Report for Team 8

- What was
  - Carbon price: $50.00
  - Facilities cost:$475 M
- Was the decision to develop the Soda Water field? YES
- If so, what are the terms that were reached?
  - Carbon toll:$45.00
  - 90/10 Profit Split (Long Term Liability)

- If not, what else might be done given more time: Possibly Tax Rate

- What were the key issues and drivers for the Government?
  - Long term liability
  - Risk of insufficient capacity
  - Profit sharing
  - Carbon market price
  - Actual CO_2 reductions

- What were the key issues and drivers for the Contractor?
  - IRR of 10%
  - Payout
  - Maximize ownership

- Any key assumptions that you made?
  - Ability to put away volumes of CO_2
  - No need for delineation, reservoir reliable
  - 10% for government revenues to long term liability

Other costs/revenues taken into account

  - Costs lower for government for domestic disposal rather than purchase of credits
  - $168 MM at 10% IRR for company

- Other ideas, issues or learning that the team wants to discuss.
  - Need for openness in negotiations, share as much as you can without compromising your position