CO₂ reduction through storage beneath the North Sea

International CCUS and Hydrogen Symposium Japan

Mark Driessen 11 March 2021



Co-financed by the Connecting Europe Facility of the European Union



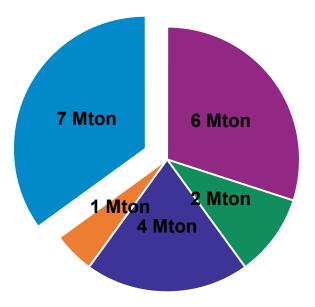
Porthos **Climate objectives of the Netherlands 188 Mton** CO_2 -eq 1990 100% **167 Mton** 2018 -15% CO_2 -eq **222 Mton** CO₂-eq 2020 -25% **113 Mton** CO_2 -eq 11 Mton 2030 CO₂-eq -49% 2050 -95% Source data 1990 and 2018: emissieregistratie.nl Graph not to scale

Situation in the Netherlands



Paris Agreement translated into Dutch Climate Agreement:

- Ambition: 49% CO₂ reduction by 2030, compared to 1990
- Industry: 14.3 Mton reduction, in addition to the previously agreed 6 Mton by efficiency improvement
- Starting point PBL Netherlands
 Environmental Assessment Agency:
 7.2 Mton CCS in 2030 = 50% industry



- Proces efficiency
- Nitrous oxide and F-gases
- Electrification and green hydrogen
- Recycling, CCU and biobased chemistry
- CCS

Rotterdam: a carbon neutral port in 3 steps



Efficiency and infrastructure

Residual heat will be used to heat homes, buildings and greenhouses, CO₂ will be captured and stored

→ Requires a lot of additional infrastructure, including pipelines and cables ∠ New energy system

Industry will use electricity and (green) hydrogen instead of oil and gas

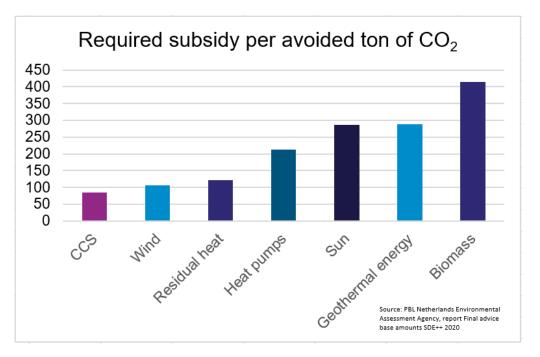
→ Demands a lot of and affordable electricity from sustainable sources (e.g. wind and sun) New raw materials and fuel system

Fossil fuels will be replaced by biomass, recycled materials, green hydrogen and CO₂

Why CC(U)S?



- Has the potential to reduce large volumes of CO₂
- Can be realized in the short term, crucial in terms of carbon budget
- It is cost effective
- Potential for utilisation, mainly in greenhouses
- Important for the development of hydrogen: via blue to green
- On the long term: commodity for industrial use (circular)

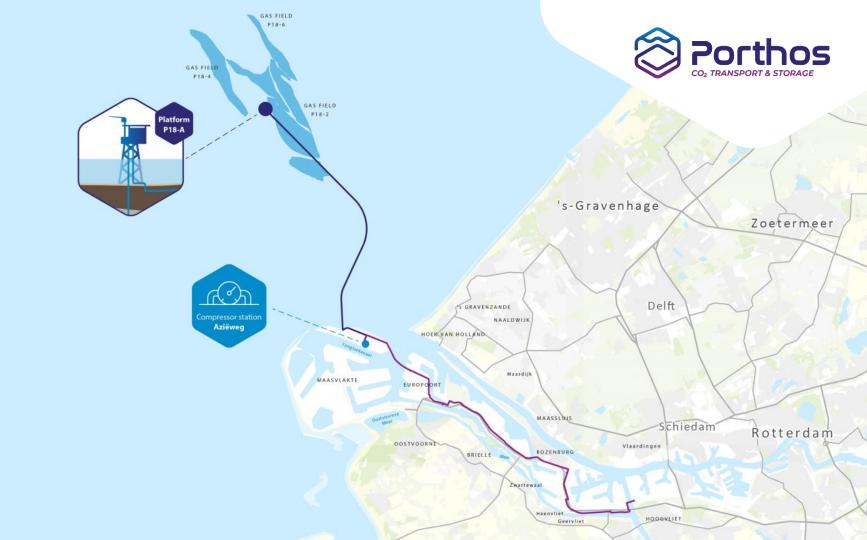


Rotterdam ideal location



- ~ 16% national CO_2 emissions
- Large industrial cluster
- Relatively small area
- Cost effective
- Storage locations offshore
- Combination with other developments in the port, e.g. hydrogen and circular

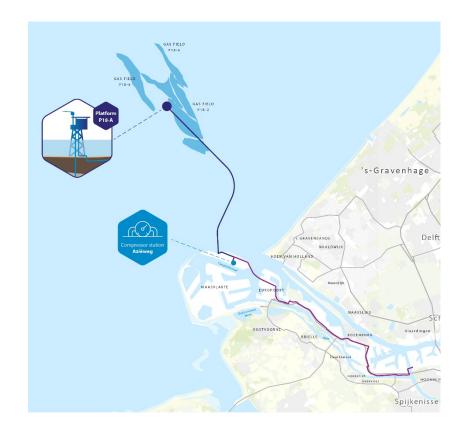




Project overview 1/2



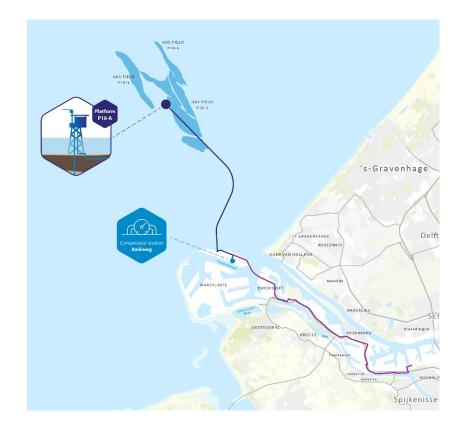
- Infrastructure for CO₂ transport and storage
- CO₂ capture by customers
- Collective pipeline through Rotterdam
 port area
- Compressor station on the Maasvlakte
- Offshore pipeline to platform in the North Sea
- Storage in empty gas fields beneath the North Sea



