
Status and costs for CO₂ capture in power generation

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and

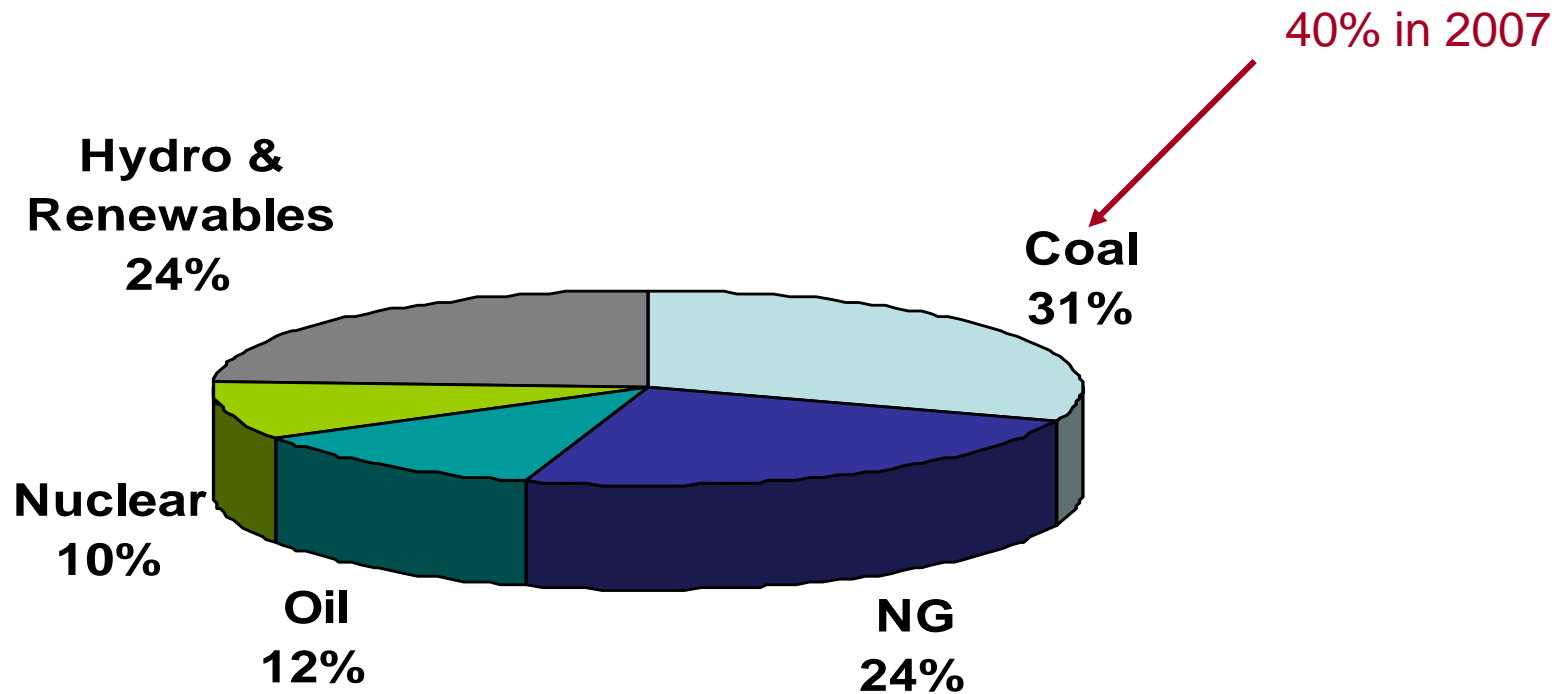
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2nd Petrobras International Seminar on CO₂ Capture & Geological Storage
9-12 September 2008, Salvador, Brazil

Outline of presentation

- The challenge for CCS in power generation
- The road from IPCC SRCSS 2005
 - Options for capture in power generation
 - Status of CCS
 - Technology costs
- Recent studies on cost of power generation with CCS
- Technology deployment for cost reduction

