

U.S. Department of Energy Carbon Sequestration Initiatives June 24, 2010

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Outline

- DOE Carbon Sequestration Program
- American Recovery and Reinvestment Act of 2009 (ARRA) Fossil Energy Research & Development
- Other CCS Activities
 - International Cooperation
 - Interagency Task Force on Carbon Capture and Storage
 - Geologic Storage Regulatory Framework



CCS R&D Mission & Approach

Critically Linked to Climate & Security Goals

Develop Technologies and Best Practices That Facilitates Wide Scale Deployment of Fossil Fuel Energy Systems Integrated With CCS by 2020

- Develop plant designs & components optimized for CCS
- Reduce capture costs
 - <10% increase in COE (pre-combustion)
 - <35% increase in COE (post- and oxy-combustion)
- Validate storage capacity
- Validate storage permanence
- Create private/public partnerships
- Promote infrastructure development
- Put "first of kind" field projects in place
- Develop tools, protocols & best practices





U.S. DEPARTMENT OF ENERGY • OFFICE OF FOSSIL ENERGY NATIONAL ENERGY TECHNOLOGY LABORATORY CARBON SEQUESTRATION PROGRAM with ARRA Projects



Demonstration and Commercialization Carbon Capture and Storage (CCS)



Sequestration Program Total Funding Program Statistics 2009



Diverse Research Portfolio ~ 80-100 Active R&D Projects

Strong industry support ~ 39% cost share on projects

Federal Investment to Date ~ \$785 Million

2009 Program Budget Breakdown

NOTE: Innovations for Existing Plants (IEP) Program provides an additional \$50 million for postcombustion and oxycombustion capture



- Regional Partnerships- 60%
- Simulation and Risk- 14%
- CO2 Use/ReUse- 5%
- MVA- 10%
- Geologic Storage 5%
- Capture 6%



Core R&D Focus Areas and Supporting Research Pathways





Regional Carbon Sequestration Partnerships "Developing the Infrastructure for Wide Scale Deployment"





Regional Carbon Sequestration Partnerships Program Phases

FISCAL YEAR





National Atlas Highlights (Atlas II) Adequate Storage Projected

U.S. Emissions ~ 6 GT CO_2 /yr all sources





Saline Formations



Oil and Gas Fields

North American CO₂ Storage Potential (Giga Tons) Unmineable Coal Seams

Conservative Resource Assessment

Sink Type	Low	High
Saline Formations	3300	13000
Unmineable Coal Seams	160	180
Oil and Gas Fields	140	140

Hundreds of Years of Storage Potential



Available for download at http://www.netl.doe.gov/technologies/carbon_seq/refshelf/atlasII/atlasII.pdf



National Carbon Sequestration Database and Geographical Information System (NATCARB)



- Available "Free-Of-Charge" on Internet
- Portal to Key Source & Sink Databases
- Decision Support Tools
- Outreach tool
 - Website gets 600+ unique visitors every month from around the world







World-Wide CCS Projects Database

Data compiled from a multitude of sources

Websites, factsheets, reports, news postings, etc...

To date, ~195 projects projects

- Includes active, developing, proposed, on hold, or completed)
- USA: ~ 80 projects ٠
- International: ~ 115 projects

Approximately 125 projects active

- Either capturing, injecting, developing infrastructure, site characterization/selection, designing, or in the permitting process.
 - USA Projects:

- ~ 50 projects
- International Projects: ~ 75 projects





RCSP Phase II: Validation Phase Small-Scale Geologic and Terrestrial Tests



* Currently injecting or will begin injecting in 2010

RCSP Phase III: Development Phase Scaling Up Towards Commercialization





RCSP Phase III: Development Phase Large-Scale Geologic Tests



✓ Nine large-volume tests ✓ Injections initiated 2009 – 2011

	Partnership	Geologic Province	Туре
1	Big Sky	Triassic Nugget Sandstone / Moxa Arch	Saline
2	MGSC	Deep Mt. Simon Sandstone	Saline
3	MRCSP	Shallow Mt. Simon Sandstone	Saline
4	PCOP	Williston Basin Carbonates	Oil Bearing
5	FCOK	Devonian Age Carbonate Rock	Saline
67	SECARB	Lower Tuscaloosa Formation Massive Sand Unit	Saline
8	SWP	Regional Jurassic & Older Formations	Saline
9	WESTCARB	Central Valley	Saline



