Carbon Capture and Storage





Welcome & Agenda Review

Outcomes

- One in a series of stakeholder conversations on ways to achieve equitable outcomes in CCS decision-making that protect health and environment.
- Educate stakeholders on EPA's regulatory role and DOE's role in CCS.
- Gather timely individual input on concerns, challenges, and potential solutions that fall within the purview of EPA and DOE.

Agenda

- Welcome
- Overview of CCS projects
- DOE's Energy Justice Framework
- Overview of EPA's Class VI Underground Injection Control program
- Community Concerns
- Next Steps



Overview of CCS projects





Carbon Management overview

- Carbon Management is critical for reliable power in some regions, for industry decarbonization, and counterbalancing truly hard to decarbonize emissions
- Potential benefits and risks differ at each stage
- Various federal and state laws apply to each of these activities
- Identifying, managing, mitigating and avoiding environmental risks is very project- and site-specific

United States Environmental Protection Agency





DOE Bipartisan Infrastructure Law Funding for Carbon Management

>\$12B over five years

- Power and industrial carbon capture projects
- New direct air capture hubs and innovation prizes
- CO₂ transport, storage, and conversion studies, grants, and loan guarantees
- H₂ production using fossil energy with carbon capture and storage



Expected development

- At least 6 carbon capture projects (12 operational today at commercial scale) and several new smallscale pilots
- At least 4 direct air capture hubs and several new small-scale pilots
- 100+ new dedicated CO₂ storage wells
- Studies and financing for several new CO₂ pipelines and transportation networks (~10,000 miles moving 10Ms tons CO₂/yr)
- Several new CO₂ conversion small-scale pilots

https://www.energy.gov/fecm/office-fossil-energy-and-carbon-management





Point-Source Capture and Direct Air Capture are Different Tools

Different designs and various technologies lead to different impacts, energy, land, and water requirements





DAC Contactor







Industrial Sectors – Hard to Decarbonize



CCS has the potential to significantly reduce some industrial sectors, which are hard to decarbonize today





Cement and Steel Facilities Across US - ~ 135 MtCO₂/yr



United States Environmental Protection Agency



CCS is Not New or Novel – First Patent Filed in 1930!



Reference: Global CCS Institute





What Does CO₂ Look Like In a Rock?

- 2-dimensional image of a sandstone (common reservoir rock) with water and CO₂ in the pore space
- Wells are often drilled > 1 mile underground.
- Sandstones are sedimentary rocks where the pore structure is formed from the space between the mineral grains
- Oil and gas are produced in these pores, and are the same that ultimately store CO₂
- Courtesy of the Advanced Light Source at LBNL! Strand of hair is roughly 70 microns





Secondary Trapping Mechanisms Increase Security Over Time



Reference: Kelemen, Benson, et al., Frontiers, 2021





Co-Location of Air Pollution and Carbon Management Potential Benefits of CCS and CDR





Co-Pollutant Reduction – National Carbon Capture Center

- SO₂ in flue gas
 - 15-50 ppm of SO₂ remained in flue gas after power plant flue gas desulfurization unit.
 - SO₂ can form salts with amine-based solvent technologies and results in loss of active amine to capture CO₂.
 - Deep SO₂ removal from flue gas down to 1ppmv level is desirable.
- NCCC Operation
 - NCCC installed two SO₂ polishers (Prescrubber) to remove remaining SO₂ from flue gas to below 1 ppmv.
 - All technology developers typically receive this treated flue gas for testing and demonstration.

