

## **SENBCORP SETS OUT ROLE IT CAN PLAY IN THE BATTLE FOR LOW CARBON BRITAIN**



Sembcorp has given an influential group of MPs a better understanding of the role the company can play in the battle for Britain's low carbon future.

Scott Taylor, AVP Business Development, was invited to attend a special meeting of the Government's Business, Energy and Industrial Strategy Committee at the Wilton Centre last week.

Seven members of the cross party select committee, including chair Rachel Reeves (Lab) and former Conservative Party Chairman and secretary of state for transport Patrick McLoughlin, chose Teesside for the committee's first ever meeting outside Westminster.

In a seven hour visit they heard that Teesside's skills, infrastructure and experience would make it ideal as a centre of excellence for carbon capture, usage and storage (CCUS) in the UK.

After an informal private session focused on the specific merits of Teesside and a tour of the CF Fertilisers facilities at Billingham, Scott Taylor, AVP Business Development, took the group on a tour of Wilton International site which included calling in at the power station control room.

Scott said: “The meeting was extremely productive and I think the committee was impressed with the potential of the whole area.”

Teesside is one of only a handful of UK locations with the potential to incorporate the technology on an industrial scale.

Industrial stakeholders from several locations around the country emphasised to the MPs during the committee meeting that with the Government’s support – including the development of a clear, long-term CCS policy and a viable investment mechanism – the UK could collectively store millions of tonnes of carbon dioxide each year effectively, using existing tried and tested technology.

The full remit of the meeting was to examine a variety of issues around CCUS including the industrial challenges and opportunities it could bring, its impact on local economies and reactions to the Government’s Action Plan.

It was also to look at proposed funding for CCUS, business models to bring it forwards and the long-term potential for collaboration between clusters in different areas.

## **Importance of Carbon Capture, Usage and Storage**

CCUS will be an increasingly important and necessary option for many industrial sectors, such as steel, cement, chemicals and ammonia. Many do not have any alternative for reducing their emissions aside from CCUS as their carbon dioxide is generated in the process as well as being present in the fuel they use.

CCUS is seen as a technology that can play a crucial role in tackling greenhouse gas emissions while maintaining the UK’s security of energy supply in the future and its adoption in the UK and globally would mean there would be a long term place in the energy mix for the continued use of fossil fuels while at the same time reducing emissions to atmosphere, allowing for economic growth and regional prosperity.

The process involves capturing the carbon dioxide released by power stations and other industrial sources and burying it deep underground, thus preventing it entering the atmosphere.

It is thought that CCUS could ultimately contribute to a 19 per cent reduction in global carbon dioxide emissions by 2050 and that fighting climate change could cost over 70 per cent more without CCS (**source: Carbon Capture and Storage Association**).

The UK’s Committee on Climate Change also sees it as a key technology.

## **Sembcorp's interest**

Sembcorp is one of a cluster of Tees Valley companies (known as the Teesside Collective) with the shared vision to establish the area as the go-to location for future clean industrial development by making it the UK's first Carbon Capture and Storage equipped industrial zone.

The consortium – which also includes SABIC, Lotte Chemical, BOC and CF Fertilisers - argues that the area can serve the UK's industrial and environmental interests at the same time.

A Teesside Collective blueprint document produced in 2015 received widespread support from business organisations, environmental groups, the public sector and academics.

Sembcorp is currently considering the development of a new gas fired power station at Wilton of up to 1,700MW – a capacity equivalent to powering 1.5 million households. If built, it would be the UK's first new build gas fired power station in a generation and would be CCS ready.