Southern States Energy Board

Southeast Regional Carbon Sequestration Partnership

Project Overview DE-PS26-O3NT41980

Kenneth J. Nemeth Executive Director Southern States Energy Board November 3, 2003 Pittsburgh, Pennsylvania







Southern States Energy Board (SSEB)

- Non-profit, interstate compact organization established in 1960 by PL87-563 and 92-440
- Mission: "Through innovations in energy and environmental programs and technologies, the Southern States
- Energy Board enhances economic development and the quality of life in the South"
- Membership:
 - 16 U.S. States and 2 Territories
 - Each jurisdiction is represented by the governor, a legislator from the House and Senate and a governor's alternate.
 - Federal Representative appointed by the U.S. President







Southern States Energy Board (SSEB)

SSEB's technology programs assist the region's stakeholders in addressing energy and environmental issues that transcend state boundaries and provide direct benefit to individual states.

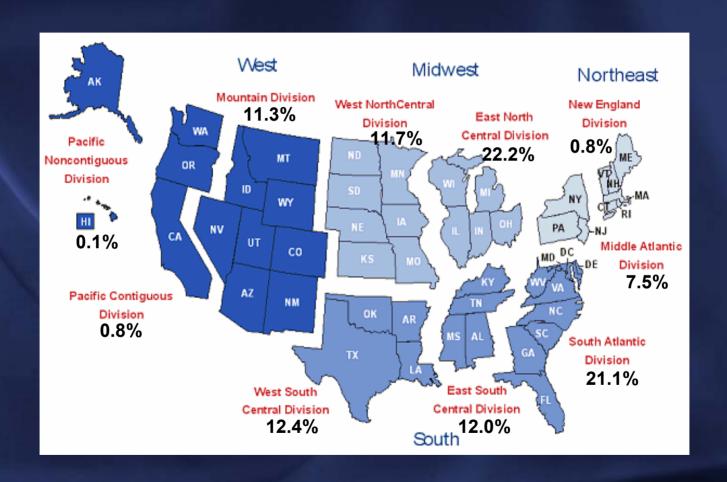
- Clean Coal and AdvancedPower Systems
- Water-Energy Interface
- Interstate TechnologyRegulatory Council
- Distributed Energy Resources
- Electric Utility Restructuring
- Pipeline Safety
- Greenhouse Gases and Carbon Management

- Permitting Leadership in the United States
- Radioactive Materials
 - **Transportation**
- Southern States Waste Management Coalition
- Southern Emergency
 - Response Council
- Associate Members/Utility Advisory Council





CO₂ Emissions by U.S. Census Regions







Carbon Dioxide Emissions and SSEB

- In the SSEB region, coal is the primary fuel for electricity in 13 states.
- Forty-four percent (44%) of total U.S. CO₂ emissions originate from <u>sources</u> in SSEB member states.
- Total value of 1999 CO₂ emissions in the SSEB region was 1,218,579 thousand short tons.
- Significant potential for terrestrial and geologic sequestration sinks in the SSEB region
- Significant opportunities for value-added CO₂ sequestration





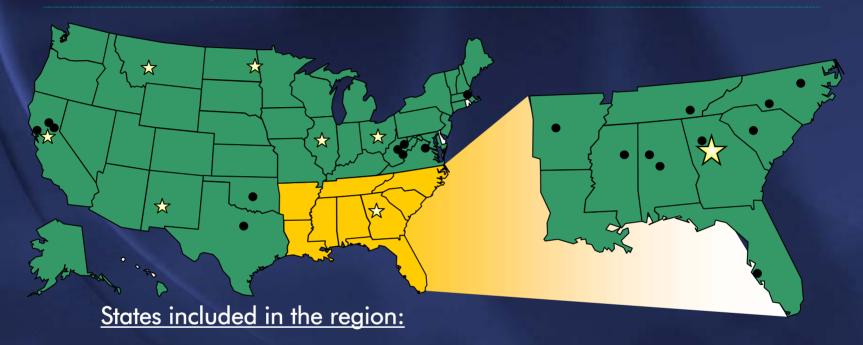
Importance of DOE Region Carbon Sequestration Partnerships (RCSP) to SSEB

- Research entities and technology businesses located in the SSEB region are playing key roles in DOE research.
- Sequestration technology innovation and cost-effective implementation are key to economic growth in the SSEB region.
- Due to the importance of sequestration to the SSEB region and its member states, industries and citizens, SSEB must play an active role in RCSP formation, response and activities.