Sources of global electricity production

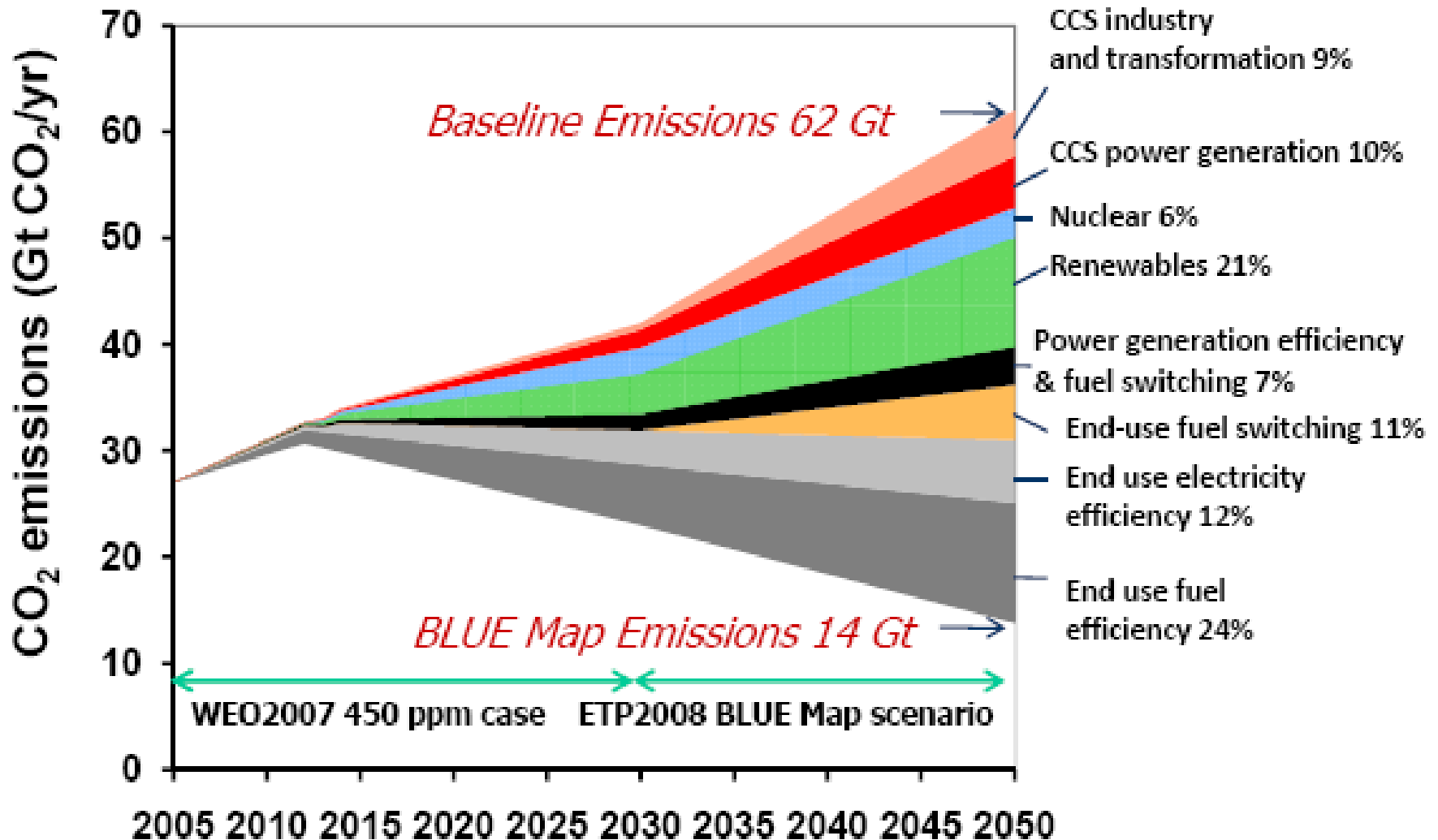


Total global production ~3500 GWe

