

CCSA Press Release

FOR IMMEDIATE RELEASE

UK CCS projects a step closer to fruition with 7 submitted for EU NER300 funding

LONDON, May 10th 2011—The Carbon Capture and Storage Association (CCSA) today welcomes the news that seven UK carbon capture and storage (CCS) projects have been submitted by the UK government to the European Commission to enter into the formal assessment process for the EU NER 300 funding competition.

The move puts the UK on track for European Union funding for carbon capture and storage projects located in the UK. Nine projects initially came forward to be entered by the UK government into the competition and the number that are now being formally submitted illustrates the commitment by industry to developing CCS in the UK and the high calibre of potential projects. This shows that the UK is still well placed to remain a leader in the global deployment of CCS.

The Treasury has already committed up to £1 billion towards the first UK CCS project. In addition, the coalition government has committed to supporting a further three CCS projects in the UK. The support of the EU to fund half of the costs of UK projects, if granted, would ease the financial burden on the Treasury while boosting the UK economy.

Dr Jeff Chapman, CEO of the CCSA, states: “There is a great need to get on with the selection of the four UK CCS projects and today’s news is a big step forward in that process. There is still a long road ahead but this is a very positive development and shows continued support by the UK Government in developing the CCS industry in the UK.

“The next stage will require swift organisation by the Government to move forward and identify the projects it will support to enable these projects to proceed with their development.”

The UK Government is expecting the European Commission to announce the results of the NER 300 competition in the second half of 2012.

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Notes to Editors:

1. The NER300 is a financing vehicle managed jointly by the European Commission, European Investment Bank and EU Member States which sets aside 300 million allowances in the New



Entrants' Reserve of the European Emissions Trading Scheme for subsidizing installations of innovative renewable energy technology and carbon capture and storage (CCS).

2. The Carbon Capture and Storage Association exists to represent the interests of its members in promoting the business of Carbon Capture and Storage (CCS). The Association works to raise awareness, both in the UK and internationally, of the benefits of CCS as a viable climate change mitigation option, and the role of CCS in moving towards a low-carbon global economy.
3. CCS can remove approximately 90% of the carbon dioxide emissions associated with conventional fossil fuel power generation, such as coal or gas fired.
4. CCS therefore makes a significant contribution towards meeting the UK Government's aspirational target of an 80% reduction in carbon dioxide emissions by 2050.
5. The Coalition Government has committed to fund 4 CCS plants in the UK through an industry competition. A shortlist has been established for the first plant, with the remaining 3 plants to be progressed.

For more information about the CCSA, or for broader comment on the latest developments in CCS, please contact:

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