
Carbon Capture Usage and Storage (CCUS) policy: the UK's Government's new approach

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The Government's new approach to CCUS: becoming the global technology leader

- CCUS is an important part of the Clean Growth Strategy, supporting decarbonisation across the economy and maximising economic opportunities
- It is why the Government wants the UK to become a global technology leader in CCUS and work internationally with industry and governments to bring about global cost reductions
- Our ambition is to have the option of deploying CCUS at scale during the 2030s, subject to costs coming down sufficiently
- We will:
 - (1) Progress our commitment to deploying CCUS in the UK, subject to cost reduction;
 - (2) Collaborate with international partners to drive down the cost and accelerate deployment of CCUS; and
 - (3) Invest in CCUS innovation to support cost reduction and deployment in the UK.



Delivery theme 1: Re-affirming our commitment to deploying CCUS in the UK

CCUS Cost Challenge Taskforce to report to Ministers by autumn 2018 with a plan to reduce the cost of deploying CCUS in the UK

Deployment pathway for CCUS produced by end of 2018 on the steps Government intends to take to realise its ambitions for deploying CCUS in the UK

Review the delivery and investment models for CCUS in the UK covering industry projects; power projects; and CO₂ infrastructure

Test the development of CCUS industrial decarbonisation clusters by working with ongoing initiatives in Teesside, Merseyside, South Wales, and Grangemouth.

Establish a Ministerial-led CCUS Council to review our progress and priorities.



Delivery theme 2: International collaboration

The Government will convene and lead a new international working group to drive down the cost and accelerate deployment of CCUS, including by:

Continuing to participate in **Mission Innovation** and its Carbon Capture Challenge;

Working closely with **private sector-led initiatives** such as the Oil and Gas Climate Initiative;

Developing **closer collaborative working** with countries such as Norway, the US, Canada, and Australia, including joint working on CO₂ transport and storage solutions, and working multilaterally through the CSLF and NSBTF;

Continuing to be **a global leader in CCUS investments** through the UK's £60 million international CCUS programme which has been running since 2012, by investing a further £10 million in the programme; and

Organising a **Global Carbon Capture Usage and Storage Conference** in 2018, with international partners.



Delivery theme 3: Investing in innovation

The Government will spend **up to £100 million** from the BEIS Energy Innovation Programme to support industry and CCUS innovation and deployment in the UK, and support cost reductions. We will set out **further detail in 2018**.

£20 million of funding for a **CCU demonstration** programme

Supporting **next generation capture technologies**, with an aim to lower the cost of capture

Supporting **small-scale industrial capture demonstrations** to reduce the risks associated with CCUS on an industrial site

Supporting the application of CCUS in **low carbon hydrogen production**

Furthering our understanding of the **role of GGR technologies**, including BECCS

Supporting studies and technologies that **reduce costs of transporting and storing CO₂**



Establishing a Ministerial-led CCUS Council

- The CCUS Council, chaired by the Minister of State for Climate Change and Industry, will comprise senior CCUS representatives from across the sector, including industry and academia.
- The Council will:
 - Review progress of the commitments made in the Clean Growth Strategy;
 - Advise on funding and policy priorities;
 - Monitor costs and deployment potential (including on the Government's ambition of deploying CCUS at scale during the 2030s); and
 - Be the primary forum for engaging the CCUS sector.
- We expect the first meeting of the Council to occur in late 2017.



The next year will be important in putting us on the path to realise our CCUS ambitions

By the **end of 2018**, we expect to have:

Received a plan of action from the **CCUS Cost Challenge Task Force**

Progressed the **review of delivery and investment models**

The **CCU demonstration programme running** and announced more detail on other CCUS innovation support programmes

Established the Ministerial-led **CCUS Council**

Continued working with **ongoing initiatives** in Teesside, Merseyside, South Wales, and Grangemouth

Held a **Global CCUS Conference** with international partners

Strengthened international collaboration through Mission Innovation, bi-lateral work with Norway, the US, Canada, and Australia and through multi-lateral organisations such as CSLF and IEA

Delivered a **deployment pathway**