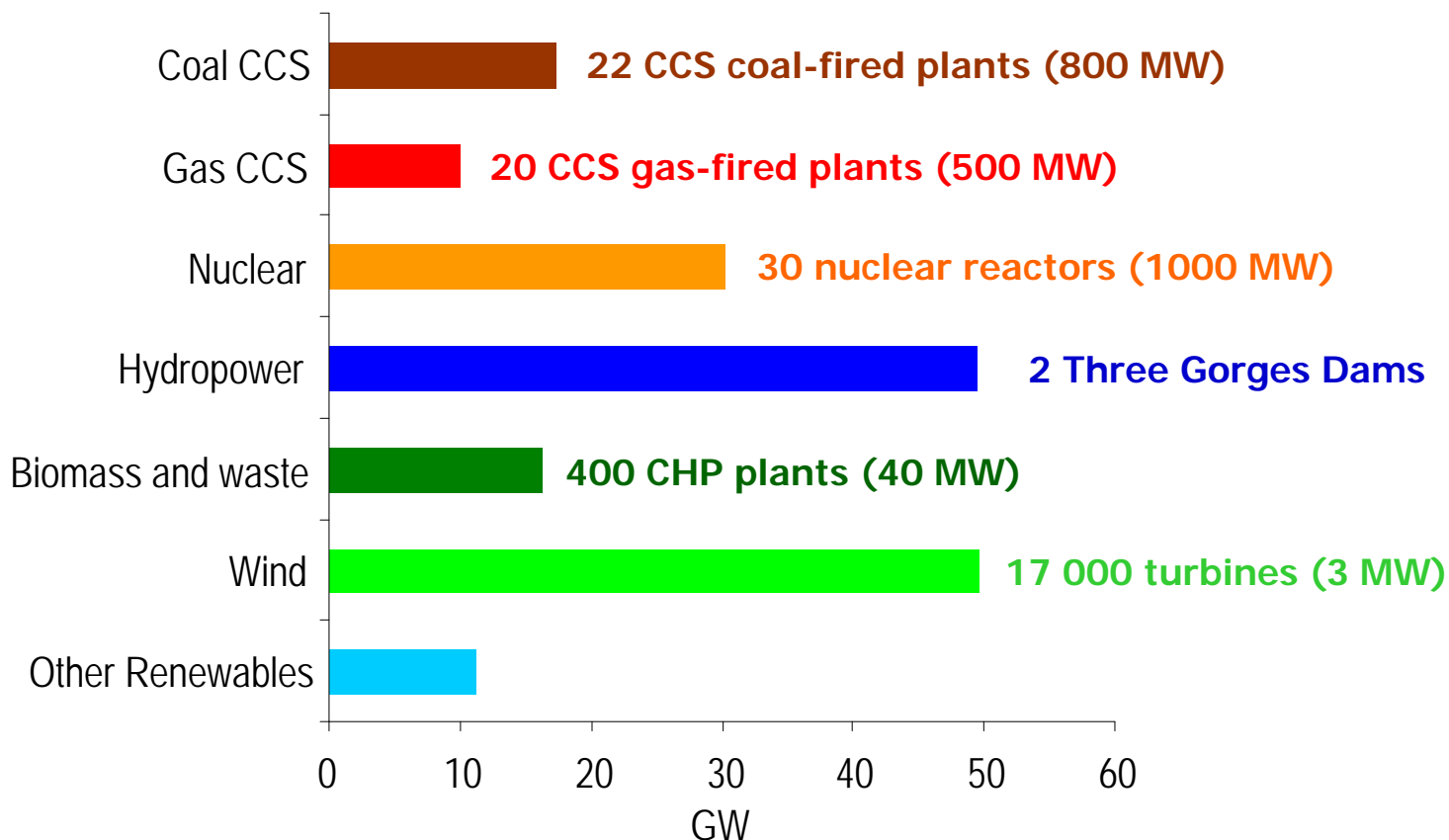
Source: 2002/3

Doubling in capacity by 2030

Emissions challenge (-50% of 2005) in 2050

