

**Clean Coal Power Initiative – Round 3
Pre-Application Webcast
Hosted July 15, 2009**

QUESTIONS AND ANSWERS

1. QUESTION: Clarify what is included in the Phase I Project Definition including
 - a. All financial commitments be signed and implemented

ANSWER: The Project Definition Phase is designed for use by projects that have not completed all financing arrangements for the project. During this phase, the participant will complete a Technology Baseline, Schedule Baseline, Cost Baseline, and a Project Management Plan sufficient to complete all financing arrangements. The applicant must complete all financing arrangements, and all funds necessary to implement the entire project must be committed to the project by the end of the Project Definition Phase.

- b. As part of Phase I definition, NEPA is identified as all requested information will have been submitted and the NEPA process should be completed or near completion. What is included as this process?

ANSWER: DOE will perform an environmental review of each project selected consistent with the Council on Environmental Quality NEPA Regulations (10 CFR part 1500 – 1508) and DOE NEPA Regulations (10 CFR Part 1021). The objective of this review is to ensure that environmental factors are considered in the decision making process, to promote environmentally responsible decisions, and to publically disclose potential environmental impacts of the selected projects. Applicants are required to submit an Environmental Questionnaire with their application, and DOE will typically request additional information to perform a complete review. DOE plans to complete the reviews in a one year time frame.

2. QUESTION Clarify 7.7 Contract Bonding Practices information needs

ANSWER: In the applicant's financial plan there should be an explanation of the bonding and/or surety/guarantor practices that will be applied in construction contracts or subcontracts. Copies of bonding and/or surety/guarantor agreements are not required to be submitted at time of application.

3. QUESTION: Disclosure of Lobbying Activities – Is this specifically for the applicant or all members of the applicant team?

ANSWER: The SF-LLL, Disclosure of Lobbying Activities, (referenced on page 33 of the FOA) is required for any applicant (prime) or subrecipient (team member) "if any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a

Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the grant/cooperative agreement."

4. QUESTION: Will the American Recovery and Reinvestment Act of 2009 apply?

ANSWER: Yes.

5. QUESTION: What is the definition of "post-R&D phase but pre-commercial phase"? We are representing a technology that is merely integrating two already proven technologies (used in the DOD, NASA, etc. but never commercialized).

ANSWER: DOE is interested in demonstrating advancements to commercial technology. "Advancement" (FOA page 48) refers to technological improvement relative to commercial technology, which may include addressing unique issues associated with integration of capture technologies with coal-fueled systems or sequestration systems. Integrating two proven technologies that have not been previously integrated with a coal-fueled system would be an allowable project. The degree of advancement relative to commercial technology or previously demonstrated technology will be a factor in the evaluation.

6. QUESTION: Is there a detailed guideline or example for how funds are to be used or how they are restricted? More specifically, what can our cost-share cover and what can the award money be used for? Do patent applications or in-kind contributions prior to the award qualify?

ANSWER: Reference 10CFR600.127 (non-profits/universities); 10CFR600.222 (states/local gov'ts); and 10CFR600.317 (for-profits). A link to 10CFR600 is provided below:

<http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&sid=fd2d8893a5c5ccfad0537cec9c075956&rgn=div5&view=text&node=10:4.0.1.3.9&idno=10>

Allowability of costs incurred by **State, local or federally-recognized Indian tribal governments** is determined in accordance with the provisions of OMB Circular A-87, "Cost Principles for State and Local Governments." The allowability of costs incurred by **non-profit organizations** is determined in accordance with the provisions of OMB Circular A-122, "Cost Principles for Non-Profit Organizations." The allowability of costs incurred by **institutions of higher education** is determined in accordance with the provisions of OMB Circular A-21, "Cost Principles for Educational Institutions." The allowability of costs incurred by **commercial organizations** and those **non-profit organizations listed in Attachment C to Circular A-122** is determined in accordance with the provisions of the Federal Acquisition Regulation (FAR) at 48 CFR part 31.

OMB circulars can be accessed at the following website:
http://www.whitehouse.gov/omb/financial_offm_circulars/

The Federal Acquisition Regulation can be accessed at <http://farsite.hill.af.mil/vffara.htm>

Project costs incurred within the 90 calendar days immediately preceding the award date of the cooperative agreement may be eligible for reimbursement by DOE only if they are allowable, allocable and reasonable according to the applicable cost principles. Costs incurred beyond the 90 calendar days immediately preceding the award date of the cooperative agreement require prior approval of the DOE Contracting Officer. Each applicant should check the appropriate cost principles to determine if specific costs such as patent applications or in-kind contributions are considered allowable costs. In no instance shall project costs incurred prior to DOE selection of the project be considered allowable.

