

## **Key Findings**

Despite its long history, carbon capture is a problematic technology.









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claims.



The entire efficacy of the carbon capture process has been called into question by the Intergovernmental Panel on Climate Change.









Carbon capture and storage is an old technology, first commercialized in the 1970s. Back

• 'hen it was called enhanced oil recovery, because the carbon dioxide recovered from oil and gas production was injected into depleted oil and gas reservoirs to re-pressurize them and extract more hydrocarbons.

Over 70% of carbon capture projects are, in fact, enhanced oil recovery projects

As the climate change movement gained momentum, the oil and gas industry wisely rebranded enhanced oil recovery as a "climate-friendly" process with a new name: carbon capture utilization and storage.

Today, over 70 percent of carbon capture projects are, in fact, enhanced oil recovery projects used to produce more oil and/or gas, resulting in yet more greenhouse gas emissions.

The Institute for Energy Economics and Financial Analysis has estimated that most of the total captured carbon throughout history found its use in enhanced oil recovery—approximately 80–90 percent. Only a small proportion of carbon capture projects (approximately 10–20 percent) have stored carbon in dedicated geological structures without using it for oil and gas production.

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margins.

The natural gas processing sector dominates the application of carbon capture technology. The gas production process requires the removal of carbon dioxide. While many gas companies now claim to produce "carbon-neutral" gas or liquefied natural gas, this is little more than marketing hubris.

The "carbon-neutral" tag has been obtained by using carbon capture to capture the 10–15 percent of Scope 1 and Scope 2 emissions (the emissions generated from producing natural gas) during the gas production process or by purchasing carbon offsets. Yet up to 90 percent of emissions from oil and gas do not occur at production. Instead, these emissions, called Scope 3 emissions, occur when the product is actually used, that is, burnt. As shown in our study, capturing Scope 3 emissions, the biggest chunk of emissions created from using the product, is not being accounted for in these "carbonleutral" claims.

**Carbon capture in power** plants has shown a track record of technical failures since 2000

Apart from the poor performance of carbon capture projects, carbon capture in power plants has shown a track record of technical failures since 2000. Close to 90 percent of the proposed global carbon capture capacity in the power sector has failed at the implementation stage or was suspended early.

Even if the carbon dioxide can be injected underground, there is no quarantee that it will stay there and not leak into the atmosphere.

There are several real-world examples of failure to keep gas underground. The best example is the California Aliso Canyon gas leak in 2015, the worst man-made greenhouse gas disaster in US history, when 97,000 metric tons of methane leaked into the atmosphere. While the leak at Aliso Canyon was a methane, not carbon dioxide, leak,

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Another failure was the In Salah project in Algeria, a carbon capture project with a total cost of US\$2.7 billion. Injection started in 2004 and was suspended in 2011 due to concerns about the integrity of the seal and suspicious movements of the trapped carbon dioxide under the ground.

The entire efficacy of the carbon capture process has been called into question

The entire efficacy of the carbon capture process has been called into question by the Intergovernmental Panel on Climate Change. In its special report on Carbon Dioxide Capture and Storage, the **IPCC stated**:

"CO2 storage is not necessarily permanent. Physical leakage from storage reservoirs is possible via (1) gradual and long-term release or (2) Judden release of CO2 caused by disruption of the reservoir."

Carbon capture has been used as a justification for new oil and gas projects. It has a history of poor performance, only captures a fraction of the total emissions from the lifecycle of oil and gas production and its long-term efficacy is questionable.

It is no solution for a climate-constrained world.

This analysis first appeared the Bulletin of the Atomic Scientists

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## **Bruce Robertson**

Bruce Robertson has been an investment analyst, fund manager and professional investor for over 36 years. He has worked with Perpetual Trustees, UBS, Nippon Life Insurance and BT. He has appeared as an expert witness before a number of government enquiries into energy issues.

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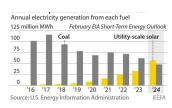














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