UK CCUS Council Meeting Minutes 20th June 2022, hybrid meeting

Attendees Organisation

Rt Hon Greg Hands (GH)- Co-Chair Minister for Energy, Clean Growth and Climate Change

James Smith (JS)- Co-Chair Former Chair, Carbon Trust

Syrie Crouch (SC) Shell
Andy Lane BP

Dominic Martin (DM) Equinor
Charlotte Morgan Linklaters
Lord Hutton Make UK
Frank Aaskov Make UK

Cordi O'Hara National Grid Ventures

David Reiner (DR) Cambridge University

Martin Alsford (MA) Storegga

Roz Bulleid (RB)Green AllianceRuth Herbert (RH)CCS AssociationOlivia Powis (OP)CCS Association

Ronnie Quinn NECCUS

Hywel Thomas Cardiff University

Karl Smyth Drax
Neil Golding EIC
Phillip Hemmens (PH) ENI

Laura Sandys (LS)

Allan Baker

David Parkin (DP)

Challenging Ideas

Societe Generale

Progressive Energy

Chris Robinson (CR) Tees Valley Local Enterprise Partnership

Paul Greenwood Exxon Mobil

Rodney Allam 8 Rivers & NET Power

Francesca Bell (CCUS ECPF Co-Chair) OEUK

Adrian Topham Crown Estate

Julian Leslie (JL) National Grid ESO

Martin Cook National Grid
Stuart Haszeldine (SH) Scottish CCS

Kristina Dahlstrom NSTA

Observers Organisation

Alex Milward (AM) Director, CCUS, BEIS

Stephanie Murphy Director, Hydrogen and ICC, BEIS

Beatrice Filkin (BF)

Deputy Director, CCUS, BEIS

Matthew Taylor Deputy Director, CCUS, BEIS

Chris Thackeray (CT) Deputy Director, CCUS, BEIS

Will Lochhead Deputy Director, CCUS, BEIS

Emily Weatherby (EW) CCUS Council Secretariat

Scott Parnell (SP) CCUS Policy Advisor, BEIS

1. Opening remarks from the Minister for Energy, Clean Growth and Climate Change and James Smith

GH welcomed members to the CCUS Council meeting and commented on the change in the global landscape since the last meeting and noted the increased importance of energy security as a result of the war in Ukraine. GH noted the important role that CCUS had to play in this and recognised the restatement of the Government's commitments on CCUS in the British Energy Security Strategy and praised the combined efforts of Government and industry on the deployment of CCUS in the UK. JS welcomed members of the CCUS Early Careers Professional Forum (ECPF) to the meeting.

2a. Presentation of a Forward Look of CCUS Council Agenda Items

BF presented a forward look of agenda items for the CCUS Council which focused on the five priority areas of the council. BF noted that the CCUS Council Secretariat welcomed the views of members on agenda items for the upcoming council meetings.

2b. CCUS Council discussion

The forward look was broadly welcomed by members. SC noted that an agenda item on cross- border transportation of CO2 would be welcomed as an opportunity to progress government to government agreements. RB commented on the proposal for a conversation on the Bioenergy with Carbon Capture and Storage (BECCS) business model and noted the importance of stakeholder engagement and consideration of broader perception of BECCS. CT highlighted that the BECCS business model was still in the early stages of development and that any consultation would seek the views of stakeholders alongside a broader consultation on Greenhouse Gas Removal (GGR).

CR agreed with the importance of a conversation on cross border transportation and noted the value of conversations on non-pipeline transportation between clusters in particular in the event of an emergency shut down. DP suggested that the Track-1 CCUS clusters could be invited to present on their policy ambition to council members. JL added that it would be beneficial to discuss the impact on the grid following the infrastructure development of CCUS clusters and the increase in electricity demand that would take place once CCUS was operational. JS thanked BEIS officials for their work in coordinating the forward look and advised council members to contact the council's secretariat with any additional suggestions for future agenda items.

