with high-level policy makers and regulators guiding delegates through the future for land, water, air, waste, energy and climate change policy - and how it will affect every sector of the economy.

Delegates will also hear expert advice from business leaders on how to exploit the huge new business opportunities these policies will create; how to access environmental finance and how export technologies and services abroad.

CCSA members are entitled to a special discount of 10%. Quote CCSA10 when booking.

To register please visit

[www.eic-uk.co.uk/eicnationalconference2009.cfm](http://www.eic-uk.co.uk/eicnationalconference2009.cfm)

**The 6<sup>th</sup> Annual Clean Energy Forum - Clean Coal 2010**

The 6<sup>th</sup> Clean Energy Forum  
**CLEAN COAL 2010**  
 January 27-29, 2010 Tianjin China



*Call for Global Clean Coal Action*

The 6th Annual Clean Energy Forum-Clean Coal Gasification 2009 is China's first ever international clean coal forum focusing on coal gasification. More than 150 project owners, technology and equipment vendors, EPC contractors, service providers gathered at one roof to discuss the large industrial-scale coal gasification technology utilization, commercial scale IGCC deployment prospects and coal gasification poly-generation development.

Based on the 09' fruitful event, participants expressed their good wishes for the next year's industry event with a much broader clean coal contents which would arouse tremendous resound from the policy makers, clean coal industry players and investors. So let us join together and enjoy the **6th Annual Clean Energy Forum-Clean Coal 2010** on January 27-29, 2010, Tianjin China.

The event is honored endorsed by *IEA Clean Coal Centre, The Carbon Capture & Storage Association*, and supported by *National Reform and Development Commission Energy Research Institute* and *Clean Air Task Force*.

More information, please visit event website:

[www.cleancoalforum.com](http://www.cleancoalforum.com)

Or please contact organizer via:

Tel: +86-21-68407631

Fax: +86-21-68407633

Email: [cleancoal@chinadecisionmakers.com](mailto:cleancoal@chinadecisionmakers.com)

**Middle East Electricity 2010**



Tuesday 9 - Thursday 11 February 2010

Dubai International Exhibition Centre

Exhibition space at Middle East Electricity 2009 sold out well in advance of the show.

Secure your place at Middle East Electricity 2010 today

Contact us on +97143365161 or email [meelectricity@irme.com](mailto:meelectricity@irme.com)

"This is our second time at Middle East Electricity - there's been good visitor traffic, and we've met visitors from across the GCC and North Africa. We're very satisfied with the show, and will return in 2010." Harris Juhn, Marketing Manager, Hyosung Corporation.