CCS Best Practice Manuals

Critical Requirement For Significant Wide Scale Deployment Capturing Lessons Learned

Best Practice Manual	Version 1 (Phase II)	Version 2 (Phase III)	Final Guidelines (Post Injection)	
Monitoring Verification and Accounting	2009	2017	2020	
Site Characterization	2010	2016	2020	
Simulation and Risk Assessment	2010	2017	2020	
Well Construction and Closure	2010	2017	2020	
Regulatory Compliance	2010	2016	2020	
Public Education	2009	2016	2020	
Terrestrial Sequestration Practices	2010	2016 – Post MVA Phase III		



Introduction to American Recovery and Reinvestment Act (ARRA) – Sequestration Activities



The American Recovery and Reinvestment Act of 2009 (ARRA)

- Provides an Additional \$3.4 Billion for Fossil Energy Research and Development to:
 - Develop and Demonstrate CCS Technology in Partnership with Industry to Reduce GHG Emissions
 - To Transition this Technology to Industry for their Deployment and Commercialization
 - Become the World's Leader in Science and Technology
 - Implement Projects to Support Economic Recovery



American Recovery and Reinvestment Act of 2009 (ARRA) – Fossil Energy CCS

Fossil Energy (\$ in Thousands)	Funding Amount
Clean Coal Power Initiative – Round 3 FOA	\$ 800,000
Industrial Carbon Capture Solicitation	\$1,520,000
Geologic Formation Site Characterization	\$50,000
Geologic Sequestration Training & Research	\$20,000
Carbon Capture and Storage (FutureGen)	\$1,000,000
Program Direction	\$10,000

Total, Fossil Energy

\$3,400,000



CCPI Round 3



Current CCPI Round 3 Projects



Industrial Carbon Capture & Storage (ICCS)



Industrial CCS Projects

Area 1: large-scale CCS from industrial sources

- Objectives
 - Demonstrate advanced CCS technologies
 - To progress beyond the R&D stage of readiness
 - Integration with comprehensive Monitoring, Verification & Accounting (MVA)
 - 1MM tons/yr of CO₂ emissions from each plant for CCS

Area 2: Innovative Concepts for Beneficial CO₂ Reuse

- Objectives
 - Carry out testing of beneficial CO₂ use technologies and processes that will provide information on *cost and feasibility* of implementation and operation
 - Projects must be <u>beyond</u>
 R&D stage and are ready for implementation at *pilot-scale level*





Project Locations for Area 1, Phase 2 Carbon Capture and Storage from Industrial Sources



Company - Project Location Industry Type – Product Sequestration Type



Project Locations for Area 2, Phase 1 CO₂ Beneficial Reuse



Geologic Site Characterization



Site Characterization Overview

• Goals and Objectives:

- Characterize a minimum of 10 "high-potential" geologic formations
 - Saline formations, depleting/depleted oil fields, or coal seams
 - Focus on a minimum of one specific site, formation, or area not previously characterized with public data
 - Represents a significant storage opportunity in the region with adequate seals that could be developed commercially in the future
 - Increase understanding of the potential for these formations to safely and permanently store CO₂
- Planned Awards:
 - At least 10 Cooperative Agreement Awards
- DOE Funding/Award Size:
 - \$49.75M / Approximately \$5M each
- **Cost Share:** at least 20%
- Performance Period: 3 years







Geologic Sequestration Training and Research Activities



Sequestration Training and Research Goals

- Develop a Future Generation of Geologists, Scientists, and Engineers needed to Provide the Skills Required for National-Scale, Large-Volume Geologic Storage Projects
- Advance Educational Opportunities Across a Broad Range of Colleges and Universities
- Implement Regional Technology Training that focuses on the Applied Science and Engineering Required for CCS Projects



Major Planned Program Milestones

Milestone	Geologic Sequestration Training and Research		
	Universities and Colleges	Establish CCS Training Centers	
Complete 1 st Training Classes – All Learning Centers	N/A	09/30/10	
100 Professionals Trained	N/A	07/31/11	
250 Professionals Trained	N/A	04/30/12	
Complete Training Center Workshops – 500 Professionals Trained	N/A	12/10/12	
100 Undergraduate and Graduate Students Trained	12/23/12	N/A	
Project Complete	12/23/12	12/10/12	





Geologic Sequestration 43 Selections Announced Training & Research **2009 ARRA CCS University Research and Training Grants**





