

# Celebrating progress in UK CCUS: *From FIDs to Realising the Next Milestones*

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# About the CCSA

The Carbon Capture and Storage Association is unique in its representation of the entire CCUS chain of capture, transport and storage; bringing together end-users, technology developers and supply chain.

Our teams, based in London and Brussels, focus on:

1

Advocating for policy developments in UK, EU and internationally towards a long-term regulatory and incentive framework for CCS.

2

Raising awareness of CCS as a vital tool in fighting climate change and delivering sustainable long-term clean growth.

3

Driving progress on commercial-scale projects.

4

A technology neutral approach (geological CO<sub>2</sub> storage and utilisation, capture from industry, power, hydrogen production, bioenergy, direct air capture and different capture technologies).

Find out more at [www.ccsassociation.org](http://www.ccsassociation.org)





# CCSA members

## CO<sub>2</sub> Storage



## Power & Industrial



## Carbon Capture Developers



## Engineering & Equipment



## CO<sub>2</sub> Transport & Distribution



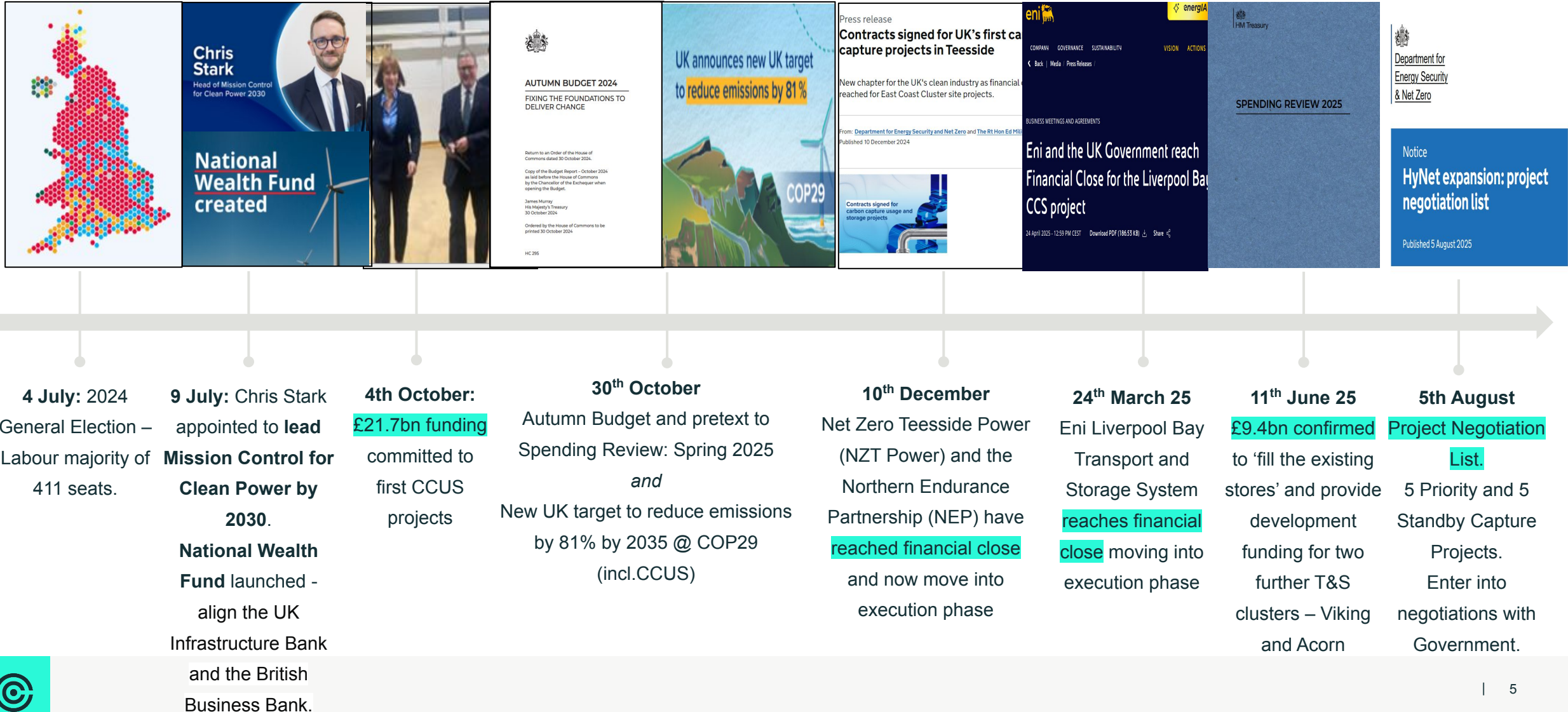
## Financial, Consulting & Others



# The UK's historical support for CCUS



# Key developments since the change of government





# Status of UK CCUS



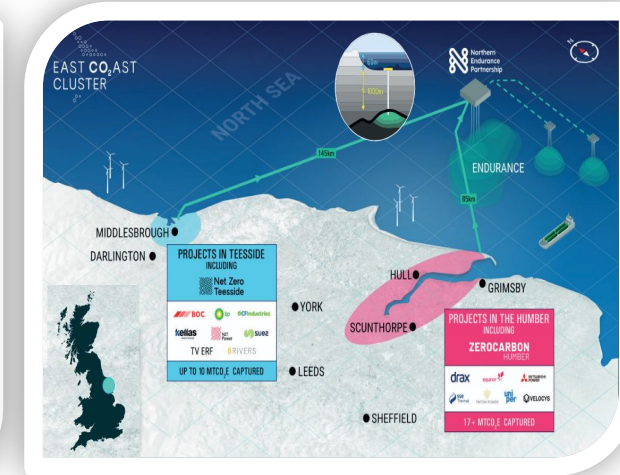
## Hynet and ECC

- Oct 24: £21.7 billion, over 25 years, to support Hynet and East Coast Cluster.
- Dec 25 – Apr 25 T&Sco Final Investment Decisions:
  - **Northern Endurance Partnership & Net Zero Teesside;**
  - **Eni Liverpool Bay**
- Jul 2025: market-sounding exercise connections to ECC
- Ofgem awarded DEVEX to NEP to carry out appraisal drilling and surveys for expansion stores



## HyNet Expansion Project Negotiation List Published

- 5 Priority and 5 Standby announced
- Range of CCUS applications taken forward
- Last week, final Govt. Contracts signed on capture plants:
  - **Heidelberg Materials' Padeswood cement works**
  - **Encyclis' Protos Energy Recovery Facility (ERF)**
- CCSA also pushing for clear connection pathway for standby projects.



