Next Steps in CCS Policy Scoping Document

Catalogue of questions

[Word format]

Please read this document in conjunction with the [Next Steps in CCS Policy Scoping Document](https://www.gov.uk/government/publications/ccs-policy-scoping-document) Any responses should be completed on the form below and sent by email to occs@decc.gsi.gov.uk or by post to:

Office of Carbon Capture and Storage

Department of Energy & Climate Change,

55 Whitehall,

London, SW1A 2EY

If you have any queries please telephone: 0300 060 4000

**The** **closing date for responses is Thursday 23 October 2014.**

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| Ch 4: Financial Incentives and Electricity Market Reform |
| Q1. | To what extent would developers be prepared to invest in FEED costs ahead of allocation of a CfD, and if they are not able to do so what measures could be adopted so that the developers have sufficient certainty of their costs and a Strike Price to form the basis of an investment decision? |
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| Q2. | How best should the industry-led CCS Commercial Development Group work to support project developers in engaging with finance markets? |
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| Q3.  | To what extent should Government reflect long-term risks of full chain CCS projects in the design of a CCS CfD? In particular, we will want to explore the extent to which similar risks also arise in other sectors and the changes that may be needed in CfD design to put CCS on an equivalent basis to other low carbon technologies. |
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| Ch 5: Financing CCS projects |
| Q4. | Are the existing products offered by the Green Investment Bank (GIB), Infrastructure UK (IUK) and the European Investment Bank (EIB) sufficient to support CCS projects in raising necessary finance from non-public sources? If not, please explain why, with supporting evidence, and what kind of additional financing or products would be needed? |
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| Ch 6: Transport and Storage Infrastructure |
| Q5. | To what extent is it a priority from an industry perspective for regulation to cover technical aspects of shared CCS infrastructure, such as operating parameters including pipeline pressures for wider networks, or specifications for the CO2 to be transported?  |
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| Q6. | What further steps may be necessary to stimulate private investment in infrastructure deployment |
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| Q7. | What are your views on the current arrangements for permitting the operation of storage sites? Are these proving to be a barrier to investment, and if so how might these barriers be overcome? |
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| Q8. | Are there elements in the way the CCS Directive has been implemented in the UK that ought to be revisited? What should the UK be asking for during the Directive review process? |
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| Ch 7: Part and Full Chain projects |
| Q9. | The Government does not consider it currently has a role, beyond existing third party regulations, in establishing the terms and conditions of any agreements between part-chain projects and full-chain / CO2 infrastructure providers. What steps do you think industry should take to further develop the commercial models for any such agreements? |
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| Ch 8: Enhanced Oil Recovery (EOR) |
| Q10. | On issues of incentives for CO2-EOR, respondents are encouraged to input to the HM Treasury call for evidence on the Review of the Oil and Gas Fiscal Regime, which closes on 3 October 2014. |
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| Q11. | How should industry collaborate to best match the needs of CO2 supply and demand for any future CO2-EOR industry and how should this be managed? |
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| Q12. | How should the industry collaborate to take forward any additional transportation infrastructure requirements of any future CO2-EOR industry? |
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| **Ch 9: Industrial CCS** |
| Q13. | What changes to the CfD design would developers need in order to bring forward projects involving industrial emitters installing CCS on their onsite power generation? Respondents should note that the Government intends to publish further guidance on Private Network Generation in early Autumn 2014.  |
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| Q14. | Which of the barriers to industrial CCS are the most important and how should they be overcome? |
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| Q15. | What is the best next step for each sector? For example, should first generation technologies be brought forward in all sectors, or would it be better to consider bespoke actions per sector? |
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| Q16. | How should any Government activity best support R&D and innovation for ICCS? |
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| Ch 10: Bio-CCS / BECCS |
| Q17.  | We would welcome views as to what issues the UK Government may want to urge the European Commission to consider regarding BECCS before they propose the detailed architecture of EU climate and energy policy for the period post-2020, including revisions to the EU ETS Directive for phase IV of the EU ETS (2021-2030). |
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| Ch 11: CCU |
| Q18.  | The Government and its R&D partners will continue to monitor the progress of CCU technologies, as part of its wider efforts on CCS. Do you wish to offer any evidence of such progress? |
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| Ch 12: Supply Chain |
| Q19.  | Is any further action needed to support supply chain companies wishing to supply good and services to CCS projects in the UK, or abroad? |
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| Q20.  | Do you agree that currently there does not appear to be significant supply chain barriers to the commercial deployment of CCS up to 2030? If your answer is no, please set out why, with supporting evidence. |
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| Ch 13: Knowledge Transfer (KT) |
| Q21. | Should similar arrangements as those under the Commercialisation Programme, be made for the provision of KT from any future CCS projects? If so, what kind of aspects of KT does industry find most useful? |
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| Q22. | How can KT from projects under the Commercialisation Programme and any future projects be most usefully disseminated, e.g. via report, workshops, seminars etc.?  |
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| Ch 14: Research, Development (R&D) and Innovation |
| Q23. | For any future funding calls, should R&D funding be targeted at specific aspects of the CCS chain, or level of technology maturity?  |
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