

Asia-Pacific Partnership on Clean Development and Climate
Cleaner Fossil Energy Task Force Meeting
March 31 – April 2, 2009

U.S. Country Statement

- Good morning. Thank you Chair and many thanks to our Korean colleagues for hosting this meeting of the APP Cleaner Fossil Energy Task Force. I appreciate the opportunity to speak with you all today and to share some of the work that the United States is doing under the Task Force.
- Since the inauguration of Barack Obama as our 44th President in January 2009, we have seen the issues of climate change and energy security come to the forefront of the new administration's agenda.
- The President has signaled that the transformation to a low-carbon economy will be a core part of his domestic plan, and he has appointed a team of cabinet officials with a strong commitment to address the climate crisis.
- Internationally, U.S. Secretary of State Hillary Clinton has pushed climate change to the top tier of U.S. foreign policy. In her first trip as Secretary, Mrs. Clinton visited four Asian countries and spoke of a multifaceted agenda focused on the global economic crisis, climate change, and regional security challenges.
- The administration is still in its early stages however, and many of the senior level appointees and policy makers have yet to be named. At this time, much is in flux but senior officials are working diligently to undertake an extensive policy review and explore avenues to most effectively address our goals.
- Domestically, there has been an increased focus on cleaner fossil energy technologies. The American Recovery and Reinvestment Act signed into law earlier this year allocates over \$49B for green energy technology, including \$3.4B for carbon capture and storage activities.
- The Department of Energy's Clean Coal Power Initiative (CCPI) is a 10-year, \$2-billion program designed to achieve key technology milestones in the U.S. Clean Coal Technology Roadmap. The U.S. government provides up to 50 percent of the cost of demonstrating a range of promising technologies. CCPI is being implemented through a series of five

solicitations over 10 years. The first two solicitations have already been issued and six major demos are now underway. The third solicitation closed in January and proposals are being reviewed now.

- On June 24, 2008, DOE issued a Funding Opportunity Announcement to invest in multiple commercial-scale IGCC or other clean coal power plants with cutting-edge CCS technology under the restructured FutureGen program. The solicitation is seeking multiple cost-shared projects to advance coal-based power generation technologies that capture and store CO₂. DOE anticipates \$290 million will be available to fund the selected projects through fiscal year 2009 and an additional \$1.01 billion is expected to be available in subsequent years, subject to appropriations by Congress.
- As we heard yesterday, under the Methane to Markets Partnership, the Environmental Protection Agency is leading projects that overlap with theme 5 of the CFE action plan. The Partnership has completed inventories of oil and gas sector emissions in APP countries, which has served to quantify the greenhouse gas impact and economic potential of emissions reduction. M2M is working with major companies in twelve countries to engage the oil and gas industries to improve awareness of emissions reduction opportunities.
- The U.S. APP Program Office housed at the Department of State is in the process of launching a Cities Alliance for Sustainable Energy (CASE) to create a coalition of North American West Coast cities from Vancouver to San Diego to which will partner with sister cities in APP countries to bring together city leadership, local industry, and nearby universities and R&D institutions to identify opportunities for collaboration on clean development challenges at the municipal level.
- The Initiative is still in its nascent form, but several U.S. cities on the west coast including Seattle, Portland, and San Francisco have expressed strong interest in participating.
- Within the Cleaner Fossil Energy Task Force, the U.S. has engaged in eight of the sixteen registered projects.
- The U.S. Department of Energy's National Energy Technology Lab is collaborating with the Korean Institute of Energy Research for R&D of clean fossil energy technologies.

- NETL and KIER renewed their previous 20+ year formal cooperation in September 2007, as one of the inaugural CFE Task Force projects.
- This cooperation is focusing on a number important fossil energy technologies, including gasification; CO₂ capture processes; coal to liquids, hydrogen separation using porous membranes, sorbents, and other techniques; and chemical looping.
- Out of the early joint research, results are already being produced as evidenced by the first joint journal publication that is being prepared.
- A joint workshop is being planned for late this year in conjunction with the Pittsburgh Coal Conference.
- U.S. member American Petroleum Institute (API) is developing consistent and comprehensive methodologies to estimate methane, carbon dioxide, and other greenhouse gas (GHG) emissions from the entire liquefied natural gas value chain. API has completed a draft technical document on estimation methodologies and hopes to begin comprehensive testing and evaluation of the methodologies later this year. A portion of this project has been delayed due to difficulty in obtaining data on existing LNG greenhouse gas estimation methodologies in other partner countries. As part of our discussion later today, the U.S. would like to explore how other APP Partners might collaborate with this project to create a data set that is representative of all Partner countries.
- U.S. member Electric Power Research Institute (EPRI) held a several workshops on design guidelines for IGCC with CCS technology and ultra-supercritical pulverized coal with CCS, in conjunction with the collaborative CoalFleet for Tomorrow™ project. As a result of the workshops, several firms have joined the ongoing project which has updated and expanded the guidelines to include over 800 pages of design information for USC with post-combustion capture options, and 1100 pages of generic design information for IGCC with and without CCS.
- Moving forward, the U.S. intends to stay engaged in these activities. In September, 2008, the U.S. APP Program Office at the Department of State completed a Request for Assistance (RFA) for projects in China worth \$6.8M. The RFA was highly competitive. We received more than 90 full-scale proposals for a total funding request of over \$75M. In addition, these

90 proposals brought to the table over \$125M in cost share funding. Of the 8 proposals that eventually received funding, one of the projects falls under the Cleaner Fossil Energy Task Force. The project entitled “Guidelines for Safe and Effective Carbon Capture and Storage: Building Regulatory Capacity” will work with Tsinghua University in China and the World Resources Institute in the United States to bring together CCS stakeholders in both countries to develop regulatory guidelines for all stages of CCS, including capture, transport, storage, and long-term site stewardship. We will be putting the project forward for Task Force endorsement later in the day.

- We very much look forward to sharing these activities today and to discussing further details about the progress the Task Force has made since the last meeting.
- Thanks you.