Environmental Protection

United States



NCCC Data



NO and NO₂ Reduction

- NO₂ in coal- & natural gas- derived flue gas
 - Trace amount of NOx (NO & NO₂) are present in coal and NG derived flue gas at a concentration up to 50 ppmv after Selective Catalytic Reduction (SCR)
 - 5-10% of NOx is in the form of NO₂ which poses negative impact ٠ to amine-based solvent due to degradation reaction.
- NCCC Operation
 - UT Austin developed a process to add chemicals in the Prescrubber to removal NO₂ simultaneously with SO₂ and demonstrated 85-95% NO₂ removal efficiency
 - Air Liquide's flue gas pretreatment process in their cold ٠ membrane technology converts most of the NO to NO₂ which is subsequently removed. >90% NOx removal was achieved. As shown in the figure, most of the NO/NO₂ were removed before membrane feed (purple bar).





removal

202

How DOE/FECM considers siting and project impacts

In this section, we're going to tell you about...

- how DOE technical consideration of siting and project impacts is done
 - See: <u>https://netl.doe.gov/carbon-management/carbon-</u> <u>storage/strategic-program-support/best-practices-manuals</u>



- Some new requirements we are implementing to further address environmental justice and community engagement
 - See: <u>https://www.energy.gov/fecm/justice-engagement-planning-</u> <u>societal-considerations-impacts-fecm-projects</u>





DOE CCS projects are funded in a phased structure





These are the initial steps a project goes through



Figure 1.2: Illustration of the Relationship Between Scale of Investigation and Major Steps in Process of Finding and Developing Qualified Sites



Potential consequences examined in our technical project requirements

- 1. Worker safety
- 2. Groundwater quality degradation
- 3. Resource damage
- 4. Ecosystem degradation
- 5. Public safety
- 6. Structural damage
- 7. Release to atmosphere
 - New frameworks include explicit assessment of harms and benefits, including explicit assessment of disadvantaged communities





Example 1 of a major concern: Health and safety impacts from leakage

Health impacts are well understood ...

- Atmospheric CO₂ ~418 ppm
- Humans tolerate up to 1% (10,000 ppm) with no adverse effects
- Significant effect on respiratory rate and physical discomfort at 3-5%
- Death imminent at >30% for several minutes

Federal occupational safety and health regulations set standards: 0.5% for 8-hour exposure, 40-hour work week 3% for short term, 15-minute exposure 4% for maximum instantaneous exposure



Example 2 of a major concern: Potential groundwater impacts

- CO₂ migration into shallow aquifers
 - Mild acidification, e.g., pH of 4 to 5
 - Potential mobilization of hazardous constituents, e.g., As, Pb
- Displacement and migration of saline brines into shallow aquifers
- Migration of gases co-injected with CO₂
 - E.g., H₂S, SO₂, NO₂

Potential for impacts depends on many site-specific factors:

Seal properties, boundary conditions, size of injection, number and conditions of abandoned wells, initial hydraulic heads, and pressure buildup







DOE requires data and analysis of leakage and groundwater risks for projects we fund

This information is used by DOE in project decisionmaking and can also be used by regulators

CarbonSAFE Project ECO2S, Mississippi





Site Selection and Characterization – Technical overview

Key Activities:

- Reservoir properties & geometry
- Seal integrity
- Overburden/underburden characterization
- Faulting & seismicity
- Legacy wells
- Drilling & testing



RCSP; 3D Seismic Structural Surfaces





Modeling and Simulation: Prediction of the CO₂ Plume Migration

- Development and validation of models to predict plume and pressure front movement and the geochemical and geomechanical impacts
 - Model Upscaling
 - Thermal, hydraulic, mechanical, chemical, biological numeric models
 - Multiscale, Multiphase Flow
 - Reduced Order Models

United States

Environmental Protection

 Machine learning methods to predict plume movement (e.g., SMART initiative)



Simulating Streamline time of flight from injector; MRCSP



Coupling of geophysics, modeling, and tracers; Southwest Regional Partnership



A risk assessment is required for project funding



Develop detailed component models that are validated against lab/field data



- C. Develop reduced-order models (ROMs) that rapidly reproduce component model predictions
- Link ROMs via integrated assessment models (IAMs) to predict system performance



Integrated Risk Assessment



E. Exercise whole system model to explore risk performance



Monitoring, Verification and Accounting





Figure 3-1: Area of Review for the SECARB Citronelle Project Site. Figure shows the location of the injection well, observation wells, and all monitoring locations.