9/16/09

Summary of Selections

Area of Interest	# of Projects	DOE Share	Cost Share	Total Budget
Simulation and Risk Assessment	20	\$5,975,055	\$524,248	\$6,499,303
Monitoring, Verification, and Accounting	13	\$3,813,065	\$247,712	\$4,060,777
Capture and Transport	5	\$1,494,093	\$0	\$1,494,093
Post-Combustion Capture	5	\$1,501,633	\$130,924	\$1,632,557
Total	43	\$12,783,846	\$902,884	\$13,686,730



Other CCS Activities



DOE's Global CCS Demonstration Role

Selected DOE Participation in International CO ₂ Storage Projects					
Location	Operations	U.S. Invol.	Reservoir	Operator /Lead	Int'l Recognition
North America, Canada Saskatchewan Weyburn-Midale	1.8 Mt CO ₂ /yr commercial 2000	2000-2011	oil field carbonate EOR	Encana, Apache	IEA GHG R&D Programme, CSLF
North America, Canada, Alberta Zama oil field	250,000 tons CO_2 , 90,000 tons H_2S demo	2005-2009	oil field carbonate EOR	Apache (Reg. Part.)	CSLF
North America, Canada, British Columbia Fort Nelson	 > 1 Mt CO_{2/}yr, 1.8 Mt acid gas/yr large-scale demo 	2009-2015	saline formation	Spectra Energy (Reg. Part.)	CSLF
Europe, North Sea, Norway Sleipner	1 Mt CO ₂ /yr commercial 1996	2002-2011	marine sandstone	StatoilHydro	IEA GHG R&D Programme, CSLF, European Com.
Europe, Germany CO2SINK, Ketzin	60,000-90,000 tonnes CO ₂ demo 2008	2007-2010	saline sandstone	GeoForsch- ungsZentrum, Potsdam(GFZ)	CSLF, European Commission, IEA GHG R&D Prog
Australia, Victoria Otway Basin	100,000 tonnes CO ₂ demo 2008	2005-2010	gas field sandstone	CO2CRC	CSLF
Africa, Algeria In Salah gas	1 Mt CO ₂ /yr commercial 2004	2005-2010	gas field sandstone	BP, Sonatrach, StatoilHydro	CSLF, European Commission
Asia, China, Ordos Basin	assessment phase CCS	2008-TBD	Ordos Basin	Shenhua Coal	



Interagency Task Force on CCS

Goal: Propose a plan to overcome the barriers to the widespread cost-effective deployment of CCS within 10 years with a goal of bringing 5-10 commercial demonstrations online by 2016

- Established on February 3, 2010
- 14 executive departments and agencies
- Co-chaired by DOE and EPA
- Plan is due in August 2010
- First public meeting held May 6, 2010



Regulatory Guidelines Emerging

- EPA & DOE Working Group
- EPA Underground Injection Control Program
 - Class V guidance March 2007
 - Proposed Class VI Rules July 2008
 - Notice of Data Availability (NODA) August 2009
 - Class VI Final Rule 2010

EPA Office of Air and Radiation

- Responsible for CO₂ emissions and accounting
- IOGCC and DOE
 - Regulatory Framework 2005
 - Model Regulations 2008
 - Regulatory Best Practices Manual 2010
 - CO₂ Pipeline efforts started in 2009

Supporting IRS Rules CO₂ Sequestration Tax Credits





Summary

- Continue with large-scale development to verify safe and permanent storage in geologic formations
- Continue to pursue novel technology development to lower capture costs
- Ensure that next generation of scientists and engineers are trained and available
- Continue working with other Federal agencies to ensure necessary legal and regulatory frameworks are in place
- Work with international partners



More Info...



Fossil Energy

Clean Coal & Natural Gas Power Systems

Carbon Sequestration

Hydrogen & Other Clean Fuels Oil & Natural Gas Supply & Delivery

Natural Gas Regulation

U.S. Petroleum Reserves



You are here: Carbon Sequestration



Key R&D Programs and Initiatives

Regional Sequestration Partnerships



DOE has created a nationwide network of federal, state and private sector partnerships to determine the most suitable technologies, regulations, and infrastructure for future carbon capture,

storage and sequestration in different areas of the country. Read More >

RELATED NEWS

> Alabama Project Testing Potential for Combining CO2 Storage with Enhanced Methane Recovery

> More Related News

http://www.fossil.energy.gov/programs/sequestration/index.html http://www.netl.doe.gov/technologies/carbon_seq/index.html http://www.energy.gov/recovery/index.htm