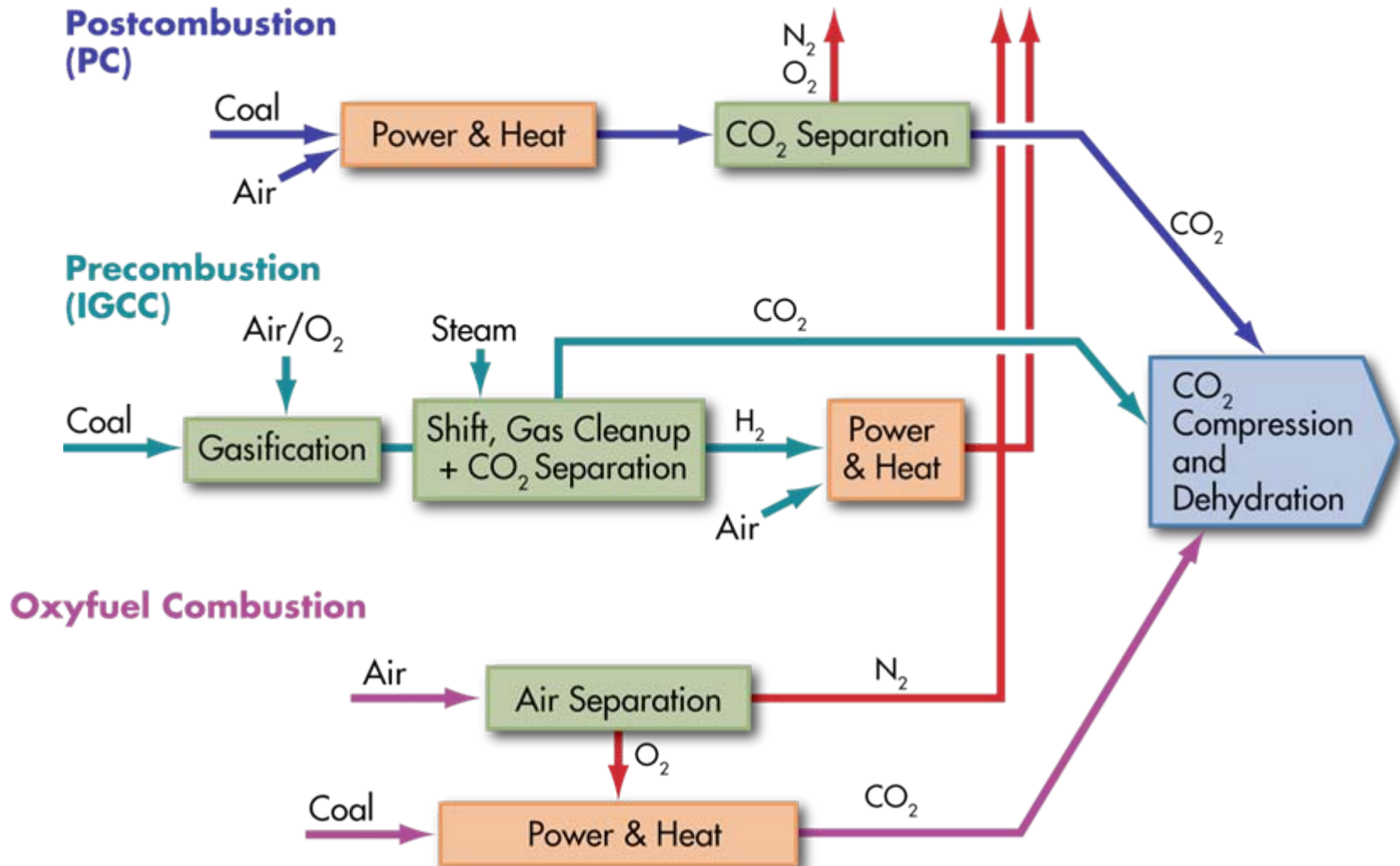


Average Annual Power Generation Capacity Additions in the 450 Stabilisation Case, 2013-2030

