

CSLF-P/T-2007-06 Revised Draft 5 June 2007

POLICY GROUP TECHNICAL GROUP

REVISED DRAFT

MINUTES OF JOINT BUSINESS MEETING OF THE POLICY AND TECHNICAL GROUPS

> PARIS, FRANCE 28 MARCH 2007

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Note by the Secretariat

Background



Joint meeting of the Policy and Technical Groups of the Carbon Sequestration Leadership Forum were held on 28 March 2007 in Paris, France. Initial draft minutes of this meeting were compiled by the Secretariat and were circulated to Policy and Technical Group delegates for comments. Comments received were incorporated into this revised draft. Presentations mentioned in these minutes are now posted on the CSLF website.

Prior to the Joint Business Meeting on 28 March, the CSLF held a Plenary Meeting on 26 March and a Technical Workshop on 27 March. Delegates from both the Policy and Technical Groups and Observers were present at both the Plenary Meeting and Workshop.

The Plenary Session included:

- An opening session with an opening comments by the Policy Group Chair, Keynote Addresses and Keynote Panel;
- Presentations on CSLF progress on legal issues, IEA/CSLF/G8 cooperation, capacity building in emerging economies and the Projects Interaction and Review Team; and
- A panel of stakeholder perspectives and audience dialog.

The theme of the Technical Workshop, held at the Offices of the Institut Français du Pétrole, was "Overcoming Barriers to CCS Deployment" organized by the Technical Group. The Technical Workshop also included a poster session with many of the CSLF-recognized projects and both new projects to be considered for recognition by the CSLF. Workshop sessions and discussions were held on the following topics:

- Ongoing work to remove obstacles to large-scale industrial initiatives,
- What is needed to make industrial initiative happen,
- The business case for CCS, and
- What next for technology, legislation and regulation, and putting a value on CO₂.

Presentations from both the Plenary Meeting and Technical Workshop are now posted on the CSLF website.

Action Requested

Policy and Technical Group delegates are requested to approve these revised draft minutes.

Conclusions

The Policy and Technical Groups will be requested to note in the minutes of its next meeting that:

"The Policy and Technical Groups approved as final the minutes of its 28 March 2007 joint business meeting."



Joint Business Meeting of the CSLF Policy and Technical Groups Paris, France Thursday, March 28, 2007

LIST OF ATTENDEES

Policy Group Delegates

Chair:	Thomas Shope	
Australia:	John Hartwell(Vice Chair), Dale Seymour	
Canada:	Ian Hayhow, Anne Marie Thompson	
Denmark:	Søren Frederiksen	
European Commission:	Wiktor Raldow, Derek Taylor	
France:	Bernard Frois, Phillipe Geiger	
Germany:	Helmut Geipel, Hubert Höwener	
India:	Anil Razdan, Alok Kumar 💦 🍌 🥢	
Japan:	Akio Takemoto, Toshihiko Miyagawa	
Korea:	Shin Sung-Chul, Kim Hyun-Cheol	
Netherlands:	Hans Bolscher	
Norway:	William Christensen, Tone Skogen	
Russia:	Gurgen Olkhovsky	
Saudi Arabia:	Fareed Alasaly	
South Africa:	Bethuel Kgobane, Leluma Matooane	
United Kingdom:	Brian Morris, Tim Dixon	
United States:	Judd Swift, Harlan Watson	

Technical Group Delegates

Australia: Brazil: Canada: Denmark European Commission: France: Germany: India: Italy Japan: Korea Netherlands: Norway:

Russia Saudi Arabia South Africa United Kingdom: United States: John Bradshaw, Peter Cook Paulo Cunha, Paulo Rocha Bill Reynen (Vice Chair), Stefan Bachu Niels Peter Cristensen, Fleming Ole Rasmussen Manuel Sánchez Christian Fouillac, Pierre Le Thiez Jürgen-Friedrich Hake R.R. Sonde Giuseppe Girardi, Giovanni Ciceri Makoto Akai, Chiaki Shinohara Chang-Keun Yi, Chong-Kul Ryu Erik Lysen Trude Sundset (Chair), Jostein Dahl Karlsen, Odd-Magne Mathiassen **Dmitry Volokhov** Khalid Abuleif, Mohammed Alzayer Stan Pillay, Harko Mulder Nick Otter, Philip Sharman Victor Der, Howard Herzog