Background Image Courtesy of Schlumberger Carbon Services

DOE funded storage projects have technical go/no-go stages



EPA United States Environmental Protection Agency



For example, after site screening, primary factors that may lead to go/no-go decisions include:

- The site can be permitted under all relevant Federal, state, and local regulations
- Requirements can be met for project sites that are proximal to, or contain, protected and sensitive areas such as cultural resources, wetlands, etc.
- Mechanisms for obtaining access from surface and subsurface owners for storage, surface facilities, and pipelines can be established
- Risk assessment (including a wide variety of factors such as financial, public acceptance, political, technical, various types of liability, uncertainties, etc.), management, and mitigation options are acceptable to the project development team
- Ability to conduct expected or required monitoring is assured
- Costs including all of the above elements are within project budget





DOE Energy Justice Framework





Justice40 and CCS

Shalanda Baker Director Office of Economic Impact and Diversity August 11, 2022



OFFICE OF ECONOMIC IMPACT AND DIVERSITY

WHEJAC recommendations – May 2021

"To maximize investment benefits delivered to EJ communities, federal agencies must provide clear EJ criteria and guidance for grant applicants and centralized oversight.

Federal agencies must also make EJ and stakeholder engagement a requirement to receive program grants and other financial support.

All Agencies ... should score projects based on their ability to meet these and other EJ criteria."





What is Justice40? E.O. 14008, s. 223



"How certain Federal investments

might be made toward a goal

that 40 percent of the overall

benefits flow to disadvantaged

communities."

Source: https://www.federalregister.gov/documents/2021/02/01/2021-02177/tackling-the-climate-crisis-at-home-and-abroad





Justice40 Initiative







DOE Working Disadvantaged Community Definition

Cumulative Burden. Census tract must have at least 30% low-income households and rank in the 80th percentile of cumulative sum of 36 indicators, where each input is equally weighted. Rankings are state-relative.

ENERGY BURDEN (5)

Transportation Burden Energy Burden Non-grid connected home heating fuel Power outages Duration of outages

FOSSIL DEPENDENCE (2)

IWG coal jobs ratio IWG fossil energy jobs ratio

VULNERABLE POPULATIONS (19)

Housing burden Food desert Job access (-) Park access (-) Commutes > 30 mins* No vehicle* Unemployed Low Income* No GED* Linguistic Isolation* Renters* No internet Uninsured Disability Incomplete plumbing Single parents Mobile homes Unhoused Age over 65*

ENVIRONMENTAL/ CLIMATE HAZARDS (10)

Lead paint Diesel particulates Cancer Traffic volume Water discharge NPL sites RMP facilities TSD facilities FEMA climate risk PM 2.5

* Denotes that these variables are not inherently negative, but increase the vulnerability of the population to climate, environmental, and energy hazards

United States Environmental Protection Agency



Distribution of DACs



Qualifying census tracts: 13,581 (18.6%)

Additional native lands:

703 native populations in 858 locations

US territories: Virgin Islands, Northern Marianas, Guam, American Samoa, Puerto

Energy Justice Dashboard: https://energyjustice.egs.anl.gov/





Criteria for J40 "Covered" Program

Federal Investments

✓ Federal **grants and procurements** (including discretionary budget authority, direct/mandatory, and formula funding)

✓ Financing (including credit, loans, and guarantees)

✓ Programmatic Federal **staffing** costs (e.g. federal pay for staff that provide technical assistance)

✓ Direct financial benefits (including provision of goods and services); and

✓ Additional federal investments under covered programs as **determined by OMB**.