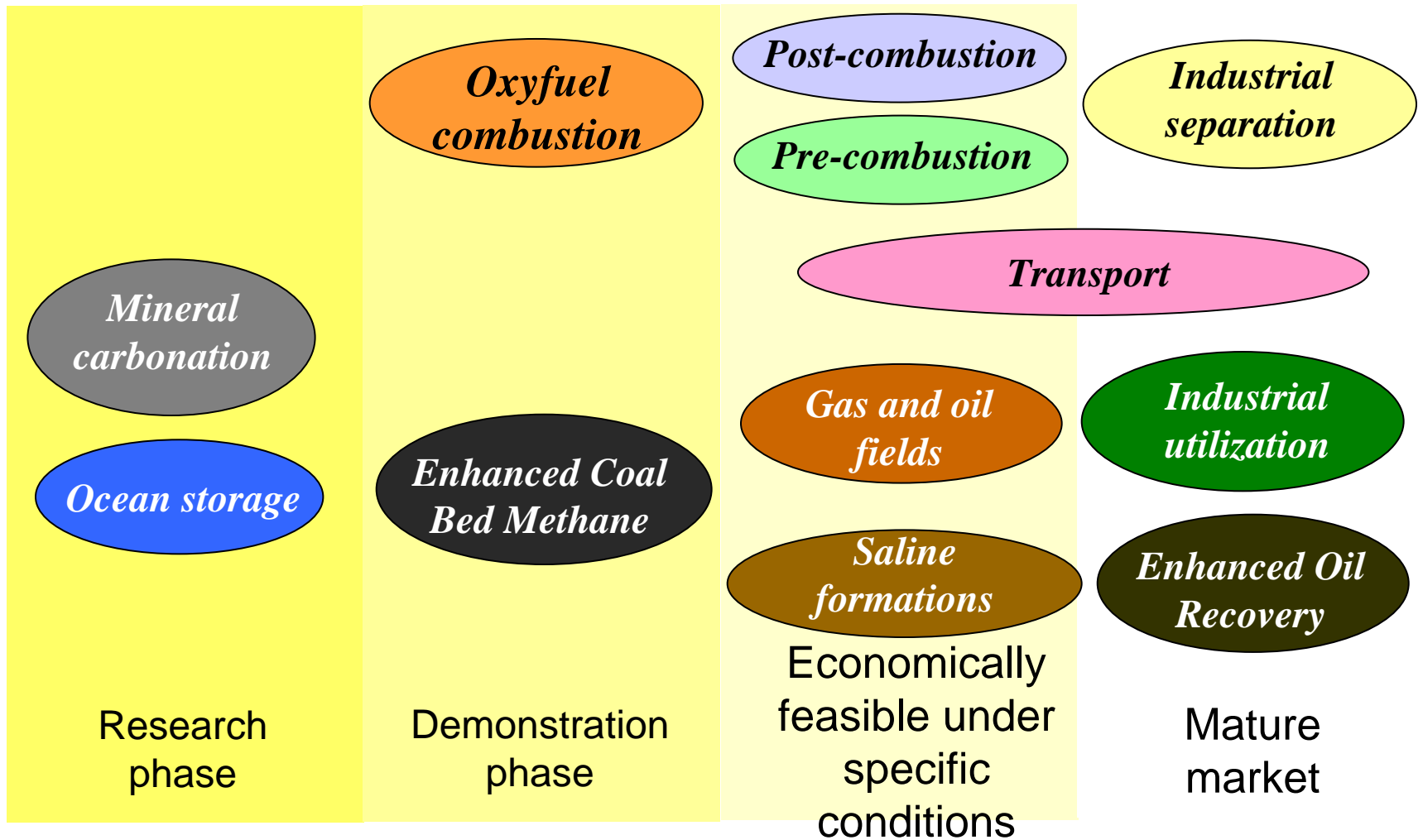


A large amount of capacity would need to be retired early, entailing substantial costs

Options for CO₂ capture



Technology maturity of CCS



Technology maturity - capture in power plants

- **Power generation with post combustion capture**
 - SC/USC pulverised coal and NGCC power plants are reliable and proven
 - Scale up of solvent capture units/integration with power cycle is unproven.
- **Power generation with pre-combustion capture**
 - IGCC for coal (1 GWe) is near commercial and proving reliability, better experience with 3 GWe of IGCC capacity on oil and petcoke. No experience to date with reforming/POX/ATR based natural gas power plants
 - Solvent capture units for CO₂ available at scale, integration and power block hydrogen utilisation issues
- **Power generation with oxy-fuel combustion**
 - No proven experience of operation of pulverised coal power plants in an oxyfuel combustion mode – the issue is “*confidence building*”
 - Large scale air separation units for O₂ production proven and reliable.
 - Some development issues with tail end CO₂ purification
 - CO₂ or hybrid turbines do not exist for oxy-fuel combined cycles

