California CCS coalition

A Voice for California’s CCS Industry

SUPPORTING THE DEPLOYMENT OF CCS TECHNOLOGIES THROUGHOUT CALIFORNIA
California CCS coalition

- Created to represent CCS industry to ensure CCS is part of state’s carbon stabilization program.

- Bring voices to the table throughout the state to demonstrate that CCS is practical, effective and safe.

- Represent CCS interests in the legislative and regulatory arena, and educate key constituencies and organizations about CCS.

- Increase awareness of CCS; encourage the deployment of CCS and incentives for CCS development
Coalition board members

- Sempra Energy
- Clean Energy Systems
- Shell
- Hydrogen Energy California
- Chevron
- Aera Energy
- Western States Petroleum Association
- Occidental Petroleum
What’s Already Happened

- AB 1925 (Blakeslee) – 2006; directs CEC to study and report on CCS; report issued in February 2008
- AB 704 (Huffman) – 2007 NRDC sponsored measure to set policy framework; dies in policy committee without being heard
- CCS Review Panel – 2010; stakeholder group issues report on CCS findings, gaps and recommendations
- SB 669 (Rubio) – Introduced as “Intent Bill” in February 2011 – Coalition chose not to pursue
- SB 1139 (Rubio) – Broad policy support; held in fiscal committee - DEAD
SB 1139 (Rubio) – What Did it Do?

- Not everything we need!
- Four Main Objectives
  - Require CARB to develop a methodology to measure and verify GHG emission reductions from carbon capture and storage projects
  - Clarifies that the Division of Oil and Gas (DOGGR) has the authority to issue permits for CCS and enhanced oil recovery projects using carbon dioxide.
  - Directs the State Fire Marshal to regulate the operation of carbon dioxide pipelines.
  - Clarifies subsurface ownership rights necessary for deployment of CCS projects.
SB 1139 Support

- Natural Resources Defense Council (NRDC)
- Environmental Defense Fund (EDF)
- California State Council of Laborers (AFL-CIO)
- California State Pipe Trades Council (AFL-CIO)
- California CCS Coalition
- California Small Business Alliance
- National Federation of Independent Business
- California California Chamber of Commerce
- California Manufacturers & Technology Association
- Western States Petroleum Association
- California Taxpayers Association
- American Council of Engineering Companies
- Southwest California Legislative Council
- South Bay Latino Chamber of Commerce
- California Black Chamber of Commerce
What happened?

- The official position is that there was no “fee support” for the creation of the QM

- The AB 32 fee regulation, however, is clear that programs to implement AB 32 can be funded by the AB 32 fee
  - The creation of the QM for carbon sequestration is detailed in the Cap & Trade Regulation – it is needed explicitly for compliance
  - CARB has used AB 32 fee $$ to pay for development of other methodologies/protocols
Next steps

- The bill will be re-introduced in December as an urgency measure
- Main provisions of the bill will be strengthened
- We expect CARB to signal movement on CCS policy
  - What that is remains a mystery
- High-level discussions on “low-carbon” power policy