CSLF Secretariat

Barbara McKee Sean Courtney Rob Donovan Robert Gentile Richard Lynch Scott Miles John Panek Kathy Paulsgrove Jeffrey Price

Other Attendees at Both March 28 Joint Business Meeting and March 26 Plenary Session

Peta Ashworth, Australia Mark Bonner, Australia Damian Dwyer, Australia Bill Koppe, Australia Cassandra McCarthy, Australia Howard Morrison, Australia Clement Yoong, Australia Marcelo Ketzer, Brazil Anthony Credoz, France Andreas Ehinger, France Patrick Faisques, France Didier Houssin, France Samuel Saysset, France Fontina Petrakopoulou, Greece Jacek Podkanski, International Energy Agency Fabrizio Pisanu, Italy Chang-Keun Yi, Korea Enrique Moreno, Spain Jeff Chapman, United Kingdom Barbara DeRosa-Joynt, United States John Grasser, United States George Guthrie, United States Alicia Kersting, United States Arthur Lee, United States Raj Luhar, United States John Harju, United States Philip Marston, United States Kenneth Nemeth, United States Jean-Philippe Nicot, United States Mike Smith, United States Helene Monidol, World Coal Institute

Other Attendees at Plenary Session (March 26)

Piotr Tulej, European Commission Kamel Bennaceur, France Gilles Bloch. France Didier Bonijoly, France Catherine Bourgois, France Daniel Clement, France Vincent Coll, France Isabelle Czernichowski, France Sophie Galey-Leruste, France François Laurans, France Karim Selouane, France Alexandre Throo, France Thomas Kerr, International Energy Agency Claude Mandil, International Energy Agency Antonio Pflüger, International Energy Agency Declan Murphy, Ireland Giuseppe Deriu, Italy Roberto Garosi, Italy Pieter Boot, Netherlands Hans Speigeler, Netherlands Catherin Bauserin, Norway Paal Frisvold, Norway Dara Brice, United Kingdom Mathew Webb, United Kingdom Steve Crookshank, United States Robert Dry, United States John Easton, United States Milton Catelin, World Coal Institute Elena Nekhaev, World Energy Council

Joint Meeting of 28 March 2007

1. **Opening Remarks**

Thomas Shope, Chair of the Policy Group, opened the meeting and thanked the delegates and other attendees for their hard work in the meetings.

Adoption of Agenda

The Agenda was adopted without change.

Review and Approval of Minutes of Delhi Meeting

The Draft Minutes of the previous Joint meeting of the Policy and Technical Groups held in Delhi, India in April 2006 had been circulated for comments prior to the meeting and the final draft had been posted on the CSLF website. The Final Draft of the minutes of the Joint Meeting was approved.

2. Report from the Policy and Technical Groups

Report from the Policy Group

Thomas Shope, Chair of the Policy Group, presented the report of the Policy Group on its deliberations earlier in the day. He made the following points in his presentation:

• The Policy Group discussed implementation of policy group aspects of the CSLF Strategic Plan and came to a consensus on a number of actions to implement the Strategic Plan. These action include:

Strategy 2: Policy and Legal Framework

- The Technical Group will be requested to identify policy and legal strategies and instruments needed for research needs.
- Australia, as Chair of Legal/Regulatory Task Force, will consider whether needs identified by the Technical Group warrant further actions by that Task Force.

Strategy 3: Capacity Building

- The Technical Group will be requested to develop mechanisms to involve emerging economies in industrialized country and lighthouse projects.
- Materials from the May workshop will be distributed to Members.
- The Capacity Building Task Force will consider further activities in its June meeting in Oslo and identify projects similar to those already recognized in emerging economies.

Strategy 4: Public Awareness and Acceptability

- Members are to identify public outreach experts to Secretariat and add to the list of stakeholders.
- Each country is to report its public outreach activities to the Secretariat.
- The CSLF Website and PuMP will continue to be updated.