Southeast Regional Carbon Sequestration Partnership



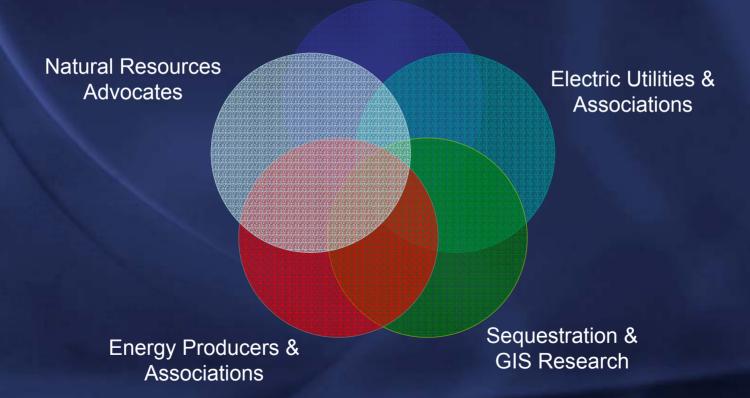
Alabama Florida Louisiana North Carolina Tennessee Arkansas Georgia Mississippi South Carolina





Partnership Structure

State Executive & Legislative Leadership







Partnership Advisory Board

SERCSP Technology
Coalition

SSEB Associate Members and Utility Advisory Committee

A joint membership of stakeholders from the public and private sector will advise, guide and provide input related to advancing carbon sequestration deployment in the Southeast

Partnership Advisory Board

Southeast Regional Carbon Sequestration Partnership Team

The Advisory Board is key for identifying viable pilot projects for future deployment demonstrations.





Technology Coalition

The Hon. Mike Huckabee (AR Gov.)
The Hon. Mike Foster (LA Gov.)
The Hon. Ronnie Musgrove (MS Gov.)
Representative Jerry Paul, Florida

Arkansas Oil and Gas Commission Georgia
Environmental Facilities Authority
Georgia Forestry Commission
Louisiana Department of Environmental Quality
North Carolina Energy Office
South Carolina Department of Agriculture

Duke Power
Progress Energy
SCANA Energy
Southern Company
Tampa Electric Company

Interstate Oil and Gas Compact Commission The North American Coal Corporation Center for Energy and Economic Development Clean Energy Systems, Inc.

Interstate Oil and Gas Compact Commission
The North American Coal Corporation
Center for Energy and Economic Development
Oak Ridge National Laboratory
Clean Energy Systems, Inc.

State Executive & Legislative Leadership

Natural Resources
Advocates

Electric Utilities & Associations

Energy Producers & Associations

Sequestration & GIS Research

Technical Team

SSEB Governors SSEB Federal Representative SSEB Legislative Members

Geologic Survey of Alabama Susan Rice and Associates

EPRI
Tennessee Valley Authority

Advanced Resources International Augusta Systems, Inc.

MSU-DIAL Applied Geo Technologies MIT Winrock International NETL

SSEB Associate Members/ Utility Advisory Committee

American Electric Power

Dominion Energy

Edison Electric Institute

Entergy Services

Florida Power and Light

Nuclear Energy Institute

Old Dominion Electric Cooperative

Progress Energy

SCANA Corp

Santee Cooper

Southern Company

TECO Services

Tennessee Valley Authority

AGL Resources

BP America

Center for Energy and Economic Development

Chevron Texaco Corp

Dominion Resources

Electric Utilities & Associations

Energy Producers & Associations





- Southern States Energy Board
 - Only interstate compact in the U.S.
 that is constituted by both federal and state laws that has governors, legislators and a Presidential appointee comprising its board of directors
 - 43+ years experience effectively addressing energy and environmental issues that transcend state lines and require a regional or national approach
 - Project partnerships are at the core of all SSEB committees/task forces







