

Alun Davies AC / AM
Y Gweinidog Cyfoeth Naturiol a Bwyd
Minister for Natural Resources and Food



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref P-04-514
Ein cyf/Our ref AD-/00616/14

William Powell AM
Chair, Petitions committee
Ty Hywel
Cardiff Bay
Cardiff
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21 April 2014

P-054-514 – Sovereign Wales – Hitachi Clean Coal Technology

Thank you for your letter dated March received by my office on 8 April, requesting further information following my letter to you of 15 January.

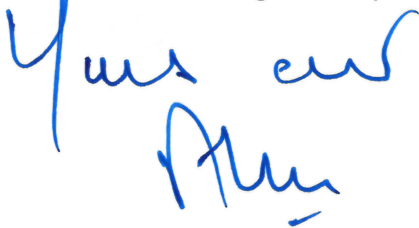
I have nothing to add to my letter in respect of development of Wylfa Newydd and will therefore confine my response to your questions around Hitachi and Carbon Capture and Storage (CCS) technologies.

I believe my response of 15 January clearly set out the Welsh Government's position on CCS. The Welsh Government is always happy, where appropriate, to work in partnership with companies to exploit new technologies. However, in the case of CCS, at operational level to bring down costs and allow CCS to be more widely used, the full chain of capture, transport and storage needs to be built and operated on a commercial scale, and fully tested. The technologies used aren't particularly new or unique. They have been used for many years individually (notably in the oil and chemical sectors), but there are no projects that use all three together at commercial scale to capture and store carbon dioxide from a power station. As far as I am aware, Hitachi has not yet progressed beyond demonstration projects.

At UK level, government is engaged on one of the most comprehensive programmes in the world to help create a new CCS industry. Through the programme, DECC are running a competition (with £1 billion capital funding available) to support practical experience in the design, construction and operation of commercial-scale CCS; funding a 4-year co-ordinated research, development and innovation programme, and working with industry to reduce costs of CCS technology, develop the supply chain, create storage and help develop CCS infrastructure.

There are two key projects underway. The Peterhead CCS Project is in Aberdeenshire, Scotland. This project involves capturing around 85% of the carbon dioxide from an existing combined cycle gas turbine (CCGT) power station at Peterhead, before transporting it offshore and storing it safely in the Goldeneye depleted gas field 2.5km beneath the North Sea. The project involves Shell and SSE. The Peterhead CCS project is the world's first planned CCS project on a gas power station. If built, the project would capture 1 million tonnes of CO2 each year and provide clean electricity to over half a million homes. The White Rose CCS Project is in Yorkshire, England. This project involves capturing around 90% of the carbon dioxide from a new super-efficient coal-fired power station at the Drax site in North Yorkshire, before transporting offshore and storing it in a saline rock formation beneath the North Sea. The project involves Capture Power Ltd (a consortium of Alstom, Drax Power, BOC) and National Grid.

These projects, together with the other work underway, will give us a clearer picture of the potential and applicability of CCs technologies. I believe that would be the appropriate point at which to investigate the possibility of deployment in Wales.

A handwritten signature in blue ink, appearing to read 'Yours and Alun', written in a cursive style.

Alun Davies AC / AM
Y Gweinidog Cyfoeth Naturiol a Bwyd
Minister for Natural Resources and Food