

# **CCUS COUNCIL**

Inaugural meeting - summary

## Attendees

- Claire Perry, Minister of State for Energy and Clean Growth
- Ashley Ibbett, Director, Clean Electricity Directorate, BEIS

#### **Council members**

- Rodney Allam, 8 Rivers & NET Power
- Allan Baker, Global Head of Power Advisory & Project Finance, Societe Generale
- Dustin Benton, Policy Director, Green Alliance
- Paul Booth, Chair, Tees Valley Local Enterprise Partnership
- Stephen Bull, SVP Wind and Low Carbon Solutions, Statoil
- Stuart Haszeldine, Director, Scottish CCS
- Sinead Lynch, UK Country Chair, Shell
- Charlotte Morgan, Partner, Linklaters
- Jeremy Nicholson, Director, Energy Intensive Users Group
- Brad Page, CEO, Global CCS Institute
- David Parkin, Director of Safety and Network Strategy, Cadent
- Pratima Rangarajan, CEO, OGCI Climate Investments
- David Reiner, Senior Lecturer in Technology Policy, Cambridge University
- Dame Angela Strank, Chief Scientist and Head of Downstream Technology, BP
- Luke Warren, CEO, CCS Association
- Susie Wood, Principal Climate Change, BHP (attended on behalf of Laura Tyler)

#### **Observers**

- Jason Golder, The Crown Estate,
- Tom Mallows, The Crown Estate Scotland
- Andrew Bullimore, Oil and Gas Authority
- Meg Nicolaysen, HM Treasury
- Stuart McKay, Scottish Government
- Matt Taylor, Deputy Director, BEIS
- Will Lochhead, Head of CCUS Policy Team, BEIS
- Amy Cutter, CCUS Policy Team, BEIS

## **Apologies**

- James Smith, Chair of the Carbon Trust and Co-Chair of the CCUS Council
- Laura Tyler, Chief of Staff and Head of Geoscience, BHP
- Laura Sandys, Chief Executive, Challenging Ideas

# Opening remarks from Minister Perry

- Claire Perry, Minister of State for Energy and Clean Growth welcomed the participants, introduced her role as Chair and invited introductions from the members.
- Minister Perry announced that James Smith, Chair of the Carbon Trust, had agreed to co-chair the Council and shared his apologies for not being able to attend the inaugural meeting.
- The Minister set out her vision for the Council and confirmed that the Council will be her primary forum for engaging with the CCUS sector on a strategic level.
- Minister Perry stated that she expects the Council will run for two years as part of a programme to progress CCUS in the UK, and may be extended if required.
- She ended her remarks by saying that she was incredibly excited to have everyone in the room and to be driving forward on this.

#### **CCUS Cost Challenge Taskforce**

Charlotte Morgan, partner at Linklaters and Chair of the CCUS Cost Challenge Taskforce provided an overview of the Taskforce:

- The Taskforce's work will be structured under four workstreams: innovation and new technologies; finance, legal and risk; project delivery and business models; and deployment pathway options.
- The expertise of the Council will be used to guide the work of the Taskforce.
- The Taskforce is due to report to Government at the end of July 2018.

### Facilitated discussion

Ashley Ibbett, Director of Clean Electricity at BEIS facilitated a discussion on:

- CCUS and the Clean Growth Strategy, maximising economic opportunities
- The value of CCUS, technology innovation and cost reduction potential
- Role of the Council and interaction with CCUS Cost Challenge Taskforce

## Main discussion points:

- The Council and Taskforce must not duplicate work that has been done previously on CCUS in the UK. The Council must focus on how to move CCUS forward.
- The need to consider the wider value of CCUS to the UK and the economy, alongside cost.
- Articulating a CCUS narrative that is accessible to the public and comparable to other technologies.

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- The key challenges for both government and the private sector in delivering CCUS, including the allocation of risk.
- The value of CCUS in producing low carbon hydrogen for heat and transport.
- Innovation as an area for both competition and collaboration, and the balance of efforts and investment between innovation and deployment should be considered.
- The potential importance of industrial clusters, and the establishment of carbon dioxide transport and storage infrastructure as a means to attract industries that are looking to transition to low carbon.
- The need to work with exemplars globally and identify opportunities for international collaboration and knowledge sharing.
- The potential opportunities and concerns related to enhanced oil recovery (EOR).
- The opportunities and characteristics inherent in different parts of the CCUS chain.
- The pace of action required.

# Summary of agreed actions and next steps

Council members agreed that the following areas could be considered in further detail by the Council:

- The hydrogen economy and the role of hydrogen in transport and heating
- How best to address and structure the different parts of the CCUS chain (i.e. transport, storage, capture and utilisation)

Council members should suggest potential additions to the Council, with the following recommendations made at the meeting:

- Ofgem
- Regional representation, including from the potential Grangemouth CCS cluster
- Generators or an industry group representative
- National grid
- Oil and Gas Authority

BEIS to circulate the list of Taskforce members to the Council members.

The next meeting of the Council will be held in June 2018 and will focus on discussing the draft report from the Taskforce.

# Closing remarks

Minister Perry said that she was hugely encouraged by the participation of the members and closed the meeting by expressing thanks to all who had attended.