- Electric Power Research Institute (EPRI)
 - Creates science and technology solutions for the global energy and energy services industry
 - Multidisciplinary teams of scientists and engineers draw on a global network of expertise to solve today's toughest energy and environmental problems
 - Only science and technology consortium serving the entire power industry







- Mississippi State University Diagnostic Instrumentation Analysis Laboratory (MSU-DIAL)
 - National leader in evaluation of advanced energy processes and systems and in identifying methods to reduce emissions
 - Unique testing and instrumentation capabilities in these evaluations, primarily aimed at achieving optimal control of the process and product.







- Augusta Systems, Inc.
 - Aids clients, including NETL in characterizing the potential for geologic CO₂ storage and assessing tools available for greenhouse gas and carbon emissions strategic planning
 - Expert staff with experience in science and engineering companies, academia, research institutions and state and federal government to help clients meet greenhouse gas emissions management goals





- Massachusetts Institute of Technology (MIT)
 - Dedicated to advancing knowledge and educating students in science, technology and other areas of scholarship that will best serve the nation and the world in the 21st century
 - Since 1989, MIT has conducted research into technologies to capture and sequester CO₂ from large stationary sources
- Tennessee Valley Authority Public Policy Institute (TVA-PPI)
 - TVA's electric system assets are used as a living laboratory to develop and demonstrate technologies and strategies that focus on improving reliability and efficiency throughout the system
 - PPI Greenhouse Gas Team provides input on policies and assesses strategies and technologies for reducing or offsetting greenhouse gas emissions





Winrock International

- Nationally and internationally recognized as an authoritative partner in the development and implementation of programs related to sound analysis and scientific measurement of carbon sequestration
- Long tradition of work in agriculture, forestry, natural resource management and clean energy and committed to applying the best available science and economics to find solutions to the world's development problems





- Applied Geo Technologies (AGT)
 - Premier Native American-owned digital mapping company that provides hi-tech opportunities for its people
 - Leading provider of geospatial data and related services
- Geologic Survey of Alabama (GSA)
 - Extensive research in the area of petroleum and carbon sequestration have included reservoir characterization, coalbed methane, reserve studies, oil geochemistry and source rock evaluation, engineering studies and determination of the carbon sequestration potential of coalbed methane reserves
- Susan Rice and Associates (SARA)
 - Expert evaluation of health issues, including research and development in toxicology, pharmacology and related fields





- Advanced Resources International (ARI)
 - Leader in the development and evaluation of geologic sequestration of CO₂
 - Geologic and engineering service provider to the petroleum industry and R&D on upstream oil and gas exploration and extraction technologies
- The Phillips Group
 - Expertise in providing services in strategic communications counsel and public relations management
- RMS Research (RMS)
 - Prominent high profile communications strategy development and implementation to support decision making for clients in more than 30 states





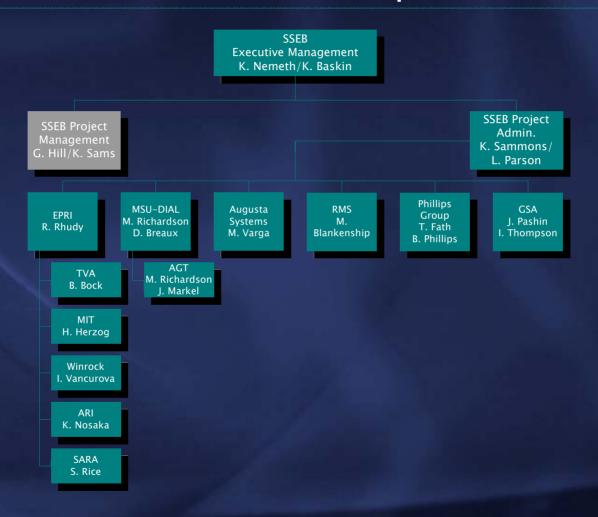
Project Management & Administration

SSEB Executive Management SSEB Project SSEB Project Management Administration **EPRI EPRI** MSU DIAL MSU DIAL Augusta Systems Augusta Systems **RMS Phillips Group**