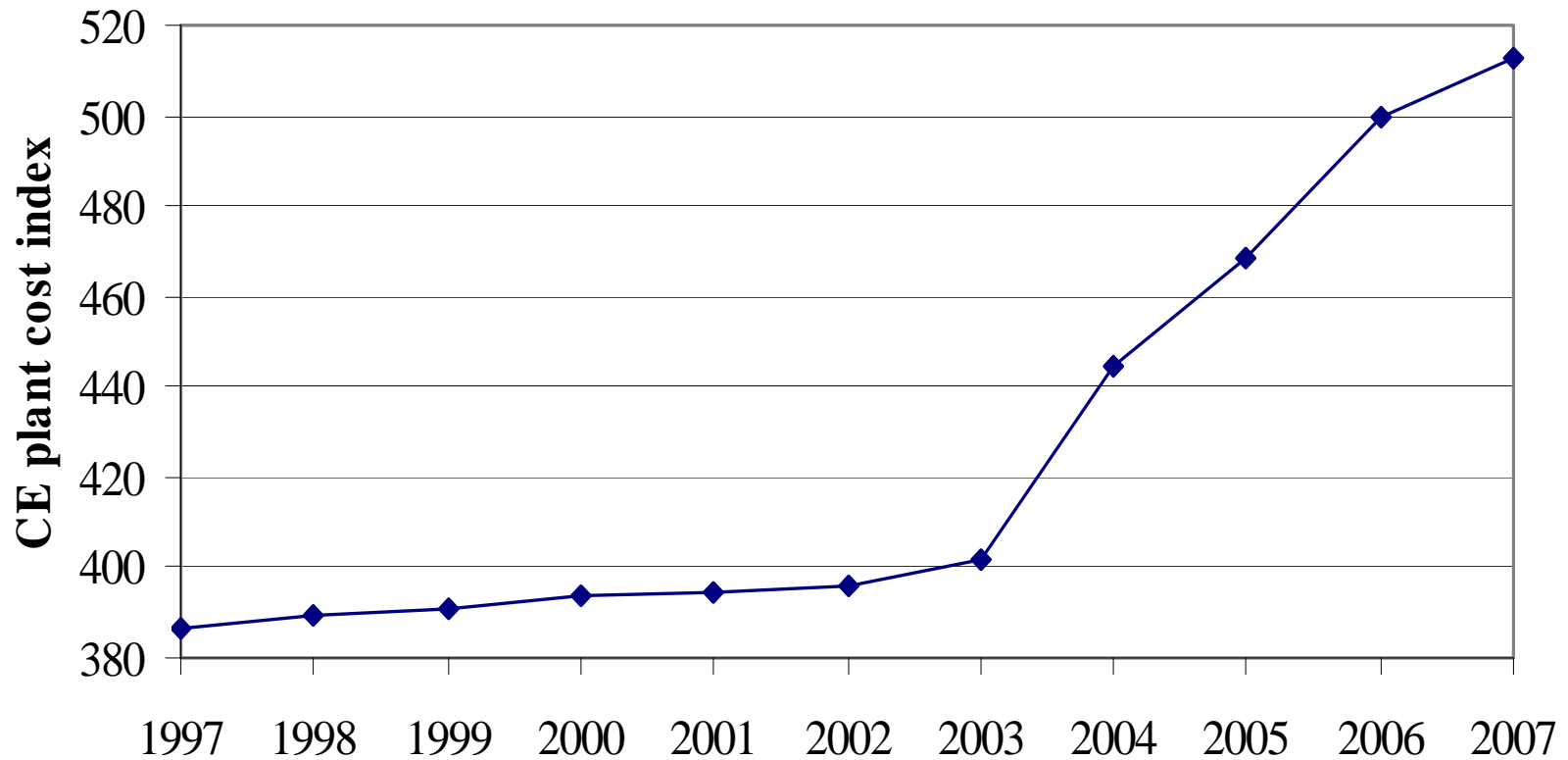
IPCC SRCCS power plant performance and cost data

| | NGCC | PC | IGCC |
|---|------------|------------|------------|
| | Rep. value | Rep. value | Rep. value |
| Thermal efficiency | | | |
| % LHV, without capture | 56 | 43 | 42 |
| % LHV with capture | 48 | 33 | 35 |
| Percentage point reduction due to capture | 8 | 10 | 7 |
| Total capital requirement | | | |
| \$/kW without capture | 568 | 1286 | 1326 |
| \$/kW with capture | 998 | 2096 | 1825 |
| % increase due to capture | 76 | 63 | 37 |
| Cost of electricity | | | |
| \$/MWh without capture | 37 | 46 | 47 |
| \$/MWh with capture | 54 | 73 | 62 |
| % increase due to capture | 46 | 57 | 33 |
| \$/MWh with CCS | | | |
| % increase due to CCS | | | |

