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**Industry Considerations as input to the
Carbon Sequestration Leadership
Forum (CSLF)**

Wider industry consultation has not been possible in the timeframe available

1. A coal industry workshop was held in San Francisco to develop initial material on carbon sequestration
2. Key Australian and US industry associations and organisations were consulted
3. But given the timeframes involved, the consultation was limited.

Position Statement on Carbon Sequestration

- Fossil fuels are the basis for the affordable, reliable electricity that underpins global economic growth.
- In light of increasing concerns about the world's carbon emissions, society should move quickly to determine the technical, economic, and social viability of carbon capture and sequestration (in particular geologic sequestration).
- Sequestration complements energy efficiency and other forms of carbon-free energy, as part of a portfolio response to managing greenhouse gas emissions.
- Industry supports a globally coordinated sequestration program through the CSLF and notes the following key requirements needed to ensure success: build substantial trust with the public, expand the CSLF's country membership and facilitate opportunities for collaboration between industry, government, academia, and other important stakeholders.
- Sequestration is critical to the production of hydrogen from coal without CO₂ emissions, possibly paving the way to a hydrogen-based economy.

Key Outcomes required

1. The technology needs to be demonstrated
2. Parallel demonstration of sequestration will be required in multiple counties and regions
3. The task is large – it needs to be shared.
4. Sharing outcomes will enable smaller scale and lower cost demonstrations to quickly follow larger initial demonstrations
5. CSLF needs to do more than just share information - real work programs are required to achieve results
6. This requires concerted action with government, industry and researchers in partnership

Ministerial/Organizational Recommendations

1. The energy industry is a key stakeholder in this process. It is recommended that a formal mechanism for interaction between the CSLF and industry be established.
2. The mission of the CSLF and associated sequestration RD&D is very large. Adequate financial resourcing is essential.
3. The CSLF needs to define clear rules for how new projects are:
 - initiated
 - funded, and
 - managed
4. The CSLF needs to examine intellectual property rules for CSLF-initiated projects. These rules should:
 - Emphasize high-level principles
 - Leave flexibility for individual projects to define their own rules
 - Ensure that IP negotiations do not become a stumbling block that delays progress.

Policy Recommendations

1. CSLF should seek to address the specific barriers and opportunities to sequestration that are associated with existing international laws and treaties, and the issues relating to legal liability for long term storage solutions.
2. Sequestration is a key enabler for sustainable development. Governments at the Forum should adopt a whole of Government approach which combines the energy, environmental and other relevant considerations, and reflects the broad range of interests involved.
3. CLSF should actively aim for public acceptance through a process of engagement that will require significant resources. Further, this effort must be conducted early and continuously.

Technical Recommendations

1. Large-scale sequestration demonstration projects must be moved forward as rapidly as possible to provide society with technically economically, and socially viable options for carbon-neutral energy.
 - Stakeholder involvement must be a major theme of these efforts
 - Projects must be initially conducted as rigorous scientific experiments, including comprehensive monitoring, in order to instill confidence and identify issues.
 - Projects must provide a mechanism for formal information dissemination/data sharing, preferably taking advantage of existing mechanisms
2. The forum should support a flexible portfolio of sequestration techniques that focuses on geological sequestration, yet includes other approaches such as terrestrial sequestration.
3. The technology and economics of capture for a diverse set of flue gas streams must be proven.

Key principles in Stakeholder Involvement

- ▶ Public Policy, Technical and Stakeholders need to work together as equal partners in a public private partnership
- ▶ The nature of stakeholder engagement process will depend on the CLSF scope.
- ▶ Stakeholders should be represented as members on the technical and policy groups, AND
- ▶ Meetings should be co-located to maximise interaction
- ▶ Stakeholders will also need to meet in their own right to ensure a process of consultation and feedback to wider industry players
 - A business forum is recommended
 - A researchers advisory group is recommended
- ▶ Meetings and proceedings should be open and transparent