# Status of UK CCUS

## ✓ Viking Project and Acorn CCS – Committed Development Funding

- Development funding committed as part of £9.4bn at spending review
- Next steps being agreed in bilateral discussions with Government to enable continued Devex spending
- Lessons learnt process from Track 1 being developed to streamline process.
- Final investment decision this parliament, subject to readiness and affordability.

## ✓ Peak Cluster

- National Wealth Fund invested £28.6 million in equity to support development of Peak Cluster's CO<sub>2</sub> pipeline to Morecambe Net Zero.
- Need route to Economic Licence with expected FID this parliament.

## ✓ Other UK Clusters and Projects

- Call for Evidence on Future Network Strategy and Economic Regulation of CO<sub>2</sub> Storage.
- Third-party access consultation expected soon.
- Non-Pipeline Transport consultations expected in November.
- CCSA focus on development of supportive markets – cross border CO<sub>2</sub>, GGR, Low Carbon product, carbon markets.



*We are in the process of updating our cluster map.*

# The Opportunity Ahead for UK CCUS

The sector is now primed to scale if momentum is maintained.

## **Economic and Employment Impact**

Full pipeline of capture and transport & storage projects could generate:

- **50,000 additional jobs by 2050 (CCSA)**
- **£94bn in GVA by 2050 (CCSA)**

## **Energy System Benefits**

- Pipeline of over **14 GW of CCUS-enabled** dispatchable power
- Reduce overall system cost

## **Support for Foundational Industries**

- Lifeline for industries such as **cement, waste, glass, and chemicals.**

## **World-class geological storage capacity**

- *Potential* **£4bn/year CO<sub>2</sub> export revenues + £7bn capital investment by 2040 (CCSA/Xodus)**

## **Lead the Global GGR Market**

- A \$1 trillion global Greenhouse Gas Removal market. *(McKinsey)*





# Maintaining Momentum – *Solidifying Progress*

***1) Confirm next steps for allocating the development funding committed to Viking CCS and The Acorn Project enabling them to reach financial close within this Parliament, alongside allocation of committed supply chain investment.***



Disseminating **Lessons Learnt** from the Track 1 Process.