Strategy 5: Involve Stakeholders

- No consensus reached on a seat at table for Stakeholders in Policy or Technical Group meetings.

Strategy 6: Collaboration with Other Organizations

The Secretariat is to develop recommendations for collaboration with other international organizations.

- A task force was established to develop a detailed plan for financing Carbon Capture and Storage in emerging economies. India will Chair the Task Force and Australia, Canada, the European Commission, India, the United Kingdom and the United States will be members.
- New election procedures were agreed upon and Policy Group Vice Chairs were elected, although not using the new procedures, which could not be immediately implemented. South Africa (pending consultations) and the United Kingdom and were elected as Vice Chairs.

• The next annual meeting of the CSLF will be held in South Africa. The United Kingdom has also offered to host a future meeting and Japan has offered to consider hosting a future meeting.

Report from the Technical Group

Trude Sundset, Chair of the Technical Group presented the report of the Technical Group. She made the following points in her presentation:

- The Technical Group has decided to invite the IEA GHG to the next meeting to make a presentation on its "Capture Ready" study.
- The final report from the Task Force to Review and Identify Standards for CO₂ Storage Capacity Estimation Phase II has been accepted. The study will be posted on the CSLF website subject to minor wording changes. Phase III of the Task Force is being supported by the Technical Group.
- Three additional members have volunteered for the Task Force to Examine Risk Assessment Standards and Procedures. The IEA Greenhouse Gas Programme (IEA GHG) is also active in this area and is considered as a member of this task force.
- The Technical Group will recommend establishment of a new Joint Task Force between the Technical and Policy Groups on the topic of examining societal issues impacting CCS deployment. Australia has volunteered to lead this task force and Denmark and France have volunteered to participate.
- The Workshop Overcoming Barriers to CCS Deployment was reviewed by the Technical Group. Positive feedback was received from attendees. It was decided that the workshop had a good balance of public and private participants and underscored importance of communication. Positive feedback was received from stakeholders. The Secretariat is requested to develop a survey of workshop attendees to solicit feedback on which topics they find most interesting and would like to hear more about in future workshops. The results are to be distributed to the attendees.
- The PIRT reported that the Action Plan activity was under control and the Technical Group felt that the PIRT was doing a good job and progress is being made on all action items. It is also thought that progress could be faster if some support resources could be found. There has been some contact with the European Commission regarding its supporting the PIRT in its work.
- The Technical Group tries to have meetings between the annual meetings of the CSLF and Saudi Arabia has expressed an interest in arranging the next Technical Group meeting.
- The Otway Basin and Zama Projects were reviewed and approved by the PIRT and the Technical Group and are being passed on to the Policy Group for its action.

3. Review and Approval of Proposed Projects

Two projects were recommended by the Technical Group for approval by the Policy Group.

Peter Cook of Australia presented the Otway Basin Pilot Project, sponsored by Australia and the United States. This is a project in Australia to study the injection of CO₂ in a saline aquifer, including a very comprehensive system of monitoring and verification. The project was developed by CO2CRC with the sponsorship of many organizations and a high level of international collaboration. Injection will commence mid 2007 with a total of 100,000 tonnes CO₂ injected 2007-2008. The project will run to at least mid 2010 with monitoring and validation a key component.

John Harju of the United States presented the Joint Canada-U.S. Monitoring Project of the Zama Acid Gas Enhanced Oil Recovery Pilot Project, sponsored by Canada and the United States. This project is one of four Alberta demonstration projects to receive royalty credits for injecting CO₂ for EOR. It has a unique approach combining acid gas disposal and CO₂ EOR and significant potential to expand its approach. Injection started December 2006. The project is injecting approximately 90 tons of acid gas per day and will sequester 25,000 tons of CO₂ per year and result in an incremental production increase of 10-15% of original oil in place.

The Policy Group reached consensus to approve these two projects for recognition.

4. Technical Issues Requiring Policy Group Guidance

Bill Reynen of Canada, Vice Chair of the Policy Group, proposed a Joint Policy Group-Technical Group Task Force on Societal Issues. He explained that this idea had its genesis at the meeting in Delhi last year and has been discussed since then by the Technical Group. The task force is now being characterized as examining the technical and societal issues for co-management of land use in development of storage sites. There is now a need for dialog on this issue between the Technical and Policy Groups. He further stated that Australia has agreed to co-lead this task force, but identified a need for Policy Group participation.

