



Carbon Capture & Storage Association

Issue No. 02
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CCSA Weekly Newsletter

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Funding for CCS included in \$825 billion US stimulus plan

CCS bill debated in Montana

North Dakota considers CO₂ storage bills

New Energy for America plan outlined

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

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Government to make 'capture ready' announcement

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UK News

Policy

Conservatives support CCS in new policy paper

16 January 09 - The Conservative party have today launched their new policy paper on how to turn Britain into a low carbon economy. The paper states that the UK is uniquely placed to show global leadership on CCS and gave the following comment on the UK CCS competition: "Picking one winner for a small-scale demonstration project reveals a profound lack of ambition and fails to create an adequate framework for the transition to low carbon generation. Clearly, a more effective framework for developing our CCS potential is required." In the paper the party proposes to use receipts from the auctioning of EU ETS permits to fund the creation of a new CO₂ pipeline network. Auction revenues would also be used to fund a variety of large-scale CCS demonstration projects, to see around 5000 MW of coal-fired capacity constructed or retrofitted with CCS in order to meet a new Emissions Performance Standard, which would restrict emissions to the level achieved by modern gas-fired power plants. Government would also fund CCS technology to ensure that further coal-fired capacity could meet the same standard. View the [full story](#).

Government to make 'capture ready' announcement

21 January 09 - Bronwen Northmore, director of cleaner fossil fuels policy at the Department of Energy and Climate Change, has indicated that a policy announcement on the government's definition of a 'capture ready' plant will be made in the next few weeks. View the [full story](#).

EU News

Policy

Distribution of EU funding to be finalised by end of year

20 January 09 - Paal Frisvold, co-chairman of the ZEP policy and regulatory group, has said that details on how the 300 million EUAs of funding for EU CCS demonstration projects will be distributed should be finalised by the end of the year. He commented that the economic downturn is likely to increase competition for the funding. McKinsey estimates that the 10 to 12 demonstration projects will cost between €7 and €12 billion. According to Point Carbon the December expiring 2013 future EUA contract was valued this week at less than €15, implying that the 300 million EUAs will raise just €4.4 billion. View the [full story](#).

EPS amendment dropped

21 January 09 - The chairman of the environment committee of the EU Parliament, Miroslav Ouzky, has ruled that the proposed Emissions Performance Standard (EPS) amendment to the Integrated Pollution Prevention and Control Directive falls outside the remit of the Directive. The EU Commission has expressed the view that it does not wish to consider EPS legislation until after CCS has been demonstrated at full scale. View the [full story](#).

International News

Projects

Approval for IGCC plant with CCS sought by Mississippi Power

18 January 09 - Mississippi Power has applied for a certificate of public convenience and necessity to build a 582 MW IGCC power station with carbon capture capabilities in Kemper County, Mississippi. View the [full story](#).

Abu Dhabi CCS plant to be ready in 2013

19 January 09 - BP has said that it is still conducting engineering and design work on their planned CCS plant in Abu Dhabi. The 420 MW plant is expected to become operational in 2013 and will cost \$2 billion. View the [full story](#).

\$1.4m grant to Montana researchers

22 January 09 - The US Department of Energy has awarded a grant of \$1.4 million to Montana State University, Montana Tech and the University of Montana in order that they may study the effects that CO₂ storage sites may have on the surrounding environment. View the [full story](#).

Announcements

\$300m loan for CCS retrofit in North Dakota

16 January 09 - The US Department of Agriculture's Rural Utilities programme is to give a \$300 million loan to retrofit a coal-fired plant in North Dakota with CCS. Basin Electric, which owns the plant, estimates that one million tonnes of CO₂ will be captured and stored every year. The CO₂ that is captured will be transported along pipelines to Canadian oil fields, where it will be used for enhanced oil recovery and permanently stored. A small amount will also be injected into a deep saline aquifer. View the [full story](#).

Norwegian climate change conference

19 January 09 - The Norwegian Government has announced that it will be staging an international high-level conference on climate change on 27 to 28 May. CCS will be the main focus, with the aim of presenting substantial contributions to the UN climate change conference in Copenhagen in December. View the [full story](#).