Internal Communications-Project Administration







Internal Communications-Project Management







Partnership Objectives

- Describe partnership sources, sinks and transport requirements
- Develop an outreach plan and engage stakeholders
- Assess environmental risk and develop measuring, monitoring and verification protocols
- Conduct permitting and regulatory review
- Evaluate the life-cycle of storage options
- Prepare action plans for implementation





Areas of Investigation

- Sources/Sinks
- Capture Options
- Terrestrial Sequestration
- Geological Sequestration
- Transportation Infrastructure
- Commercial Use
- Technology Deployment
- Public Involvement, Education and Acceptance
- Regulatory, Permitting and Accounting Frameworks





Task 1:

Define Geographic Boundaries of the Region

- Lead: SSEB
- Support: EPRI, MSU-DIAL, Augusta Systems
- Milestones
 - Inventory major sources and potential sinks
 - Permitting Structure by State
 - Identifying Potential Partners





Task 2:

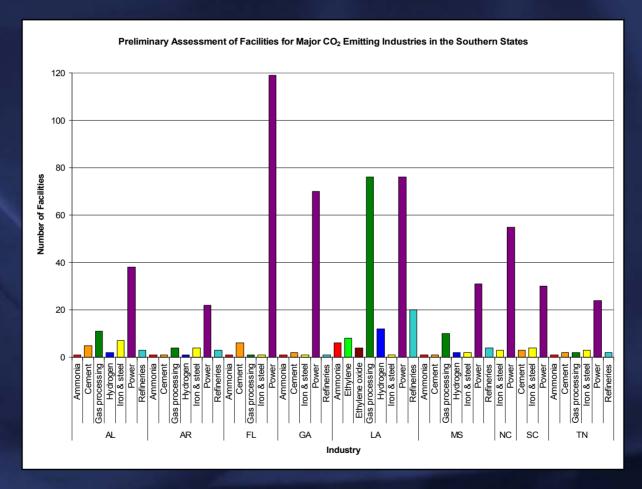
Characterize the Region

- Lead: EPRI
- Support: MSU-DIAL, MIT, TVA-PPI, Winrock, Augusta Systems,
 Applied Geo Technologies, Geologic Survey of Alabama,
 Advanced Resources International
- Milestones
 - Preliminary assessment of sources
 - Preliminary assessment of storage options
 - Preliminary assessment transport/infrastructure, separation/purification capacity and CO₂ Use





Task 2: Characterize the Region







Task 2:

Characterize the Region

- Variety of CO₂ emitting industries (power plants are most common in the Southeast)
 - Focus study on power plant locations and emission estimates, along with proximity of transport infrastructure and potential CO₂ sinks
 - Ammonia plants (located primarily in Louisiana) will be closely assessed due to the purity of their CO₂ streams
- Geologic sequestration opportunities
 - sedimentary rock deposited into shallow non-marine and deep marine environments





Task 2:

Characterize the Region

- Terrestrial sequestration opportunities
 - Agricultural land, grazing lad and forestland
- Transportation infrastructure
 - Existing functioning CO₂ infrastructure (pipelines and other transportation infrastructure), separation and purification capabilities and a network of equipment suppliers





Task 3:

Identify and Address Issues for Technology Deployment

- Lead: SSEB
- Support: EPRI, MSU-DIAL, Winrock, Augusta Systems, Susan Rice and Associates, The Phillips Group, RMS Research
- Milestones
 - Preliminary Assessment and Action Plan for:
 - Safety, regulatory and permitting requirements
 - Overcoming public perception issues
 - Ecosystem impacts
 - Monitoring and verification





Task 4:

Development Public Involvement and Education

- Lead: SSEB
- Support: Augusta Systems, The Phillips Group, RMS Research
- Milestones
 - Preliminary public involvement and education mechanisms
 - Test, refine and implement





Task 5:

