

TWG PCI, P&A: CO₂ PCI development

ZEP TWG PCI: 12th September 2016, Version 1.5 – for circulation to the AC incorporating decisions from meeting on 25th August.

The request from AC is for a TOR: “define what it takes to get to deliver a PCI proposal for a R’dam PCI/cluster development”

Background

- ❖ CO₂ projects of common interest (PCIs) can cover pipelines, compression and conditioning plus compositional monitoring and some forms of above ground monitoring.
- ❖ The projects must benefit at least two MSs but can be located in a single country¹ and all projects will be assessed by a “Group” composed of MS’s and the Commission.
 - The NSBTF, led by Germany, has created a strategic infrastructure report that will support the Group in making assessments. At the time of writing we have not seen the final report so we do not know how extensive it is.
 - The EC has tendered for consultants to develop a Cost Benefit Analysis tool for CO₂ PCIs, again to support the Group.
- ❖ CO₂ transport can apply for study funding and works funding, though much of the benefit of a PCI comes through special planning regulations.
- ❖ The Gateway H2020 project is exploring what it takes to create a PCI and create a report that can be used by others that will help them to submit PCI application. In so doing they wish to interact with relevant stakeholders.
- ❖ We do not currently see a path to getting a project on the 2017 list in the absence of a matured project developer, government support and a clear process with the commission – though we are ready to be surprised
- ❖ A big challenge is that a pipeline/ship infrastructure cannot exist without policies that support storage and capture development – with the correct supporting mechanisms a PCI project could facilitate CCS projects.

¹ The creation of a trunk transport line in one MS can be considered beneficiary to a neighbouring MS if it that MS sees the option of a future connection as a reduction of the threshold of CCS deployment in its own territory.

Actions for the ZEP and TWG PCI

The ZEP ETIP sees that it can add significant value to the EC by bringing an industry perspective to help shape the assessment and selection criteria for PCIs, and also by supporting the Gateway project in the development of their report.

We recommend the following actions and ask for the AC's advice and steer:

The TWG-PCI will:

- *Seek ZEP GG input to create an understanding of the challenges of the integration of the CO₂ PCI with wider CCS strategies noting that the benefit from a CO₂ PCI project is completely dependent on the Member State CCS policies.*
- *Seek to become a trusted advisor to the EC on matters related to PCI project selection,, including the CBA*
- *Provide input and guidance to the appointed consultants who will develop the PCI CBA, and consider appropriate assessment criteria for the cross border challenge*
- *On the request of Gateway act as a sounding board and provide an industry perspective on their PCI H2020 project*

The TWG will be supported by the ZEP Secretariat: Theo Mitchell and Harriet Howe.

Internal deliverable: produce an internal note on ZEP perspective for PCI project selection criteria, potential CBA metrics and its interaction with CCS related and wider policies.

External deliverable: provide informed support that contributes positively to the development of CO₂ PCIs²

We currently have the following volunteers: Lamberto, Ingild, Shabana, Emrah: chair, Owain

... and would like to ask if more people would be willing to join the working group.

² ZEP will need to remain impartial to any developer and as such can only advice and support on a general level. It cannot be an integral part of any project nor can it be part of any selection group.