7. QUESTION: Coal or coal refuse for 55% of energy input - does petroleum coke count as coal refuse toward 55% goal?

ANSWER: No, a maximum of 45% petroleum coke is allowed.

8. QUESTION: Will extra value be placed on projects capturing greater than 300,000 tons/year of CO2 when scoring the proposals?

ANSWER: Yes, the degree to which project scale exceeds 300,000 tons per year of carbon dioxide is one factor in the evaluation.

9. QUESTION: On page 7 of 50 of the FOA, in the fourth full paragraph it mentions, "... (3) capture and sequester or put to beneficial use a minimum of 300,000 tons per year of CO2 emissions using a thirty day running average to determine if the project successfully meets the CO2 capture efficiency and the capture and sequestration or beneficial use rate requirements of this Announcement." Questions pertaining to this are: Are the tons per year US (2,000 pounds) or metric (2,200 pounds) tons? And, exactly how will the thirty day running average be calculated, and what CO2 monitoring or data gathering requirements will be necessary to capture the data/information necessary to calculate the running average? How is this determined for the first 29 days of capturing and sequestering, or does it become effective starting with day 30?

ANSWER: Tons referenced in this solicitation are U.S. tons, 2,000 pounds.

The thirty day running average is calculated as follows. At the end of each day the total tonnage of carbon dioxide captured and sequestered is calculated. The sum of the daily amounts (in tons) of carbon dioxide sequestered for the current day and the 29 previous days is calculated. This value is divided by 30 to give a daily average and multiplied by 365 to give a projected value for one year.

Applicants must propose an approach to monitoring or gathering data appropriate to their technology approach that will allow verification of the total amount of carbon dioxide being sequestered.

10. QUESTION: On page 22 of 50 of the FOA it states, "...tons of CO2 sequestered per dollar of CO2 capture and sequestration capital and per dollar of CO2 capture and sequestration operating cost (both on an annual basis) as a function of CO2 and sequestration site underground temperature and pressure and CO2 injection rate..." what does this mean? What tons of CO2, the annual tons each year of the project, which will be zero (0) during the early years of the project when capital is being spent prior to any capture and sequestration taking place, resulting in an infinite dollar per ton figure for these early years, is this a correct interpretation? In the latter operational phase(s) of the project capital spend may be zero (0), but tons captured and sequestered will be at least 300,000 per year, so capital dollars per ton of CO2 captured and sequestered during these years will be zero (0) (no capital spend), is this a correct interpretation? What exactly, i.e., what formulas or equations should applicants use to calculate the metrics desired here?

How and why should these dollar per ton cost figures be shown as a function of injected CO2 and underground sequestration zone temperatures and pressures? Exactly what formulas or equations should be used to show these relationships? Providing the exact formulas and/or equations to be utilized to all applicants will help the DOE evaluate the proposals on an apples-to-apples basis, rather than trying to determine if one proposal looks superior to another because it is, or because the methodology or formulas utilized to determine the metrics or the relationships were different.

ANSWER: Applicants should provide the following information.

A. Tons of carbon dioxide sequestered on an annual basis divided by the sequestration capital cost.

Tons of carbon dioxide sequestered on an annual basis refers to the proposed plant design basis, which would take into consideration an appropriate capacity factor for the plant during successful commercial operation.

Sequestration capital cost is the expected capital cost necessary for the construction of the carbon dioxide capture and sequestration systems.

B. Tons of carbon dioxide sequestered on an annual basis divided by the annual operating cost for the capture and sequestration systems.

Tons of carbon dioxide is the same as in A above.

Sequestration operating cost is the expected cost necessary to operate the capture and sequestration systems on an annual basis during successful commercial operation.

C. The referenced paragraph from page 22 of the FOA contained an error, which has been corrected in Amendment 006. The dollar figures are not a function of injection zone temperatures and pressures. The following is the corrected text.

