

CCSA Press Release

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CCS Industry Responds to NAO Report

The Carbon Capture and Storage Association (CCSA) welcomes the publication of the NAO report on lessons learned from the first UK CCS Competition. The report sets out a number of conclusions regarding the process that led to the conclusion of the negotiations for the Longannet CCS project, and makes recommendations to DECC as to its upcoming CCS Delivery Programme.

Dr Jeff Chapman, Chief Executive of the CCSA commented:

“This report provides invaluable insight into some of the reasons behind the decision not to proceed with the Longannet CCS project. Whilst it was clearly disappointing that this project could not proceed, this should in no way be taken as indicative of the readiness of CCS technology or the commitment by industry and Government to ensuring the delivery of a cost-effective CCS industry.

“It is clear that the Government is taking on board the lessons learned from the first competition in moving forward with the UK CCS Delivery programme. The NAO report makes some poignant remarks regarding key issues that must be considered in the next Competition – including the need to set out an attractive commercial proposition to industry, which covers both capital and operational costs.

“The industry remains confident that the UK can still take a leading role in the deployment of CCS – there are still six UK CCS proposals going forward under the European NER300 process, half of the total proposals put forward across Europe.

“We strongly welcome the Energy Secretary’s commitment to a streamlined funding and construction process to deliver the commitment to four CCS projects as smoothly and swiftly as possible and we eagerly await the imminent launch of the call for proposals, which will set out the process to build the first CCS projects in the UK.”

ENDS

Notes to Editors:

1. The National Audit Office's report *Carbon capture and storage: lessons from the competition for the first UK demonstration* has been published today and can be found at www.nao.org.uk.
2. The Coalition Government has committed to four CCS plants in the UK through an industry competition. There are at least 6 CCS projects which have been submitted to the EU NER300 competition (see the full list at <http://www.ccsassociation.org/why-ccs/ccs-projects/current-projects/>), attesting to businesses readiness to work with the government to deliver CCS.
3. The timely development of the four CCS demonstration projects will enable the UK to become one of the leading countries in the global race to deliver this vital technology. CCS technology presents a huge opportunity for UK technological leadership, bringing prosperity, growth and jobs in the low carbon economy.
4. According to the latest report from the [Global CCS Institute](#), the world is likely to have 20 large-scale CCS projects operating by 2020. There are eight large-scale integrated projects already operating and a further seven under construction.
5. 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.

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