The floor was then turned over to John Bradshaw, Australian Technical Group delegate. He explained that he envisioned building on the experience the previous year putting through its CO₂ storage legislation as well as the work done in various task forces. The aim is to list the issues that have to be considered.

After discussion, consensus was reached that Australia will prepare a paper on this topic in consultation with any other task force that is interested in this issue. The Policy Group Chair asked that this work be done expeditiously so that action could be taken on it.

New Business

Norway described the forthcoming workshop on Near-Term Markets for Carbon Capture and Storage to be held in Oslo on 21 and 22 June, 2007. This is the second of a series of three workshops being held jointly by the IEA and CSLF in response to a request from the G8. This workshop will be a two-day event designed to assess issues identified in the previous workshop, held in San Francisco in August 2006. The first day will be on lessons learned and the second on the way forward.

5. Closing Comments

Chairman Shope restated the growing public and media interest in carbon capture and storage and thanked France for its hospitality and efforts in hosting the CSLF Annual Meeting and the delegates and observers for their participation. In response, France expressed its pleasure in having hosted the meeting.

ACTION ITEMS ARISING FROM THE JOINT MEETING OF THE POLICY AND TECHNICAL GROUPS

Item	Lead	Action	
1	Australia	Prepare a paper on societal issues for co-management of land	
		use in development of storage sites in consultation with any	
		other task force that is interested.	
2	Secretariat	Conduct a survey of attendees to gather their feedback and suggestions regarding the Technical Workshop and distribute it to attendees.	

AGENDA CSLF Plenary Meeting Le Méridien Étoile Hotel Paris, France Monday, 26 March 2007 Dufy/Derain Room

08:30-09:30 Registration – Hall Maillot

09:30-12:15 Opening Session

Session Chair: Bernard Frois, Chair of National Organizing Committee, France

Opening Statement

Thomas Shope, Policy Group Chair

Keynote Addresses

Sophie Galey-Leruste, Director of Energy and Mineral Resources, French Ministry of Economy, Finances and Industry Gilles Bloch, Director General of Research and the Innovation, French Ministry of Research

Keynote Panel: Overcoming Barriers to CCS Deployment

Howard Herzog, Massachusetts Inst. of Technology, United States (Moderator) Claude Mandil, International Energy Agency John Easton, Edison Electric Institute, United States Stan Pillay, Anglo Coal, South Africa Audience Dialog

12:15-13:45 Lunch – Espace Longchamps Room

13:45-17:45 Session II: Overview of CSLF Progress

Session Chair: Trude Sundset, Technical Group Chair

CSLF Progress

- Legal Issues
 - John Hartwell, Australia
- IEA/CSLF/G8 Cooperation Antonio Pflüger, International Energy Agency
- Capacity Building in Emerging Economies *Justin Swift, United States*
- Projects Interaction and Review Team (PIRT) John Bradshaw, Australia

15:30–15:45 Coffee/Tea – Hall Maillot and Cezanne Room

CSLF Progress (continued)

- Review and Identification of Standards for CO2 Storage Capacity Estimation, Phase II *Stefan Bachu, Canada*
- Other CSLF Activities John Panek, CSLF Secretariat

Panel: Stakeholder Perspectives

Elena Nekhaev, World Energy Council (Moderator) Arthur Lee, Chevron Cassandra McCarthy, Australian Coal Association Milton Catelin, World Coal Institute Jeff Chapman, Carbon Capture & Storage Association Paal Frisvold, Bellona Europe Audience Dialog

- 17:45 Adjourn
- 19:15 Buses depart from front of Le Méridien Étoile Hotel for River Palace Boat

CSLF WORKSHOP "Overcoming Barriers to CCS Deployment" Paris 27 March 2007

Programme

Objectives

- To identify possibilities for deploying CCS technologies at large scale
- To identify ways of removing obstacles to deployment of CCS
- To identify where actions and initiatives/projects are required to address some of the critical issues and gaps.