“Applicants must submit the following information: chemical composition and flow rate (tons per hour) of the captured CO₂ stream; capture efficiency as a function of flue gas flow rate; plant operating efficiency with and without sequestration; and tons of CO₂ sequestered per dollar of CO₂ capture and sequestration capital cost and per dollar of CO₂ capture and sequestration operating cost (both on an annual basis); **mass of CO₂ sequestered per unit volume of capture formation** as a function of CO₂ and sequestration site underground temperature and pressure and CO₂ injection rate;”

11. QUESTION: On pages 37 of 50 and 40 of 50 of the FOA, economic and cost metrics are mentioned that refer to dollar per ton of CO₂ captured, annually or on an annual basis, for cost sharing, or capital spend and operations spend. Similar question to #10 above, what tons of CO₂ are these, annual tons (for each year of the demonstration project) captured and sequestered, or cumulative annual tons over the life of the demonstration project?

Similar question on the capital, operations and/or cost share portions of incurred costs, are these annual costs (for each category for each year of the demonstration project), or cumulative annual costs (for each category) over the life of the demonstration project? It would help to have exact formulas or equations to be used to report these metrics and cost figures. Providing the exact formulas and/or equations to be utilized to all applicants will help the DOE evaluate the proposals on an apples-to-apples basis, rather than trying to determine if one proposal looks superior to another because it is, or because the methodology or formulas utilized to determine the metrics was different.

ANSWER: As stated in the response above, tons of carbon dioxide sequestered on an annual basis refers to the proposed plant design basis, which would take into consideration an appropriate capacity factor for the plant during successful commercial operation.

As stated above, sequestration capital cost is the expected capital cost necessary for the construction of the carbon dioxide capture and sequestration systems. Sequestration operating cost is the expected cost necessary to operate the capture and sequestration systems on an annual basis during successful commercial operation.

12. QUESTION: On page 7 of 50 of the FOA it states, “...(1) can achieve a minimum of 50% CO₂ capture efficiency and make progress toward a target CO₂ capture efficiency of 90% in a gas stream containing at least 10% CO₂ by volume....” The “capture efficiency” in this statement refers to the CO₂ removal efficiency from an inlet stream of gas containing at least 10% CO₂ by volume, and in no way implies a minimum 50% removal rate from the total CO₂ generated from the gasification and/or combustion of the inlet coal, which is more commonly referred to as a removal rate, or capture rate, is that correct?

ANSWER: “Capture Efficiency” or “Carbon Dioxide Capture Efficiency” means the amount of CO₂ removed from the process stream expressed as a percentage of the amount of CO₂ entering the carbon capture system.

13. QUESTION: On page 48 of 50 regarding the discussion on the NEPA Contractor and the possibility of an Environmental Assessment or an Environmental Impact Statement being necessary. Is it the DOE’s understanding that the entire surface Area of Review (AOR) related to the sequestration well field site(s), i.e., the entire area on the surface needed to cover the expansion/migration of the injected underground CO₂ plume, will fall under NEPA review, or will the EPA Underground Injection Control (UIC) well permit(s) be expected to cover possible risks associated with the injection well field site(s), only leaving areas on the surface directly disturbed by well drilling or operations subject to NEPA review?

ANSWER: It is most likely that the entire surface area of review related to the sequestration field will fall under NEPA review.

14. QUESTION: Is the cost of operating the capture facility a cost-share approved item?

ANSWER: Yes, the cost of operating the capture facility is an allowable cost.

15. QUESTION: In reading through ARRA provisions, it says all Recovery Act Funds must be expended by 2015, but our project is expected to last beyond that. Will there be another source of funds available for the later time periods?

ANSWER: Yes, DOE currently has CCPI appropriated funds in addition to Recovery Act funds available. It is DOE’s intent to fund the initial phases of all projects using Recovery Act funds, allowing CCPI appropriated funds to be available for later phases, including any that extend beyond September 30, 2015.

16. QUESTION: What is the definition of qualifying equipment eligible for CCPI funding share? For example, if a particular reactor serves a purpose both for carbon capture and normal operation if carbon capture were not required, but had to be larger at higher cost for carbon capture, how will qualifying cost be determined?

ANSWER: The entire cost of the reactor would be eligible for DOE cost sharing.

17. QUESTION: Is DOE contemplating an extension to the due date of applications?

ANSWER: No, addition of a second closing date for the CCPI-3 FOA was made possible by the availability of Recovery Act funds. The purpose of the Recovery Act is to make federal funds available to the economy quickly. Delays in the application due date are not consistent with the purpose of the Recovery Act.

18. QUESTION: Can you please elaborate on how DOE will treat applications with respect to confidentiality, particularly in the event of a FOIA request? Can you provide guidance on how best to mark confidential information as such to protect it from disclosure?

