



INTERACTIVE CO₂ TRADING SIMULATION OVERVIEW
CSLF Roundtable Dialogue Agenda Supplement
Tuesday, 15 April 2008

Leader: Lincoln Paterson (CSIRO, Australia)

For this exercise, participants will be assigned into teams of about ten people each to evaluate the technical and commercial aspects of meeting the carbon abatement needs of a hypothetical country through the potential development of a CO₂ storage field.

- Each team will have two sub-teams. One represents the Government, while the other will represent an Energy Contractor.
- The Government sub-team will determine a strategy for meeting the country's carbon abatement needs.
- The Contractor sub-team will come up with a development plan with an acceptable return on investment.

After meeting in sub-teams for about 45-50 minutes, the two sub-teams will come together and try to reach an agreement on terms.

Each sub-team (Government and Contractor) will be given a data set to work with during the first segment of the exercise. A simple Cash Flow economic model will be provided for your use (in Microsoft Excel .xls format).

Note that to run the economic model, each sub-team will need at least one laptop computer that can run an Excel spreadsheet. So if you travel with a laptop computer, please bring it to the trading simulation session.

To complete the exercise, in the last 40 minutes teams will present their work and resulting decisions. While the performance of the teams will be judged and awards will be presented, the real value of the exercise is through participation and learning.