A Federal Government program that makes **investments** in one or more of the following seven areas:

✓ Climate change

- ✓Clean energy and energy efficiency
- ✓Clean transportation
- ✓Affordable and sustainable housing
- Training and workforce development
 Remediation and reduction of legacy pollution

✓ Critical clean water and waste infrastructure





J40 (July 2022) Across Gov

Justice40 Initiative | The White House

Agency	Abb.	J40 Covered Programs
Department of Energy (DOE)	DOE	145 ——
Department of Agriculture	USDA	65
Health and Human Services	HHS	13
Homeland Security	DHS	4
Department of Housing and Urban Development	HUD	24
Department of Interior	DOI	65
Department of Veteran's Affairs	VA	1
Environmental Protection Agency	EPA	73

<u>Justice40-Covered-Programs-List_v1.1_07-15-2022.pdf (whitehouse.gov)</u> expect this list to evolve over time as new Federal programs are created or existing programs sunset





DOE leading in J40 Programs with a commitment to delivering benefits in:

✓Climate change

✓Clean energy and energy efficiency

✓Clean transportation

✓ Affordable and sustainable housing

✓Training and workforce development

✓ Remediation and reduction of legacy pollution

✓ Critical clean water and waste infrastructure

Defining Benefits: Justice40 Policy Priorities

- 1. Decrease energy burden in disadvantaged communities (DACs).
- 2. Decrease environmental exposure and burdens for DACs
- **3. Increase** parity in clean energy technology (e.g., solar, storage) access and adoption in DACs.
- 4. Increase access to low-cost capital in DACs.
- 5. Increase clean energy enterprise creation and contracting (MBE/DBE) in DACs.
- 6. Increase clean energy jobs, job pipeline, and job training for individuals from DACs.
- 7. Increase energy resiliency in DACs.
- 8. Increase energy democracy in DACs.





Measuring and Tracking Benefits

Under J40, DOE **Program Offices will** establish metrics, measure, and report on the applicable benefits (or potentia harms) that their respective programs can have in a community related to these priorities.

POLICY PRIORITY	EXAMPLE BENEFIT	EXAMPLE METRIC	
Decrease energy burden	Reduction in energy costs due to technology adoption	Annual energy expenditures in DACs before and after program intervention	
Decrease environmental exposure and burdens	Reduction in local pollutant emissions	Measurement of local pollutant in DACs before and after program intervention	
Increase clean energy access	Increase access to clean energy serving DACs	Percentage of local electricity generation mix from clean energy that serves DACs	





Feedback DOE has Received - Impact

General

- Additional research is needed to understand potential impacts
- Impacts must be assessed for the entire lifecycle & specifically for disadvantaged communities
- Need remediation of prior and ongoing harms
- Permitting system at state level is insufficient for protection
- Consider risk to infrastructure due to extreme weather or age

Potential Negative Impacts Raised by Respondents

- Health and safety concerns related to CO₂ & other process materials
- Fossil fuel entrenchment
- Land, water, energy use impacts
- Risk to taxpayer/high cost

Potential Benefits Raised by Respondents

- Job creation & economic benefits, especially for fossil energy communities
- Decentralized economic opportunities
- Reduction in air pollution
- Remediation of pollution
- Utilization of waste streams





Feedback DOE has Received - Impact

Suggestions to DOE to maximize benefits and minimize negative impacts

- Require detailed evaluation of cumulative benefits and negative impacts in funding applications
- Provide clear guidance and tools related to equity and justice
- Establish monitoring, permitting, and remediation requirements
- Support research into potential impacts
- Prioritize renewables & deep decarbonization
- Consider whole system in GHG accounting, including loss of storage from wetland loss
- Account for full costs, including impacts on health and environment and tax credits.
- Account for cumulative harm before allowing a project
- Disallow projects based on local considerations, i.e., zoning, resilience, compliance, conflict of interest, company past performance, history of racist policies





Feedback DOE has Received - Engagement

General

- Prioritize engagement with fenceline/frontline communities, disadvantaged communities, tribes/ANCs and labor throughout all stages of the project
- EJ communities consistently ask for early engagement in project decisions
- Provide remuneration for engagement
- Trusted intermediaries/partners are critical
- Both DOE and project performers should engage