Programme

• Morning Programme

- 0900 Start: Chair/Olivier Appert
- Introduction and scene-set for the workshop (10 mins)
 Olivier Appert [IFP]
- Stakeholder input to policy development (EU ZEP) (10 mins)
 Nick Otter [ALSTOM]
- Ongoing work to remove obstacles for large scale industrial initiatives (60 mins)
 - EC Sustainable FF PG Communiqué of 10 January 2007
 - Wiktor Raldow [European Commission, DG RTD]
 - USA Regional actions and engagement
 - George Guthrie [Los Alamos National Laboratory]
 - Canada infrastructure issues
 - Bill Reynen [National Resources Canada]
 - Australia storage legislation
 - John Hartwell [DITR]
 - Developing country viewpoint what is needed to deploy CCS
 - R.R. Sonde [NTPC/India]
- Discussion Session (15 mins)

1035-1100 Refreshment Break POSTER SESSION for CSLF projects

- Industrial initiatives: what is needed to make them happen? (120 mins) a series of case studies
 - Planned industrial demonstrations and 'first of a kind' plant
 - Pre combustion capture from gas
 UK
 Gardiner Hill [BP]
 - IGCC/pre combustion capture Australia
 - Howard Morrison [ZeroGen]
 - FutureGen USA - Victor Der [USDOE]
 - Oxyfuel capture Canada
 - Bill Reynen [Natural Resources Canada]

•	Oxyfuel capture	France
	- Luc de-Marliave [TOTAL]	
•	Post combustion capture from gas	Norway
	- William F. Christensen [Norwegian	-
	Ministry of Petroleum and Energy]	
•	Post combustion capture from coal	Germany
	- Matthias Krumbeck [RWE]	
•	CO ₂ storage in depleted fields	France

Note : the aim is to get a range of capture technologies (pre/post/oxy) with different fuels (gas/coal) and at different parts of the world with different CO₂ storage site types and use.

1300-1400 Lunch: Walking buffet with time for interactions

- Marc Florette [GDF]

• Afternoon Programme:

1400 Start: Afternoon Chair/Trude Sundset

The Business Case for CCS – an industry perspective (25 mins)
 Mike Morris [AEP]

Panel Session

- o Introduction to Panel Sessions (10 mins)
 - Explain aims, objectives and format: Trude Sundset [Statoil]
- What next? Technology (40 mins)
 - Chair : Manuel Sánchez [EC DG-RTD]
 - Overview of Gap Analysis work conducted by CSLF/PIRT and way forward with possible new/extended projects (10 mins)
 - John Bradshaw [GeoScience Australia]
 - Panel discussion (30 mins)
 - Pierre Le Thiez [IFP]
 - Steve Crookshank [American Petroleum Institute]
 - John Bradshaw [GeoSceince Australia]

1515-1540 Refreshment Break

POSTER SESSION for CSLF projects

- What next? Communication and Public Acceptance (40 mins)
 - Chair: Gardiner Hill
 - Preparative talk for Panel (10 mins)
 - David Reiner [MIT/Cambridge University]
 - Panel Discussion (30 mins)
 - Peta Ashworth [CSIRO Australia]
 - Jason Anderson [Inst. For European Environmental Policy UK]
- What next? Legislation and Regulation (40 mins)
 - Chair : John Hartwell [DITR]
 - Preparative talk for discussions (to identify key regulatory issues, ...) (10 mins)
 - Scott Brockett [EC DG-ENV]

- Panel discussion: (30 mins)
 - Stefan Bachu [Alberta Energy & Utilities Board]
 - Arthur Lee [ChevronTexaco]
- What next? Putting a value on CO_2 (40 mins)
 - Chair: Jeff Chapman [CCSA]
 - Preparative talk outlining issues (10 mins)
 Howard Herzog [MIT]
 - Panel discussion : (30 mins)
 - Gardiner Hill [BP]
 - Bill Koppe [Anglo]

Final Session

1740 Conclusions

- Summary and Closure (5 mins)
 - Trude Sundset [Statoil]

1745 Closure of Workshop