SPEAKING NOTES SANDRA LOCKE A/ASSISTANT DEPUTY MINISTER, ALBERTA ENERGY

Carbon Sequestration Leadership Forum Technical Group Meeting

Empire Ballroom Fairmont Hotel Macdonald Edmonton

THURSDAY, MAY 19, 2011 9 A.M.



- Good morning.
- On behalf of Minister Liepert and the Government of Alberta, it's my pleasure to welcome you to our province.
- What realize at events like this is that no matter how far apart we live, we all have something in common: we all want to reduce our environmental footprint.
- Everyone in this room knows that CO₂ and other greenhouse gas emissions, or GHG emissions, know no boundaries.
- They are a world-wide challenge, yet they also represent an incredible opportunity for those willing take on the challenge.

- I think it's safe to say that everyone in this room has embraced that challenge head on.
- Certainly that's the case here in Alberta.
- Alberta's commitment to reducing GHG emissions starts with our climate change strategy which sets a goal of reducing projected emissions by 200 megatonnes by 2050.
- And CCS accounts for 70 per cent or 139 megatonnes of those total reductions.
- In 2008, Premier Stelmach appointed the Alberta CCS Development Council to bring industry, governments and academia together to set out the steps we need to take to reach that goal.
- Shortly afterwards, Premier Stelmach made CCS a top priority and committed two billion dollars to it.

- That commitment was then, and remains today, an unprecedented amount for a jurisdiction of 3.7 million people.
- And that pledge has remained steadfast and unwavering through tough economic times.
- Following this financial commitment, we identified four large-scale CCS projects that will reduce emissions by five million megatonnes annually starting in 2015.
- We have a final grant agreement in place with Enhance Energy for the Alberta Carbon Trunk Line
- This is a 240-km pipeline that will gather CO₂ from several industrial sources, including an oilsands refinery, and transport it for use in enhanced oil recovery.

- We're working towards final agreements with the remaining projects, and expect more announcement soon.
- Shell Quest will upgrade bitumen from Alberta's oil sands near Edmonton and will capture and store the CO₂ from the facility in a deep saline aquafer.
- TransAlta's Project Pioneer a coal-fired electricity plant that will be retrofit to capture the CO₂ so it can be used for EOR in nearby mature oil fields.
- And Swan Hills Synfuels in-situ coal gasification project that will access deep coal seams to convert the coal underground into a clean synthetic gas, with the CO₂ used for EOR.
- These projects, of course, are a partnership with industry which has also committed hundreds of millions of its own dollars.

- To make these projects a reality, we needed to have legislation in place to enable the use of this technology.
- So this past fall, the Carbon Capture and Storage Statutes Amendment Act was passed.
- The law allows government to assume long-term liability for CCS projects, provides clarity to issues surrounding access to underground CO₂ storage, and establishes a post-closure stewardship fund for ongoing monitoring and any required remediation.
- The next step in our CCS journey is to make sure we have the right regulations in place to ensure CCS technology is used safely and effectively.
- In Alberta, we're already a few steps ahead of the game, because we have regulators with decades of experience and existing regulations for the use of CO₂ in enhanced oil recovery as well as experience with acid gas injection and high pressure pipelines.

- Right now, we're working with experts from around the world to conduct a regulatory framework assessment.
- This process will examine in detail the environmental, safety and assurance processes for CCS and determine what new processes, if any, need to be implemented.
- When we're finished, Alberta will have a robust, efficient and effective regulatory system that will ensure CCS technology is used in the safest, most responsible manner.
- At the end of the day, our goal is not only to reduce our greenhouse gas emissions, but to take what we learn and share that knowledge with the world so all jurisdictions can implement the technology as quickly as possible.
- We know our oil sands have attached criticism.

- In actual fact, the oil sands contribute a small percentage of global greenhouse gas emissions.
- Nevertheless, we're aiming to be a huge contributor in the science of solutions.
- I want to thank everyone in this room for your leadership and commitment to the deployment of CCS technology.
- It is only by working together that we will move CCS forward.
- Thank you.