Suggestions to DOE to support effective engagement

- Require detailed engagement plans in funding applications
- Allow engagement activities as an eligible use of funds
- Create community engagement advisory committees/project oversight boards

Necessary components of community engagement

- Impact on decision-making
- Early and frequent
- Transparent, inclusive, and accessible
- Understand the community
- Project impacts match community priorities





EJ Explainer

THE TRANSFORMATIVE POTENTIAL OF THE JUSTICE40 INITIATIVE

The Justice40 Initiative provides an opportunity for communities with environmental justice concerns to reap long-overdue development benefits; participate in the decision-making processes that directly impact them; and participate in the clean energy economy through workforce development programs and contracting opportunities. The agency is committed to working closely with DOE stakeholders to realize the transformative potential of Justice40.

To ensure an **<u>equitable</u>** transition to clean energy, and to avoid further harm to communities with environmental justice concerns, DOE is laser-focused on ensuring that every project that receives funding through a DOE Justice40 Covered Program adheres to the principles of **<u>environmental justice</u>**.



United States Environmental Protection Agency



"Justice will serve as our North Star"

I am honored to lead this Department through a historic re-investment in our country's energy infrastructure. Justice will serve as our North Star as we fight climate change and bring economic prosperity to our great Nation. I hope you will join us in our efforts to ensure that the benefits of BIL, DOE climate and clean energy programs, and other Federal efforts build a better future for *all* Americans.

Sincerely,

Jennifer M. Granholm





J40 Covered Programs Public Webinar

- Wednesday, August 17, 2022
 2:00–3:30pm (EST)
- Agenda
 - Welcome
 - Secretary Granholm Remarks
 - Director Baker Remarks
 - J40 Overview
 - Deputy Director Reames
 - J40 & BIL
 - S3 Rep Remarks
 - Highlight J40 Programs
 - Weatherization Assistance Project
 - Clean Cities
 - National Communities Solar Project
 - Geothermal Communities
 - Office of Science RENEW
 - Moderated Q & A



USE QR CODE TO REGISTER:





Summary of new requirements

Included in: DE-FOA-0002610: Carbon Storage Assurance Facility Enterprise (CarbonSAFE) Phase II - Storage Complex Feasibility and DE-FOA-0002614: Carbon Management

• Societal Considerations and Impacts Plans

- Requirements for applicants and awardees
- Merit review criteria
 - Outlines how these plans will be scored in the selection process
- Guidance documents
 - Provides guidance and resources to applicants on these topics





Moving towards implementation



Vision: We affirm we care about justice / engagement / DEIA

Assessment: We mapped or assessed underserved communities / stakeholders / DEIA

Goals: From our assessment, we know X is lacking, so we want to improve in X

Outcomes: We know we have succeeded when Y (specific target) is reached

Implementation: To achieve Y, [specific actor] has to do Z [in specific timeframe]

Many of our teams risk getting stuck here because the analysis / mapping tasks fit with their existing toolkits and expertise

Our guidance and FOA structure helps build capacity to work on these parts





Required Justice40, Community and Stakeholder Engagement, and DEIA Plans

Justice 40:

- Requires reporting on quantifiable metrics of where benefits and negative impacts flow, including assessment of disadvantaged communities and cumulative burden
- Requires a plan for addressing impacts and delivering benefits

Community and Stakeholder Engagement:

• Requires **concrete methods and timeline for engagement** activities, as well as statements on how the applicants will address principles of consent-based siting and community benefit agreements

DEIA:

• Requires targeted DEIA outcomes and implementation strategies, including milestones and schedule, and resources that will be provided to meet the milestones





When do these requirements intervene in projects?

