

## **CCSA PRESS RELEASE**

**30 October 2012**

### **FOR IMMEDIATE RELEASE**

## **CCS in the UK Takes Another Step Forward**

The Carbon Capture and Storage Association (CCSA) welcomes today's announcement by the Secretary of State for Energy and Climate Change Ed Davey, to take forward four CCS bids in the CCS Commercialisation Programme. Following eight bids that were originally received, these four projects have now been selected to enter into a period of intense negotiation with Government, before a further decision will be taken early in 2013 as to which projects will finally be supported.

The Government has also yesterday clarified to the EU Commission, which CCS projects it intends to support under the EU NER300 competition (for CCS and innovative renewables). The Government announced that it will support two CCS projects on the candidate list and one project on the reserve list.

*Dr Jeff Chapman, Chief Executive of the CCSA, commented:*

"Today's announcement is very positive news for the fledgling CCS industry in the UK. By selecting four projects to take forward for further negotiations, the Government is sending a signal that they are still strongly committed to supporting the development of a long-term CCS industry which will help to unlock UK based investment. We are also pleased that the UK has been able to meet the European Commission's deadline for the NER300.

Inevitably there is still much work to be done. The UK needs to move quickly to confirm the actual number of projects that will be supported by the Competition and enable these to take an investment decision. This is the critical step if the UK is to develop a successful long-term CCS industry which, according to Government estimates, will create 100,000 jobs by 2030, with a market worth £6.5bn a year to the UK economy.

It is obviously disappointing that the Government has been unable to proceed at this stage with the other CCS bids which would make a tremendous contribution to the UK CCS industry. This underlines the absolute vital importance of the Electricity Market Reform going forward which must send a strong and clear signal if it is to support investments by those CCS projects not selected in the Competition.

We would like to remind the Government of its commitment to support four commercial-scale CCS projects in the coalition agreement. If the UK is to make maximum benefit from this cost-effective low-carbon technology we need to see four projects and more taken forward with or without support from the current process. To achieve a largely decarbonised power sector by 2030 will require at least 20-30GW of fossil fuel power stations fitted with CCS to be in operation – there is no time to lose.”

**ENDS**

**Notes to Editors:**

1. The Government announced on the 30<sup>th</sup> October 2012 its decision to select four bidders in the CCS Competition, which will be taken forward for further negotiation. The four bids are: Captain Clean Energy Project, Peterhead, Teesside Low Carbon Project and the White Rose Project. The DECC announcement can be found [here](#).
2. The Government launched the CCS Commercialisation Programme (CCS Competition) and the CCS Roadmap on the 3<sup>rd</sup> April 2012. More information on the Government’s CCS Commercialisation Programme can be found [here](#).
3. The CCSA Report ‘*A Strategy for CCS in the UK and Beyond*’, which was launched in the House of Commons on 8 September 2011, describes the policy and regulatory framework required by industry for a smooth and strong uptake of CCS, and can be downloaded from the CCSA website at: [www.ccsassociation.org/press-centre/reports-and-publications](http://www.ccsassociation.org/press-centre/reports-and-publications). The Strategy estimates that at least 20-30GW of fossil-fuel power generation capacity fitted with CCS will need to be installed to meet the UK’s aim of largely decarbonising its power sector by 2030.
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.

For further information contact:

Dr Jeff Chapman, CCSA +44 7747 761065 / [jeff.chapman@ccsassociation.org](mailto:jeff.chapman@ccsassociation.org)