Project overview 2/2



- Dutch state-owned parties: EBN, Gasunie, Port of Rotterdam Authority
- Potential customers: Air Liquide, Air Products, ExxonMobil, Shell
- Capacity P18 fields: 37 Mton
- Storage: 2.5 Mton per year
- CAPEX: ~ € 500 million
- Planning: operational in 2024



Transport: onshore pipeline



- In the Rotterdam port area
- In existing pipeline corridor
- Length: ~ 30 km
- Diameter: 108 cm

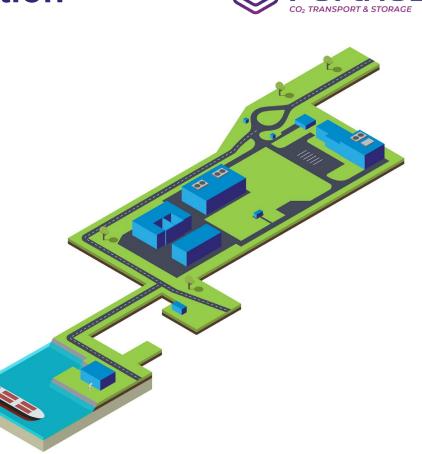


Transport: compressor station

- Location: Aziëweg
- Plot: ~ 2 hectare

Facilities:

- Electricity
- Cooling installations
- Measure and control systems





Transport: offshore pipeline



- From the compressor station, beneath the North Sea seabed to platform P18-A
- Length: ~ 22 km
- Diameter: 40 cm





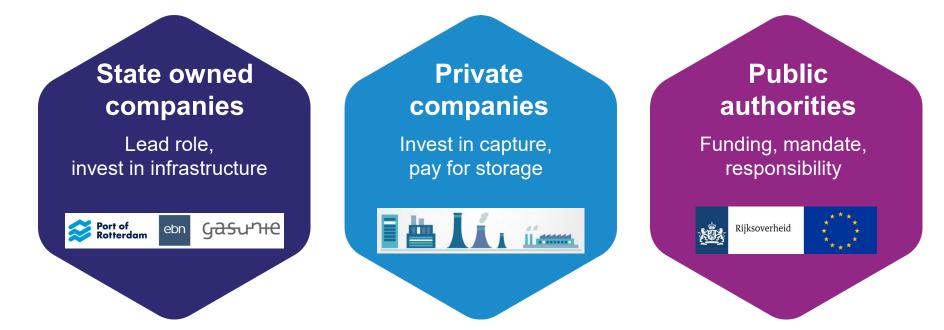


- From the platform to the P18 gas fields
- ~ 20 km off the coast
- Depth: between 3.175 and 3.455 meter
- Capacity: 37 Mton
- 2.5 Mton CO₂ per year
- Natural closing through sealing layers
- Re-use of existing platforms and wells



Public-private partnership for a successful project







Commercial process

- Capture transport/storage
- Alignment necessary
- SDE++ Dutch subsidy scheme
- Funnel approach:
 - ✓ Expression of Interest
 - ✓ Joint Development Agreement 1
 - ✓ Joint Development Agreement 2
 - ✓ Transport and Storage contracts



CEF funding in media





Business Information for Sustainable Developmen

102 million euros in funding on the horizon for Porthos carbon storage project

Hellenic Shipping News | Oct 6, 2020 at 2:00 AM



- The European Commission has proposed awarding 102 million euros in funding to the Porthos project.
- The European Commission wants to financially support the construction of Porthos because the capture and sequestration of CO2 (known as Carbon Capture and Storage, CCS) is widely seen as a necessary measure to keep global warming below 2 degrees Celsius.
- The precise amount of this fee is determined by the costs incurred by Porthos for the system's construction and exploitation (including the energy costs for the pressurised injection of CO2 in the deeper substrate).

ship.energy

EC proposes €102 million funding for Porthos carbon capture project

O Lesley Bankes-Hughes ☐ 1 week ago O 2 min read

The project will store CO2 supplied by the Rotterdam operations of Air Liquide, Air Products, ExxonMobil and Shell in the North Sea seabed

gasworld



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€102m proposed for Porthos CCS project

By Molly Burgess | 12 October 2020

The European Commission has proposed a €102m award to a Netherlands-based carbon capture and storage project, as part of a necessary measure to keep global warming below 2 degrees celsius.

If endorsed by the European Parliament, Project Porthos will benefit from the new capital that will help to push forward its goals and contribute to the Netherland's achievement of its climate targets.



The Porthos project centres on the capture and storage of CO2 in the North Sea floor. If the European Parliament endorses this proposal, Europe will bear a substantial share of the investment in Porthos, which totals 450 to 500 million euros.

Status and planning



2021

- Technical development
- Environmental Impact Assessment and permits
- Agreements with companies and government

2022

• Final Investment Decision (FID)

2022-2023

Construction of the system

2024

System operational



Thank you for your attention!

For more information, please visit: www.porthosCO2.nl

The contents of this presentation are the sole responsibility of Porthos and do not necessarily reflect the opinion of the European Union.



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