At Application

- Meet requirements
- Score well at merit review These plans are scored according to criteria like quality (thoroughness, measurable outcomes), integration into the project (not being siloed), and ability to influence the direction of the project

During award

- Refine plan within 90 days of award with DOE collaboration
- Conduct plan work
- One SMART milestone a year in Project Management Plan (plus individual Plan milestones)
- Public presentation on SCI work (SCI Peer Review)

At project conclusion

Final public report to include Plan, accomplishments and reporting





Overview of EPA's Class VI UIC Program







UIC Class VI Permitting Process







Class VI Permitting Timeline









UIC Class VI Primacy Process



Primacy Process Overview



Completeness Determination

Application Evaluation Rulemaking and Codification

- Meetings, discussions and coordination with State
- Identify the elements of the UIC Program that need to be developed or revised
- Develop draft rules, public participation and application by State
- Submit draft materials to EPA for review and comment
- Review of documents and clarification of outstanding questions or issues (collaborative)
- Finalize and submit revised documents by State



Primacy Process Overview



Completeness Determination

Application Evaluation Rulemaking and Codification

- Region conducts final review of state submission
- Regional Administrator signs MOA and transmits the package to EPA Headquarters recommending approval
- Comprehensive/detailed review of Program Revision application by EPA
- Documentation of final determination of completeness and application evaluation by EPA





Primacy Process Overview



- Joint publication of a Notice of Receipt of Program Revision/Notice of Completeness and Proposed Rule (in the Federal Register and local newspapers) by EPA with a 45-day comment period
- Docket creation for receipt of public comments by EPA
- Development of Responses to Comments by EPA
- Publication of Final Rule in *Federal Register* by EPA
- Posting (by EPA) of the Final Program Revision Application (i.e., all documents submitted) and Response to Comments/Responsiveness Summary to the docket
- Codification at 40 CFR 147 by EPA





Class VI Permitting and Primacy Landscape



Class VI Permit Applications under Review at EPA

- Table shows administratively complete permit applications.*
- For additional information: <u>https://www.epa.gov/uic/class</u> <u>-vi-wells-permitted-epa</u>.
- *Note: Each well will have a separate permit.

Region	State	Applicant	Number of Wells
5	Illinois	Archer Daniels Midland	1
		Marquis Carbon Injection, LLC	1
	Indiana	Wabash Carbon Services, LLC	2
	Ohio	Lorain Carbon Zero Solutions, LLC	1
6	Louisiana	Oxy Low Carbon Ventures, LLC	2
		Gulf Coast Sequestration	4
		Hackberry Carbon Sequestration, LLC	1
		CapturePoint Solutions, LLC	6
	Texas	Oxy Low Carbon Ventures, LLC	1
9	California	Carbon TerraVault 1, LLC	2
		Carbon TerraVault 1, LLC	4
		San Joaquin Renewables LLC	1
	Total		26





Class VI Primacy Landscape

- Two states have Class VI Primacy (ND and WY)
- Four states are in the process of applying for Class VI State Primacy (AZ, LA, WV, TX)
- EPA expects to receive two to three Class VI primacy applications within the next year







EPA UIC Class VI Program Priority Activities

- Continue to review permit and primacy applications submitted to EPA
- Develop and implement ways to improve Environmental Justice considerations in EPA reviews of permit applications
- Develop and implement ways to improve Environmental Justice considerations in EPA reviews of state primacy applications
- Continue to develop and issue robust EPA guidance, tools, and training for states and applicants
- Implement the Bipartisan Infrastructure Law (BIL) UIC Primacy Grant currently under development





Community Concerns





Community Concerns – What We Heard From You

- Whole Lifecycle of Projects: How will land, air and water health and safety concerns be addressed by EPA and DOE?
- Siting: How do EPA/DOE consider location of the projects in the review of applications? What evaluation of an area is conducted?
- J40 & Federal Mandates: How do federal level mandates such as Justice40, the Executive Orders, and other federal tools for environmental justice apply to CCS?





Stakeholder Conversation

- Are these the top three areas of concern?
- What else should we consider?





Next Steps

- Presentation and Meeting Summary will be made available
- Information will be provided on additional engagement opportunities



Thank You!



