



UNITED Carbon Sequestration Council STATES

February 18, 2010

Sequestration News

EPA and CCS

The *Dallas Morning News* reported yesterday that the State of Texas is challenging the EPA ruling on greenhouse gases. According to their report, the state is asserting that the Federal Government used "tainted data" to declare that greenhouse gases are a threat to the public, warning that Texas' economy could suffer as a result. The lawsuit seeks to set aside an [Environmental Protection Agency](#) ruling, announced in December.

More on Copenhagen

As previously reported, signatory nations to the Copenhagen Accord agreed to seek to limit global temperature increase to 2 degrees Celsius and for developed countries and to provide \$30 billion to developing nations for adaptation and mitigation. Fifty-five countries formally pledged (in a non-binding manner) to cut or limit their emissions, including the U.S., all EU countries and China, as well as major emerging economies such as Brazil, Indonesia and India. Some, like the U.S. offered a percentage reduction compared to historic emissions (the U.S. commitment of 17% below 2005 levels by 2020 is consistent with H.R. 2454). Others, like China, offered a percentage reduction in carbon intensity (emissions per unit of GDP). <http://unfccc.int/home/items/5264.php> & <http://unfccc.int/home/items/5265.php> *The Guardian* (UK) reported on an MIT analysis that calculated global temperatures will increase 4.8C by 2100 under a Business As Usual scenario, and 3.9C if the Accord's pledges are met. This would be short of the agreed upon goal of 2.0C. <http://www.guardian.co.uk/environment/2010/feb/12/copenhagen-carbon-emission-pledges>

The 55 nations between them emit 78% of the world's greenhouse gases. But, significantly, the group includes only Brazil from South America, and just six out of 55 African countries. In all, 137 countries have not made pledges by the January 31 deadline. The deadline was relaxed last month when it became apparent that many of the world's poorest countries were reluctant to sign up to the political accord without better understanding of its legal implications or stronger financial assurances. The UN appears to be now saying that the deadline is flexible, possibly allowing countries to submit their plans until next December. A table of the reported pledges is provided below:

Country/bloc	Percentage cut by 2020 (unconditional)	Percentage cut by 2020 (conditional, e.g. on global deal)	Base year
Australia	5	25	2000
Canada	17		2005
Croatia	5		1990
EU	20	30	1990
Japan		25	1990
Kazakhstan	15		1992
New Zealand		20	1990
Norway	30	40	1990
Russia		25	1990
U.S.	17		2005
Brazil	38.9		"business as usual" – the emissions level if no action were taken
Costa Rica	No specific pledge, but will "significantly deviate from business as usual greenhouse gas emissions"		
Ethiopia	No specific pledge		
Georgia	No specific pledge		
Indonesia	26		"business as usual" – the emissions level if no action were taken
Israel	20		"business as usual" – the emissions level if no action were taken
Jordan	No specific pledge		
Macedonia	No specific pledge		
Madagascar	No specific pledge		
Maldives	1		"business as usual" – the emissions level if no action were taken
Marshall Islands		40	2009
Moldova	25		1990
Morocco	No specific pledge		
Republic of Congo	1		

Republic of Korea	30		"business as usual" – the emissions level if no action were taken
Sierra Leone	No specific pledge		
Singapore		16	"business as usual" – the emissions level if no action were taken
South Africa		34	"business as usual" – the emissions level if no action were taken
	Carbon intensity cuts (the amount of carbon dioxide emitted per unit of economic growth), by percentage		Base year
China	45		2005
India	25		2005

Where targets were submitted as a range, higher figure has been chosen (ex. 10-20% for New Zealand is 20% in table).

<http://www.guardian.co.uk/environment/2010/feb/02/55-countries-greenhouse-emissions-pledge>

The SEC and CCS

On February 2nd, Senator Baucus (D-MT) wrote to the Chairman of the SEC seeking information on the SEC's issuance of guidance regarding corporate reporting of financial risk related to climate change. The Senator indicated that the guidance suggested "a desire to push a partisan political agenda that has little to do with helping issuers or protecting the investing public."