ANSWER: Guidance on how to mark patentable ideas, trade secrets, proprietary or confidential commercial or financial information, is provided in the Funding Opportunity Announcement at Part VIII D, entitled Proprietary Application Information.

While in the review process, applications will not be released pursuant to applicable exemptions under FOIA. However, once selection is made, application information may be released subject to redaction of sensitive/confidential business information consistent with applicable FOIA exemptions. Additionally, DOE may make available to the public the one-page Project Summary/Abstract File provided in the application pursuant to Part IV C of the Funding Opportunity Announcement. DOE may make the summary/abstract available to the public at any time, i.e., before selection.

19. QUESTION: In the Instructions on page 1 of the Environmental Questionnaire there is reference to an "official Statement of Work (SOW) or statement of project objective (SOPO)" that will be used in the contract between the proposer and DOE. The instructions suggest that one of these documents must be submitted with the Environmental Questionnaire. Are these documents required to be attached to any other part of the Application? If not, why must an "official" SOW be attached to the Environmental Questionnaire?

ANSWER: Yes, the Statement of Project Objectives is included in the Project Management Plan, which is Appendix C to the Project Narrative.

20. QUESTION: In the FOA, it says that "Applicant must commit the total funding projected for the non-DOE share of the remainder of the project" by the end of the phase I, FEED study" Can there be intermediate milestones such as a pilot project to directly test the suitability of the reservoir to accommodate EOR or storage?

ANSWER: Yes, there can be intermediate milestones, such as reservoir testing, following the end of Phase I. However, all funding must be fully committed at the end of Phase I.

21. QUESTION: There is no question 21, this is a placeholder.

22. QUESTION: What level of confidentiality will be provided to the information and entities included in the application i.e. Will the information be available for public viewing?

ANSWER: While in the review process, applications will not be released pursuant to applicable exemptions under FOIA. However, once selection is made, application information may be released subject to redaction of sensitive/confidential business information consistent with applicable FOIA exemptions. Additionally, DOE may make available to the public the one-page Project Summary/Abstract File provided in the

application pursuant to Part IV C of the Funding Opportunity Announcement. DOE may make the summary/abstract available to the public at any time, i.e., before selection.

23. QUESTION: Will proposing a FEED Study as Phase I have a negative impact on the project selection process?

ANSWER: No.

24. QUESTION: Are there any more project selection announcements pending i.e. How much money left for new applications?

ANSWER: Two project selections were announced on July 1, 2009 from the first closing dated. The DOE share of these two projects totals \$408 million leaving approximately \$1 billion available for project selections under the second closing date.

25. QUESTION: What is the “applicant control number” (field 4)?

ANSWER: Reference the mandatory form SF 424 - Application for Federal Assistance. The "applicant control number", as referenced in Help Mode for Field 4, Applicant Identifier, is any number the Applicant desires to assign as an internal tracking number for the application/project. Field 4 is not a required field.

26. QUESTION: Since we won't have firm costs for engineering and construction until Phase I is done, does DOE have a suggestion on how to budget for Phases 2 – 4 for the application?

ANSWER: DOE recognizes that budgets evolve as work progresses on a project. For example, the Association for the Advancement of Cost Engineering International (AACE) recommends a Cost Estimated Classification System which maps the phases of project cost estimating together with the degree of project maturity. The approach divides cost estimates into five classes. Early classes use stochastic estimating methods and have a higher degree of uncertainty, while later classes involve more deterministic estimating methods and have a relatively low degree of uncertainty.

27. QUESTION: In the evaluation process, will EOR be viewed more or less favorably than CO2 sequestration in a saline aquifer?

ANSWER: Enhanced Oil Recovery and saline injection are viewed equally as sequestration options under the evaluation criteria. However, DOE may use program policy factors to ensure that the program includes both sequestration approaches.

28. QUESTION: When do you expect that the answers on cost and budget items that were deferred from today be answered?

ANSWER: DOE expects answers to be posted during the week of July 20 to 24.

29. QUESTION: What is the time line for grant awards?

ANSWER: Applications are due August 24, 2009. DOE expects selections will be announced by the end of October 2009, and that awards will be made in June 2010.

30. QUESTION: Could this apply to any technologies that are not specifically carbon capture?

ANSWER: The objective of the Announcement is to demonstrate technologies that capture carbon dioxide emissions from coal-fueled power plants.

