



2Co Energy

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*Making CCS Work in the UK*

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2Co Energy Limited

# Who are we

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## **Private Equity backed organisation:**

- TPG, one of the worlds largest private equity firms
- Almost \$50bn invested

## **Combined experience and expertise derived from:**

- Denbury Resources - 1000 miles of CO<sub>2</sub> pipelines in operation, construction and planning in the US supplying EOR activities
- Hydrogen Energy - developed CCS projects in numerous locations including Peterhead, Abu Dhabi and California

## **Critical Skills:**

- Structuring of large-scale, complex value-chain projects
- Collaborative approach bridging industry borders

# What we do

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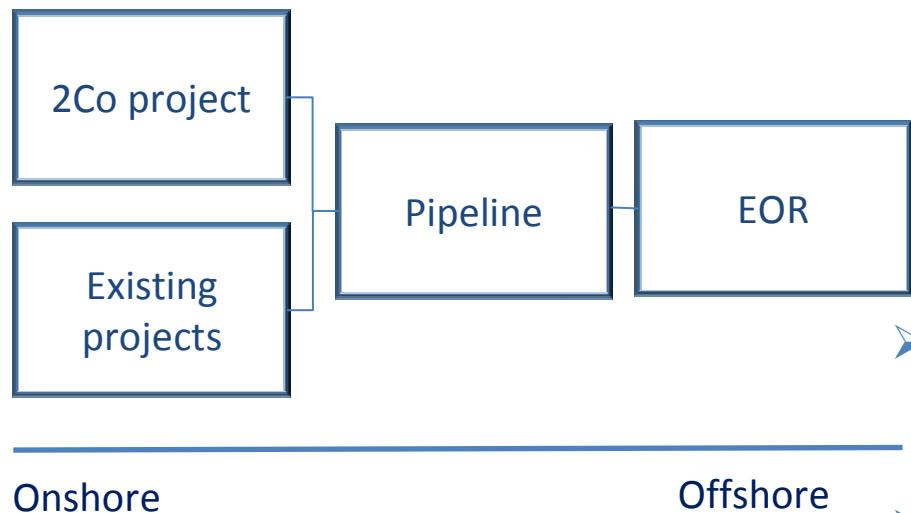
- A CCS company
  - ✓ Investing offshore to provide storage solutions to CCS projects
  - ✓ Storing CO<sub>2</sub> in oil fields with proven storage integrity
  - ✓ Improving the economics of CCS through the use of Enhanced Oil Recovery (EOR)
  - ✓ Willing to invest in pipelines and capture plant
  - ✓ Supporting projects to access CCS funding mechanisms

# Why we are doing this



- Responding to the EU NER and UK 'levy' policy signals
- Meeting the storage needs of CCS projects
- Meet climate and energy needs
  - ✓ Deliver (initially) 10MT reduction of CO<sub>2</sub> emissions
  - ✓ Enhance UK leadership in CCS
  - ✓ Improving energy security with supply diversification and additional oil recovery
  - ✓ Increasing offshore tax revenue
  - ✓ Create new jobs on and offshore

# How we are going to do it



Apply our experience and:

- Invest offshore to provide a CO<sub>2</sub> storage solution that is:
  - Most technically viable by using oil fields with proven storage capability
  - Most economically advantaged due to the EOR impact that delays decommissioning and increases the North Sea tax revenues
- Invest in pipelines and capture plants to ensure reliable supply of CO<sub>2</sub> to underpin offshore investment
- Financially structure projects to allow:
  - Equity to flow from natural investors
  - The value chain to access debt financing

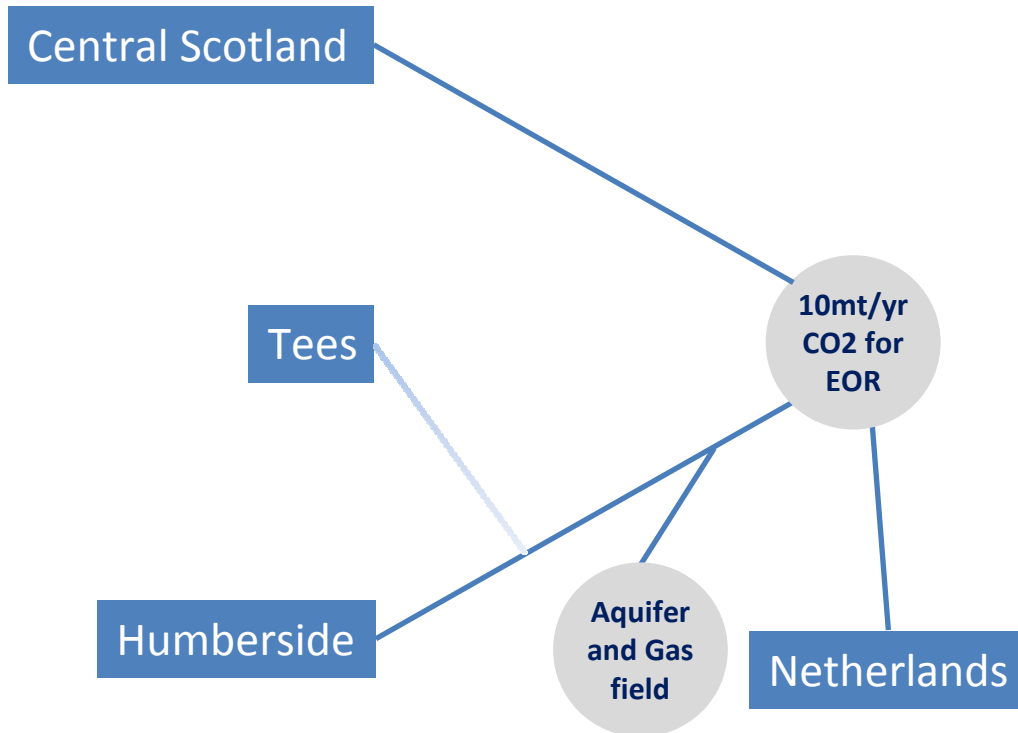
# Onshore



- Existing projects
- 2Co opportunities

- Off take CO<sub>2</sub> or capture
- Creating conduits from onshore generation clusters
  - Maximising the efficiency and reducing the cost by concentrating investment
- Bring skills, experience and complimentary assets to existing projects
- Humberside most promising cluster, which Teesside may leverage
- Central Scotland most proximate to EOR fields

# A European perspective



- Consolidating 10MT tranches of CO<sub>2</sub> to liberate oil through EOR and storing CO<sub>2</sub>
- Creating scale and commercial 'pull' for CO<sub>2</sub> provides a practical basis for creating transportation strategic infrastructure in UK
- Establishing UK Continental Shelf as focus for European CO<sub>2</sub> management
- Maximising potential of all UK storage assets – oil/gas, saline formations – in an efficient and phased approach