Australia and CCS

In mid-December, the Australian Government announced that it will spend up to \$120 million on pre-feasibility work on low carbon projects. The projects include:

- Wandoan power plant project northwest of Brisbane, generating 334 MWe and aiming to store up to 2.5 mega tons of CO₂ per year;
- ZeroGen power plant project west of Gladstone in Queensland, generating 400 MWe and aiming to store up to 2.0 million tons of CO₂ per year;
- Collie South West Hub project southwest of Perth which aims to store up to 3.3 million tons of CO₂ per year, captured from surrounding industry including coal-fired power plants; and

- CarbonNet project in Victoria's Latrobe Valley which aims to store between 3 and 5 million tons of CO₂ per annum, captured from coal-fired power plants in the region.

The \$2 billion CCS Flagships Program was announced in the 2009-10 Budget and is part of the Australian Government's \$4.5 billion Clean Energy Initiative. Minister Ferguson also released the Carbon Storage Taskforce National Carbon Mapping and Infrastructure Plan which can be found at www.ret.gov.au.
<http://thegovmonitor.com/economy/australia-to-short-list-2-billion-carbon-capture-and-storage-projects-18295.html>

Australian Prime Minister Kevin Rudd is facing public opposition over his policy of a cap-and-trade program as a means to reduce carbon emissions. The Australian senate twice rejected the government's plan. Liberal leader Tony Abbott has announced his own plan to address carbon emissions, a plan which was dismissed by the Labor government. Abbott said the aim of his plan is to cut emissions five percent below 1990 levels and to do it with an emphasis on incentives rather than penalties.
<http://www.vancouversun.com/technology/Australia+losing+ground+over+climate+change+election+news/2536238/story.html>

China and CCS

The Asian Development Bank (ADB) announced on February 8th that it has approved a \$135 million loan to help China build a coal-fired integrated gasification combined cycle (IGCC) power plant. The \$419.59 million project is scheduled to be completed in Tianjin by 2012. ADB is providing an additional \$1.25 million in technical assistance to pave the way for the second and third phases of the program which will result in a scaled-up IGCC plant fitted with CCS technology by 2013. The bank said the remaining costs of the Tianjin IGCC project will be funded from equity contributions of \$84 million, a loan of \$195.59 million from a group of local banks, and the grant from ADB's Climate Change Fund.
<http://www.philstar.com/Article.aspx?articleId=548036&publicationSubCategoryId=200>

EU and CCS

A new website in the UK has been launched to address legal and regulatory issues related to CCS technology. <http://www.ucl.ac.uk/cclp/>

A committee formed from U.K. lawmakers said that Europe needs stricter limits on greenhouse gases and the power to intervene in carbon markets as the current cap-and-trade program has failed to encourage investments in cleaner energy. The European Commission opposes intervention in the carbon market and believes prices should reflect supply and demand.
<http://www.businessweek.com/news/2010-02-08/u-k-lawmakers-call-for-stricter-co2-caps-market-intervention.html>

Other CCS News

A small bipartisan group in the House led by Representative Capito (R-WV) formed a "Coal Caucus" in January. Beginning with 6 members on January 25th, the group has grown to 41 Republicans and 20 Democrats in the ensuing two weeks.

http://capito.house.gov/index.cfm?p=PressReleases&ContentRecord_id=da8cbf46-6928-4474-ae6e-8f8c3c6ee81e&ContentType_id=1fd4a434-0ac6-401b-912e-788b9296ed8e&Group_id=8c86c275-ed56-476c-94fa-f4f2b5911415&MonthDisplay=1&YearDisplay=2010

The February 12th *London Times Online* reported a study by Cranfield University that concluded highly processed soy products, like tofu, were more climate hostile than the meat products they replaced. A reader suggested in a published comment that “Maybe someone could develop a tofu substitute made of meat?” <http://www.timesonline.co.uk/tol/news/environment/article7023809.ece>



The U.S. Carbon Sequestration Council (www.uscsc.org) is a not-for-profit, 501(c)(3), organization established as an authoritative source of information to inform and to educate on all matters pertaining to carbon sequestration.