Zurich announces CCS insurance policies

19 January 09 - Zurich has announced that it will now offer CCS Liability Insurance and Geologic Sequestration Financial Assurance (GSFA). The CCS Liability Insurance Policy covers pollution event liability, business interruption, control of well, transmission liability and geomechanical liability. The GSFA Policy applies to specified closure and post-closure activities. Lindene Patton, Climate Product Officer at Zurich, commented that “with the offering of these products, we have eliminated a significant barrier to widespread deployment of this critical technology in the long-term mitigation of carbon emissions.” View the [full story](#).

Policy

Funding for CCS included in \$825 billion US stimulus plan

15 January 09 - An \$825 billion stimulus plan, known as the American Recovery and Reinvestment Act of 2009, of tax cuts and new government spending has been unveiled in the US. The draft bill includes \$2.4 billion for CCS demonstration projects. View the [full story](#).

CCS bill debated in Montana

15 January 09 - A bill to regulate CCS in Montana is being debated. It would give landowners the right to any storage site beneath their land and proposes setting a 75 year stewardship period for the companies involved in CCS. The industry would be regulated by the Department of Environmental Quality. View the [full story](#).

North Dakota considers CO₂ storage bills

17 January 09 - Two bills relating to CO₂ storage in North Dakota were being considered by the Senate Natural Resources Committee on Friday. The first has been drafted to regulate storage and covers the eventual handover of sites to the state. The second bill gives ownership of storage sites to landowners of the surface above. View the [full story](#).

\$50 per tonne to make CCS viable

19 January 09 - In a speech at the World Future Energy Summit in Abu Dhabi, Nicholas Stern has commented that the price of carbon needs to reach about \$50 per tonne for companies to invest in CCS. View the [full story](#).

New Energy for America plan outlined

20 January 09 - President Obama’s Energy and Environment agenda has appeared on the White House website. The New Energy for America plan is outlined, which includes an economy-wide cap-and-trade programme to achieve 80% reductions in greenhouse gas emissions by 2050, as well as a statement of the intention to develop and deploy clean coal technology. View the [agenda](#).

Blair calls for new 2020 target

21 January 09 - In his speech to close to World Future Energy Summit in Abu Dhabi, Tony Blair has said that developed countries should demonstrate their commitment to addressing climate change by signing up to an interim target for reducing emissions by 2020. He did not say what the level of reduction should be. Blair also highlighted the fact that countries such as China and India will continue to build coal-fired power stations and the development and transfer of technologies such as CCS must therefore be a central part of any global deal. View the [full story](#).

Reports

Study into barriers to CCS research

16 January 09 - A study has been conducted into the legal and regulatory barriers to CCS research, development and demonstration under the US Department of Energy’s Regional Carbon Sequestration Partnerships Program. Barriers concerning liability, consents and permitting were encountered and the study recommends that federal government adopt policies to provide a legal framework for CCS research in order to overcome these issues. View the [full story](#).

Quote

“Over 70 percent of the new power stations in China and India over the next decade will be coal fired. That is a mind boggling increase in carbon use. Unless we find a way - and I mean urgently - to advance CCS technology, the challenge, already great, will become even more grave.”

Tony Blair
(Speaking at the World Future Energy Summit)

Upcoming events

Building Conferences: Delivering Energy Infrastructure



24 February 2009, London, UK

For more information view the brochure on the CCSA website.
ccsassociation.org/useful_info/associated_events.html

Platts 3rd Annual European Carbon Capture and Storage conference



26-27 February 2009, Brussels, Belgium

€300 EXCLUSIVE DISCOUNT FOR CCSA MEMBERS
 Quote 'CCSA'

Platts 3rd Annual European Carbon Capture & Storage conference will once again unite the CCS community in tackling the current structural challenges, review CCS projects in their various stages and look to uncover opportunities in what will be a changed regulatory environment to ensure CCS lives up to its potential.