31. QUESTION: We understand that the operating costs of the facility can be used for cost share.

ANSWER: Operating costs are allowable project costs for cost sharing purposes subject to the limitation on page 16 of the FOA which states, "The day-to-day normal operating costs of the plant/host site/demonstration site will not be recognized as allowable project costs, and therefore, will not be allowed for cost sharing purposes. To expand this definition, day-to-day normal operating costs are all costs that the demonstration site would incur daily without performing the CCPI-3 project. If the plant is incurring costs prior to implementation of the CCPI project, the same costs cannot be proposed under the CCPI project. Only the incremental cost increase, relative to typical operational costs, that is directly associated with performing the CCPI-3 work may be recognized as allowable costs and must be adequately documented and explained in detail, as required in the budget justification section of the FOA."

32. QUESTION: Can we use the "loss in revenue" value of the operating costs, or is it the "wholesale" value of these costs that can be counted as cost share?

ANSWER: No, the loss in revenue is not an allowable cost and therefore cannot be counted as cost share. Allowable operating costs are addressed in Part III - Eligibility Information, page 16 of the FOA. Allowable operating costs consist of the actual operating costs incurred, not an intangible or ambiguous value.

If the term "wholesale value" is synonymous with the actual (allowable) operating costs incurred during the performance of the project, then it can be counted as cost share. Otherwise, the "wholesale value" of the operating cost is also ineligible as allowable cost share.

33. QUESTION: Would fuel cost for natural gas compressors, used to compress CO₂, be eligible to receive co-funding as an operating cost?

ANSWER: Yes, however, such costs would require prior approval of the DOE Contracting Officer as indicated on page 16 of the FOA.

34. QUESTION: Are the funds in this solicitation mainly devoted to pre-combustion capture or do such technology limitations not apply in this case?

ANSWER: Funds are not allocated to specific technologies under this Announcement.

35. QUESTION: If we miss the CCPI Round 3 deadline, is NETL anticipating releasing an FOA for Round 4 in 2010?

ANSWER: DOE does not anticipate issuing a 4th round of CCPI in 2010.

36. QUESTION: Will an application be stronger if our CCS partner is already in a partnership with a DOE-related project?

ANSWER: No, DOE will evaluate the proposed team members based on their skills and expertise, and corporate background and experience. Affiliation with a current DOE program is not a requirement or evaluation factor for this Announcement.

37. QUESTION: If a proposed facility produces both electricity and another product (for example, methane), and intends to operate in such a way to maximize the value of the two products based on market conditions, it is possible that in some 30-day rolling periods it could produce more than 50% electricity and in other 30-day rolling periods it could produce more of the other product. In such a case, should the facility apply for CCPI funds, or for the industrial sequestration funds?

ANSWER: The Mandatory Eligibility Requirements (FOA pages 17-18) state: "At least 50% of the energy output from the proposed project must be in the form of electricity. "Energy output" is defined (FOA page 49) as 1) in the case of a pulverized coal boiler, the energy content of the steam produced by the boiler and 2) in the case of a gasification system, the total energy output consists of the energy content of the syngas stream plus the energy content of the steam. Thus, 50% of the energy output of the boiler or gasifier must be used to produce electricity.

The Applicant must propose to operate in a manner consistent with the objectives of the Announcement, including production of electricity as 50% of the energy output of the plant. The Applicant must use a 30 day running average to ensure that the project meets the minimum percentage of electrical energy output for co-production during operation.

For each 30 day period, the output of the project must be at least 50% electricity. At the end of each day the Participant would calculate the total energy output of the energy conversion system (boiler or gasifier) and calculate the total energy that was used to produce electricity for that day. The sum of the energy used to produce electricity for the previous 30 days is divided by the sum of the total energy output for the previous 30 days. This fraction is then multiplied by 100 to give the percentage of energy output used to produce electricity, which must be greater than 50% for each 30 day period to meet the requirements of the Announcement.

38. QUESTION: The application is requested to be submitted in a specific format. We have a 3-month feasibility study that contains significant design and cost information that we feel would be beneficial to the reviewer. However, given the format requested, there is no place that a document of this size fits within the framework. Is there a place you would recommend we include the study?

ANSWER: The applicant should summarize relevant studies in the Project Narrative in Section 3 Technology Merit, Technical Plan, and Site Suitability.

39. QUESTION: Do you intend to provide written meeting minutes that summarize the Q&A session today?

ANSWER: Yes, all questions and responses will be posted in FedConnect and on NETL's website.

