

CCSA PRESS RELEASE

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FOR IMMEDIATE RELEASE

UK Moves Ahead with Second CCS Project

The Carbon Capture and Storage Association (CCSA) welcomes today's announcement by the Secretary of State for Energy and Climate Change Ed Davey, to award a contract for Front End Engineering Design studies (FEED) to the Peterhead gas-CCS project in the UK CCS competition. The project will now undergo detailed engineering work before a final decision in 2015. The Government have also today published the final report of the Wood Review on *UKCS Maximising Recovery Review*, and the Government response to this Review.

Dr Luke Warren, Chief Executive of the CCSA, commented:

"It is wonderful news that the second project in the Government's CCS competition has successfully reached the next step. The Peterhead CCS project is an important part of the UK's CCS story, as it will showcase CCS on a gas-fired power station – and gas is set to become an increasingly important part of the UK's low-carbon energy mix going forward.

We are also pleased to see that the Government has accepted all the recommendations in the Wood Review. In particular, the potential for CCS with Enhanced Oil Recovery can bring significant financial benefits to the CCS industry as well as helping to prolong the life of our valuable North Sea oil and gas assets.

The White Rose and Peterhead projects will be the foundation for CCS clusters in the industrial heartlands of Scotland and North East England. Together with the projects outside of the current competition, these will deliver a significant boost to the UK economy. Indeed, the CCSA and the TUC have recently published new modelling, which shows that CCS can reduce household energy bills by £82 per year by 2030, creating up to 30,000 jobs".

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Notes to Editors:

1. On the 24th February 2014, the Government announced the successful award of a FEED contract to the Peterhead CCS project in the CCS Commercialisation Programme. The DECC announcement can be found [here](#).
2. The White Rose CCS project was awarded a similar FEED contract on the 9th December 2013. The DECC announcement can be found [here](#).
3. The final report of the *UKCS Maximising Recovery Review* and Government response was published on the 24th February. The final report and Government response can be found [here](#).
4. The Government launched the CCS Commercialisation Programme (CCS Competition) and the CCS Roadmap on the 3rd April 2012. More information on the Government's CCS Commercialisation Programme can be found [here](#).
5. The CCS prize for the UK is significant. The ETI has estimated that without CCS, the cost of delivering a low-carbon energy mix in 2050 will increase by £30-40 billion per year.
6. On the 4th February, the CCSA and the TUC published a joint report on *The Economic Benefits of CCS in the UK*. The report concludes that CCS can reduce the wholesale electricity price by 15% by 2030, with household bills estimated to be £82 lower per year compared to scenarios where CCS is not included. The joint report can be found [here](#).
7. 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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