For more information please contact Stacey Knox:
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 Visit: www.platts.com/Events/2009/pc965/

CO₂ Capture, Sequestration & Utilisation



5-6 March 2009, Beijing, China

Highlights: "Integrating Energy Production with Carbon Management Strategy"

- Integrating CTL with CCS
- Current international cooperation/partnership on CCS
- Environmental, regulatory framework and incentives, socio-economic challenges
- Current CO₂ capture technologies
- CO₂ geological storage & criteria for site mapping
- Other applications of CO₂
- Carbon markets and linkage with CCS

For more information please contact Nadia AlBahar:

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CDMC 5th Clean Energy Forum - Coal Gasification 2009



1-3 April 2009, Tianjin, China

CCSA MEMBERS SAVE \$200
 Quote 'CCSA'

CDMC 5th Clean Energy Forum-Coal Gasification 2009 aims to trigger global efforts in facilitating clean coal reliability, commercial viability and economics and engender customer confidence. The world industry pioneers and practitioners will bring you the latest developments and performances of coal gasification, UCG, IGCC and CCS. Also you will reach the first hand information of clean coal related business opportunities all over the world, particularly in China, India, Indonesia, South Korea and Central Asia etc.

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Petroleum Economist Forum on Carbon Capture & Storage

- Event postponed until June



9-10 June 2009, London, UK (Note the change of date)

AS A MEMBER OF CCSA YOU CAN SAVE £245.

Join the Petroleum Economist Forum on Carbon Capture & Storage and explore the complex challenges behind the realities of implementing CCS technologies:

- Is CCS the key to large scale de-carbonisation?
- What policies are needed to drive progress?
- Testing, testing, testing - justifying the demonstration projects
- Developing commercial opportunities for CCS
- The PR challenge - How can CCS win over public opinion?

For more information:

Visit: www.petroleum-economist.com/ccs

Call: +44 (0) 20 7779 8840

Email: events@petroleum-economist.com

External events

Coal UK 2009 Conference and Awards Dinner

26 February 2009, London

<https://pull.xmr3.com/cgi-bin/pull/DocPull/9327-173448-1CAB/54023308/Coal%20UK%20-%20Email%203.pdf>

Carbon World Doha Summit 2009

27-28 April 2009, Doha, Qatar

<http://www.cmtevents.com/eventschedule.aspx?ev=090420&>

2009 SPE International Conference on CO2 Capture, Storage and Utilisation

2-4 November 2009, San Diego USA

www.spe.org/events/co2/

IFP 3rd International Symposium: "Capture and geological storage of CO2 - Accelerating Deployment"

5-6 November 2009, Paris

www.ifp.com/actualites/evenements/congres-et-conferences/organises-par-l-ifp/colloque-co2-2009

In Parliament

New Shadow Cabinet announced

19 January 09 - The Conservative Party have announced a new shadow cabinet. Greg Clarke remains as Shadow Secretary of State for Energy and Climate Change. View the [full story](#).

Nominations for the new DECC Select Committee

21 January 09 - The list of MPs who have been nominated for the new DECC committee is as follows:

- David Anderson (Lab)
- Collin Challen (Lab)
- Nadine Dorries (Con)
- Charles Hendry (Con)
- Julie Kirkbride (Con)
- Anne Main (Con)
- Judy Mallaber (Lab)
- Elliot Morley (Lab, Senior Member)
- John Robertson (Lab)
- Sir Robert Smith (LD)
- Paddy Tipping (Lab)
- Desmond Turner (Lab)
- Mike Weir (Con)
- Alan Whitehead (Lab)

View the [Energy and Climate Change Committee website](#).

CCSA News

Masdar joins the CCSA

The Association is pleased to welcome Masdar (Abu Dhabi Future Energy Company) as a new member. Jeff Chapman, Chief Executive of the CCSA, made the announcement in his speech at the World Future Energy Summit in Abu Dhabi this week.

View the [Masdar website](#).

Jeff Chapman speaks at World Future Energy Summit

Jeff Chapman, Chief Executive of the Association, has been speaking this week at the World Future Energy Summit in Abu Dhabi. His presentation gave a world outlook on CCS. 15,000 people were expected to attend the summit.

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.

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