



Gasification and CCS: 2009 Update

GTC Workshop on Gasification Technologies

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National Conference of State Legislatures

June 26, 2009



Gasification Bills Enacted

- Hawaii
- Indiana
- Maine



Hawaii H427

- Property tax exemptions and bond issuance for 500 ton per day proprietary gasification facility to convert construction and demolition waste into syn gas
 - One Planet Pacific Energy



Indiana S423

- Requires State Finance Authority to contract for purchase and sale of substitute natural gas from coal gasification facilities to regulated energy utilities for retail end use customers



Maine S554

- State has moratorium on licensing and permitting of gasification facilities
- New law makes exception for biomass facilities that produce synthesis gas or products such as electricity, liquid fuels and chemicals



CCS Bills Enacted

- Hawaii
- Maryland
- North Dakota
- South Dakota
- Utah
- Wyoming



Hawaii H591

- Carbon sequestration (along with air quality improvement, flood control measures, improving wildlife habitat areas) could be used as credit towards meeting and exceeding mandatory state renewable portfolio standards



Maryland HB 315

- Greenhouse Gas Emissions Reductions Act
 - Requires inventory of statewide emissions, and plan for 25% emission reductions from 2006 levels by 2020 (DEP)
 - Provides for use of offset credits generated by alternative compliance mechanisms, including carbon sequestration, to comply with required emissions reductions



North Dakota S2139, S 2221

- 2139: Ownership of subsurface pore space, natural or artificial, in subsurface stratum is vested in the owner of the overlying surface estate
 - Pore space title may not be severed from title to overlying surface property
- 2221: Tax credit for coal conversion facilities for CO₂ capture



South Dakota H1129

- Requires land owners to be parties to or approve any arrangements for payment based on carbon sequestration due to land, soil, crop, range, or forest management practices related to that land



Utah HR11

- Requires state agencies to submit proposed rules to the legislature regarding CCS to:
 - Ensure CCS meets adequate health and safety standards;
 - Minimize the risk of unacceptable leakage from the injection well and injection zone for carbon capture and geologic sequestration;
 - Provide adequate regulatory oversight and public information concerning CCS



Wyoming H58

- All CO₂ injected into any geologic sequestration site shall be presumed to be owned by the injector
- No pore space owner liable for effects of CO₂ injection



Gasification/CCS

- Illinois
- Montana
- New Mexico
- North Dakota
- Texas



Illinois S1987

- Amends Power Agency Act
- Encourages the use of technologies that capture and sequester CO₂ to advance environmental protection goals and demonstrate coal's viability
- Procurement plans must include electricity generated using clean coal
- Facilities must show they can capture 50-90% of the total carbon emissions they would otherwise emit
- Goal: Ramp up to 25% of the electricity used in the state to be generated by cost-effective clean coal facilities by 2025



Montana H338, S498

- Provides common carrier status to pipelines moving CO₂ produced in fuel combustion, gasification
- Notice, permit, regulation of CO₂ injection wells
- Surface owner presumed to own reservoir if deeds do not clarify ownership
- Upon certification of completion of well, Board of Environmental Review transfers liability to the state
- Operators pay fees for administration of state's CO₂ program and long term oversight
- Unitization allowed



New Mexico, North Dakota, Texas

- Tax credits for biomass or coal gasification facilities and equipment that help achieve CCS
 - NM provides advanced energy tax credit to coal gasification plants that provide sequestration
 - ND provides credit against privilege taxes on coal conversion facilities that achieve a specific level of CO₂ capture



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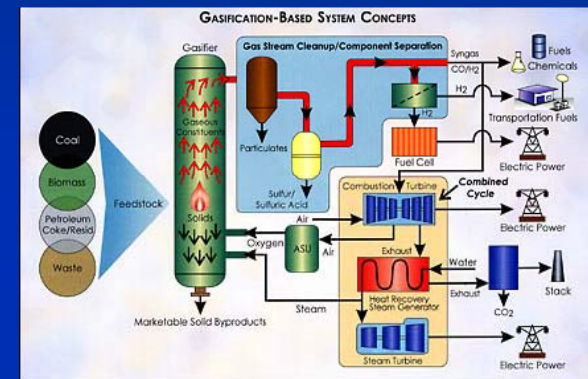


Mississippi H 1459

- Reduces rate on sale of anthropogenic carbon dioxide used as injectant in enhanced oil recovery project or for sequestration.



Combo Texas HB 469 (2009)



- Franchise tax credits for Clean Energy Projects
 - For coal, means IGCC plants of at least 200 MW capable of capturing and sequestering in a geologic formation at least 60% of the carbon dioxide resulting from the generation of electricity by the facility.