3a. Presentation from CCSA on the next steps from their Delivery Plan

RH presented an update on the progress that the CCSA had made on their delivery plan as well as the progress more broadly in the deployment of CCUS in the UK. RH noted the progress that had been made in particular on business model development and highlighted the need for clarity on next steps with regards to the announcement of successful Phase-2 emitters projects and plans for Track-2.

RH commented on the work of the CCSA to identify the steps needed to build an industry capable of delivering a successful CCUS industry. RH commented on the need to learn relevant lessons from the Electricity Market Reform (EMR) and offshore wind development when putting together a deployment plan for the CCUS sector.

3b. CCUS Council Discussion

MA noted that visibility of the future CCUS deployment pathway and further allocation rounds will help to retain supply chain opportunities within the UK. DP noted that industry was waiting for the Phase-2 shortlist announcement which would set the trajectory of success for the deployment of CCUS in the UK. CR commented that Phase-2 could seek opportunities overseas if they are not included in the Phase-2 shortlist announcement. CR agreed that clarity on Track-2 was needed for industry to progress.

PH thanked the CCSA for their presentation and highlighted the willingness from industry to invest capital in the sector. PH encouraged HMG to consider moving away from Track-2 to encourage broader development of CCUS across all industrial clusters. SC requested clarity around the route to market for unsuccessful Phase-2 projects and commented on the need for visibility of future pipeline projects including those beyond Track-2.

DM commented that industry would be willing to build a case for mobilising a CCUS supply chain cost reduction taskforce, similar to what was established for the offshore wind industry. AM recognised the feedback from members around the timings of announcements and asked members to take account of the time needed for CO2 stores to be fully operational. RH commented that industry and HMG would need to consider multiple sites as well as the possibility of expansion to allow for resilience across the network. JS thanked the CCSA for initiating a discussion around the CCUS deployment pathway and noted that firms could look to consider their global investment prioritisation once the Phase-2 outcome is announced.

4a. Public Engagement

OP presented an updated on the progression of the CCSA's work on public engagement and the progress against the actions of the CCSA's Delivery Plan. OP noted that the engagement around CCUS on social media was mainly focused in the geographical areas where CCUS was being deployed. OP commented that the animation produced by the CCSA alongside their Delivery Plan could be used to engage the public and noted several events that could mark key opportunities to progress discussions on public engagement for example the CCSA annual conference.

4b. CCUS Council Discussion

MA agreed that public engagement was needed to highlight the role of CCUS in the decarbonisation of certain sectors in order to reduce it being presented as

greenwashing. DR commented on the importance of engagement with NGOs. DR noted that the possibility of changing public opinion over time should not discourage active public engagement. RB agreed that NGO engagement was important and added that it would be beneficial for conversations with NGOs to present the role of CCUS in a broader net zero context. SP commented on a piece of research commissioned by BEIS into the containment of CO2 which was due to be published in due course and could mark a positive moment for public engagement on CCUS.

SH commented that views on this should be sought from NGOs both from those who were members of the council and those who weren't as well as combining discussions with other net zero infrastructure deliverables. SH added that accurate reporting on the nature of CO2 stores such as the volumes of CO2 captured and stored would support broader public engagement on CCUS. LS noted the importance of having clear strategic objectives on the outcomes of public engagement prior to launching a campaign. LS noted that future CCUS end users should be included as a key audience. GH thanked council members for sharing valuable thoughts on public engagement. GH noted the importance of the perception around the importing and storing of CO2 which is produced outside of the UK.

5. Update from CCUS Council Secretariat

EW presented an update from the CCUS Council secretariat on the update to the council's Terms of Reference, which had been refreshed as part of a Terms of Reference review in Q1 of 2022, to ensure that the CCUS Council Terms of Reference continued to align with the development of the CCUS programme as it moved into a new stage of delivery.

6. AOB and Close

GH thanked council members for their work towards meeting the priority areas of the council and driving forward the deployment of CCUS in the UK. JS thanked members for attending and brought the meeting to a close.