40. QUESTION: This may be one that you deferred for your cost person but if it can be answered today, please do so:

For purposes of the CCPI 3 FOA, are eligible project costs simply the installation and operation of the carbon capture technology on a unit at a coal plant? Or can eligible project costs also include the construction of a demonstration coal plant unit using ultrasupercritical boilers and the pipeline necessary to transport the captured CO₂ to an existing CO₂ pipeline for EOR?

ANSWER: Costs for construction of the pipeline necessary to transport the carbon dioxide are allowable project costs. If the ultrasupercritical boiler is commercial technology or represents a marginal improvement to commercial technology, it would not be eligible for DOE cost sharing. However, if the new ultrasupercritical unit incorporates significant improvements compared to a commercial supercritical unit then that portion of the work scope associated with those improvements would be eligible for DOE cost sharing.

41. QUESTION: We understand that our questions were deferred during the webcast and although they are not critical to submitting the LOI, they are critical in being able to prepare the final application. Anything you can do to expedite responses would be very much appreciated. Thank you.

ANSWER: Obtaining responses to questions posed during the July 15, 2009 webcast are not critical to submitting the Letter of Intent, which is due on July 24, 2009.

42. QUESTION: Are the tons referenced anywhere in the FOA U.S. (2,000 pounds) or metric (2,200 pounds) tons?

ANSWER: Tons referenced in the FOA are U.S. (2,000 pound) tons.

43. QUESTION: Does the project size (as required in the Letter of Intent) have to be of commercial size (i.e., 100+MW) or can it be smaller (i.e., 1 - 25 MW)?

ANSWER: The minimum project size is determined by the requirement to capture and sequester, or put to beneficial use, 300,000 tons per year of carbon dioxide.

44. QUESTION: Our entire technology includes 4 systems that can capture metals/fine particulates, SO₂, NO_X, and CO₂. For the purposes of CCPI, should we just apply based on the CO₂ capture system or based on the whole technology (all 4 systems)? Is it stronger to just apply for the CO₂ capture system?

ANSWER: The Announcement is open to any coal-based carbon dioxide capture technologies that result in co-benefits with respect to emission and efficiency performance levels specified in Table 1 of the Announcement. Inclusion of 4 systems that reduce particulate, SO₂, NO_X, and CO₂ emissions is appropriate.

45. QUESTION: If no project has a realistic 50% capture efficiency is there any chance that that aspect would be lowered?

ANSWER: The 50% capture efficiency minimum will not be lowered. DOE is aware of technologies that are capable of approaching or achieving the 90% capture efficiency target (as defined on page 48 of the FOA).

46. QUESTION: Does it matter what is done with the carbon after it is captured (is CCS preferred?)

ANSWER: Yes, it does matter. The carbon dioxide must be sequestered or put to beneficial use.

47. QUESTION: When does the project have to be viable/ go online if the awards are made the following May?

ANSWER: There is no specific timeline for project operation. Applicants should propose a project duration appropriate to the technology being demonstrated.

48. QUESTION: If a project were to include a pilot to test the suitability of a reservoir for EOR/Sequestration, does the pilot belong in the FEED or can it be included as part of Phase II (design phase) of the project?

ANSWER: Yes, a pilot to test the suitability of a reservoir may be included in the FEED or in Phase II.

49. QUESTION: If the captured carbon is being sent to a pipeline currently used for transport of CO₂ to oil fields for EOR, can the applicant's responsibilities end upon delivery of the CO₂ to the CO₂ pipeline or does it extend to monitoring, etc of the injected CO₂ in the fields?

ANSWER: The project scope must include sequestration activities and monitoring of injected carbon dioxide.

50. QUESTION: Does the party have to have acquired the mineral and storage rights associated with the EOR/Sequestration prior to application? i.e. At what point during the application process would the rights be required?

ANSWER: The Applicant does not need to acquire sequestration rights prior to submitting the application to DOE. The Applicant should provide a discussion including evidence of the Applicant's right to sequester carbon dioxide at the proposed sight. The discussion and evidence should be similar to that regarding the availability of the site and may include ownership of the sequestration rights, a signed option to purchase the sequestration rights from the owner, a letter of intent of the owner to provide sequestration rights to the applicants, etc. The applicant would be expected to obtain full rights to sequester by the end of the Project Definition Phase. Applications demonstrating rights to sequester would be viewed more favorably than those without demonstrated sequestration rights.