Identify Most Promising Capture, Storage and Transport Options

- Lead: EPRI
- Support: MSU-DIAL, MIT, TVA-PPI, Winrock, Augusta Systems, Geological Survey of Alabama, Advanced Resources International
- Milestones
 - Summary and promising capture options
 - Summary and promising transportation options
 - Summary and promising storage options
 - Maps linking sources to potential commercial users





Task 6:

Prepare Plans for Technology Validation Activity

- Lead: SSEB
- Support: All Technical Team Members
- Milestones
 - Action Plan and Implementation for
 - Capture options
 - Transportation activity
 - Sequestration options
 - Commercial use
 - Public involvement and education mechanisms
 - Regulatory, permitting and accounting framework
 - integration





Deliverables

- Documentation
 - Results/summaries of findings from assessments
 - Action Plans
 - Report of specific activities as identified in the detailed scope of work for each task
- Computer Products
 - Quarterly Partnership updates
 - Participant list updates
 - Topical Report





External Lines of Communication

- Attend annual NETL Regional Carbon Sequestration Partnership Conferences, 2004-2005
- Attend semi-annual contract review meetings
- Prepare quarterly Technical Team meetings and frequent conference calls
- Develop and maintain a "Southeast Regional Carbon Sequestration Partnership" website
- Disseminate project results to DOE and stakeholders in the region





External Lines of Communication

- Communicate/collaborate with other interested parties inside and outside the region to execute an effective outreach program
 - All Regional Carbon Sequestration Partnerships
 - Federal, state, local and tribal governments
 - Technology developers
 - Industry partners
 - Community organizations





Schedule of Project Milestones

TASK	2003						2004					2005					
	Jan Feb	Mar Apı	May Jun	Jul Aug	Sep Oct No	v Dec Jan	Feb Ma	ar Apr May	yJun Jul	Aug Sep	Oct Nov:	Dec Jan Fe	b Mar A	pr May Ju	un Jul A	ug Sep Od	t Nov Dec
1. Define Coographical Boundaries of the Beginn																	
Define Geographical Boundaries of the Region Characterize the Region																	
3. ID and Address Issues for Tech Deployment -																	
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4. Dev Public Involvement and Education																	
5. Identify Most Promising Capture, Storage and																	
Transport Options																	
6. Prepare Plans for Technology Validation																	
Activity																	
Communications																	
Project Team Meetings						Δ		Δ	Δ		Δ	Δ	Δ		Д		
Stakeholder Steering Meetings									Δ						Δ		
DOE Reporting Deliverables																	
Kickoff Briefing					Δ												
Qtr. Financial Status Report							7	Δ	Δ		Δ	Δ		Δ	Δ		
Annual Project Briefing											ackslash					Δ	
Annual Technical Report																$oxedsymbol{\Delta}$	
Final Report															Δ	Δ	





Potential Issues and Obstacles and Methods for Mitigation

- Availability of financial resources could limit the extent of investigation that could be performed
 - The Partnership will apply its financial resources to the most promising options identified
- Carbon sequestration issue poses significant communication and education challenges
 - Formalized public opinion and issues research efforts will allow the Partnership to confidently identify specific attitudes and opinions
 - Technical Team expertise in these areas will enable the Partnership to accurately predict some important awaiting challenges





Potential Issues and Obstacles and Methods for Mitigation

- Barriers to the implementation of the most promising options could require extensive changes to regulatory and permitting requirements
 - Members of the Technical Team have extensive experience in addressing such issues with regulatory agencies and with state legislative bodies





Anticipated Impact

- Carbon sequestration is vital for continued use of coal and natural gas, which are vital to the economy in the SSEB region.
- Carbon sequestration will be vital to the future prosperity of the SSEB region.
- The Partnership's work will educate stakeholders on the value of carbon management and carbon sequestration.





Next Steps

Southeast Regional Carbon Sequestration Partnership

- The Partnership will work to support the efforts of President George W. Bush and his team to research, develop and demonstrate costeffective carbon sequestration technologies.
- The Partnership will encourage and foster active participation among its regional industries, governments, research entities and other enterprises.







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