Working with the **priority projects** to fill up HyNet and East Coast Cluster stores to realise FID as soon as practical



Ensure committed funding for public supply chain investment, previously part of the Green Industries Growth Accelerator (GIGA), is allocated through **GB Energy and The National Wealth Fund**



# Maintaining Momentum – *Enabling the Transition*

## 2. Provide a clear route to market and allocation framework for other CCUS projects, and accelerate CO<sub>2</sub> transport by ship, road and rail.



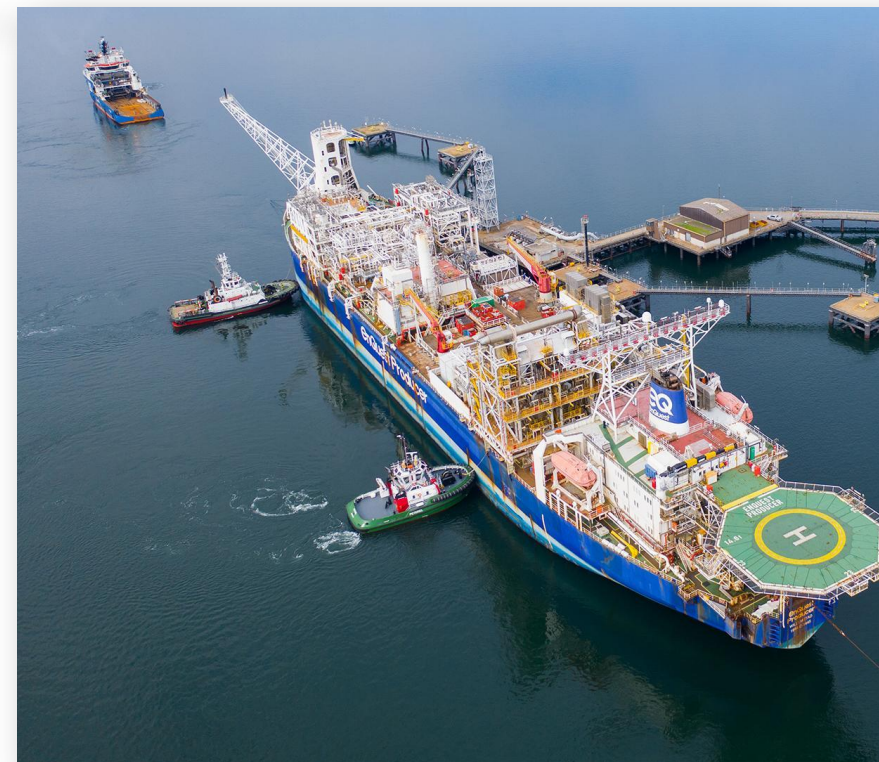
Work with industry to design a **future allocation framework**, including an allocation timetable and application process for economic licenses, moving beyond the previous cluster sequencing approach.



Clear guidance on the pathways for **Standby projects** to secure future connection to HyNet, along with future **expansion of the East Coast Cluster**



Prioritise delivery of a shipping, road and rail market framework to enable confidence for ongoing private investment in **non-pipeline transport** (NPT) projects critical to the further establishment of the sector.





# Maintaining Momentum – *Creating a Self-Sustaining Market*

## ***3. Implement policies and regulations to stimulate low-carbon products, carbon removal and European-wide CO2 storage markets to support the transition to a self-sustaining market***



Facilitate cross **border CO2 storage**



Establish **low carbon product markets** through low carbon standards and green public procurement obligations.



Protect UK industries from carbon leakage through **UK and EU ETS alignment**, alongside delivering a robust **CBAM** by 2027



Create **demand for engineered Greenhouse Gas Removals** by creating an international GGR buyers' club to harness global demand







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The Carbon Capture and Storage Association (CCSA) is the trade association focused on accelerating the commercial deployment of carbon capture, utilisation and storage (CCUS).

We work with our members, governments and other organisations to ensure CCUS is developed and deployed at the pace and scale necessary to meet net zero goals and deliver sustainable growth across regions and nations.

The CCSA has over 100 member companies who are active in exploring and developing different applications of carbon capture, CO<sub>2</sub> transportation by pipeline, ship and rail, utilisation, geological storage, and other permanent storage solutions, both end-users of the technology and those in the supply chain, as well as members from management, legal and financial consulting sectors.

[www.ccsassociation.org](http://www.ccsassociation.org)