

**Proposed Amendment between California Energy Commission
and
DOE- Lawrence Berkeley National Laboratory**

Title: AB 1925 Report for 2010
Amount: \$0.00
Term: 6 months
Contact: Elizabeth Keller
Committee Meeting: 8/11/2010

Funding

FY	Program	Area	Initiative	Budget	This Project	Remaining Balance
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Recommendation

Approve this amendment to contract 500-09-005 with Lawrence Livermore National Laboratory (LLNL) to make a novation agreement between LLNL and Lawrence Berkeley National Laboratory (LBNL) and add a 6 month, no-cost, time extension. This amendment will allow the principle investigator and key person on the contract, Dr. Elizabeth Burton, to move from LLNL to LBNL. The Staff recommends placing this item on the consent calendar of the Commission Business Meeting.

Issue

Dr. Elizabeth Burton, the principle investigator of the 500-09-005 contract to write the second AB 1925 report, is moving from LLNL to LBNL; consequently the performing institution in the contract needs to be changed from LLNL to LBNL. This change in the performing institution requires a novation agreement.

Dr. Burton's work under this contract will further the goal of the AB 1925 legislation, namely to accelerate adoption of geologic carbon sequestration by industrial sources of carbon dioxide.

Background

The California Energy Commission, in coordination with the Department of Conservation, was tasked by Assembly Bill 1925 with writing a report for the California Legislature "containing recommendations for how the state can develop parameters to accelerate the adoption of cost-effective geologic sequestration strategies for long-term management of industrial carbon dioxide." To meet this goal, a preliminary AB 1925 report was submitted to the legislature, which called for a second AB 1925 report that gives the results of recommended research and studies laid out in the first AB 1925 report, as well as updates recent developments in CCS. Contract 500-09-005 was entered into to develop the second AB 1925 report

Proposed Work

The proposed work remains the same in the amendment as in the original agreement, to do research to support producing a high quality report that addresses the goals of the AB 1925 legislation.

In particular, the work in the amended agreement will continue to include:

- Investigating the existing statutes and regulations relevant to CCS in California.
- Evaluating constraints on CCS technology and its applications in California.
- Researching and assessing recent technologic developments and geologic sequestration activities relevant to AB1925.
- Evaluating the potential in the state for using CCS in applications identified as early opportunities based on potentially close-to-favorable business cases.
- Investigating CCS in the context of electricity imports and exports within the Western Electricity Coordinating Council (WECC) region.
- Assessing the potential impact of lessons learned from DOE partnership pilot CCS demonstrations, including WESTCARB, and other projects worldwide (e.g., Norway case) to the California case.
- Producing draft conclusions and recommendations in accordance with goals of AB1925 to assess how to accelerate geologic sequestration in the state.

Justification and Goals

This project "[will] advance energy science or technologies of value to California citizens..." (Public Resources Code 25620.(c)), and is part of a "full range of research, development, and demonstration activities that . . . are not adequately provided for by competitive and regulated markets (Public Resources Code 25620.1.(a)); and supports California's goal to take a leadership role in developing technologies that capture and store CO₂ per the Integrated Energy Policy Report 2005.

This project also addresses the goals of the AB 1925 legislation by accelerating adoption of geologic carbon sequestration by industrial sources of carbon dioxide.

This will be accomplished by:

- Increasing awareness and understanding of existing statutes and regulations relevant to CCS in California, as well as approaches to developing protocols for CCS.
 - Developing, as appropriate, draft protocols for CCS.
- Clearly identifying constraints on CCS technology and its applications in California, in coordination with relevant state agencies (Department of Oil Gas and Geothermal Resources, California Geological Survey, ARB, Office of the State Fire Marshal).
- Producing conclusions and specific recommendations on how to address identified regulatory and legal barriers to CCS in the state along with the policy rationales for the recommendations.
- Reporting and explaining recent technologic developments and geologic sequestration activities relevant to AB1925.
- Identifying early opportunities for application of CCS based on potentially close-to-favorable business cases.
- Understanding CCS in the context of electricity imports and exports within the WECC region and synthesizing and explaining relevant information and policy on CCS in other WECC states.
- Reporting and explaining lessons learned from DOE partnership pilot CCS demonstrations, including WESTCARB, and other projects worldwide (e.g., Norway case) and the relevance of these case studies to California.
- Delivering conclusions and recommendations in accordance with goals of AB1925 on how to accelerate geologic sequestration in the state.