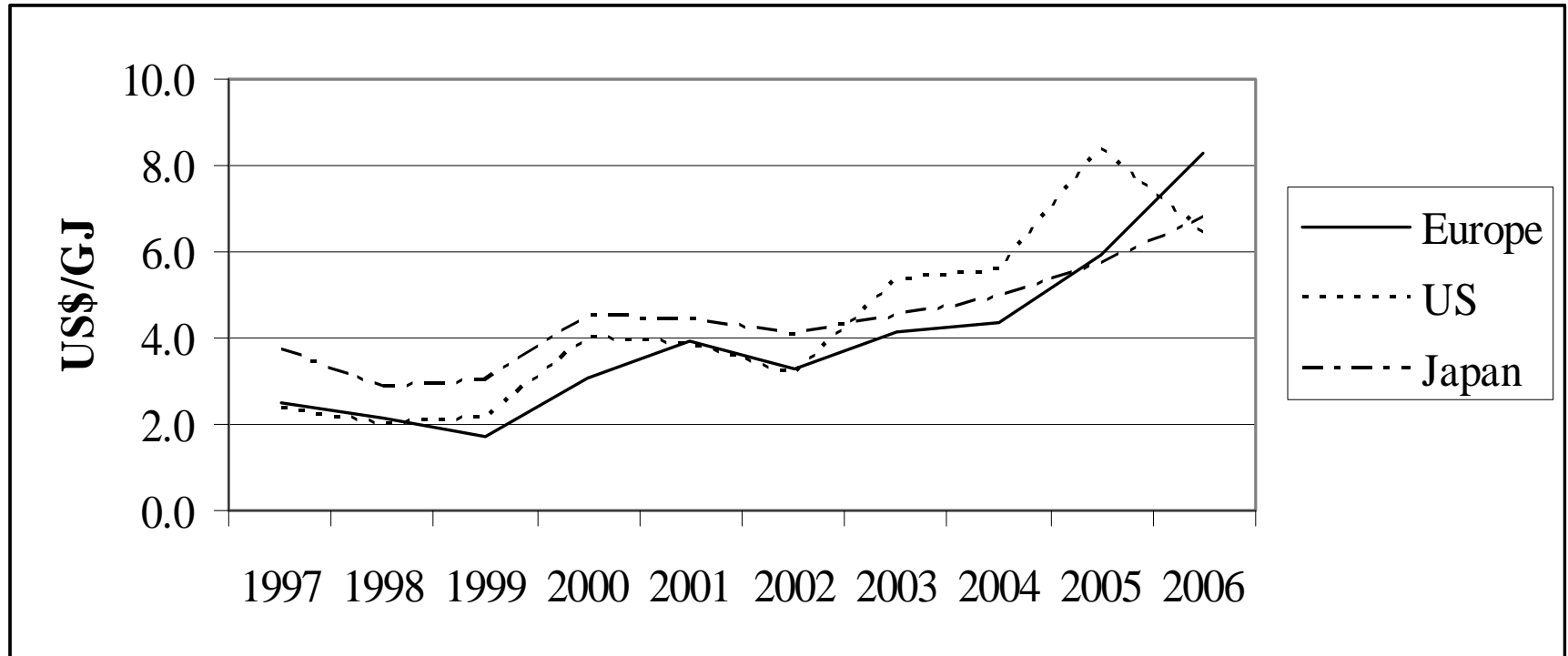
Non-ferrous metal prices

| | Prices/US\$/tonne | | | |
|-----------|-------------------|----------|------------|--------------|
| | Jan-2003 | Jan-2008 | Peak price | Date of peak |
| Nickel | 8000 | 28000 | 54000 | June-2007 |
| Copper | 1700 | 6800 | 8800 | May-2006 |
| Aluminium | 1350 | 2400 | 3250 | May-2006 |

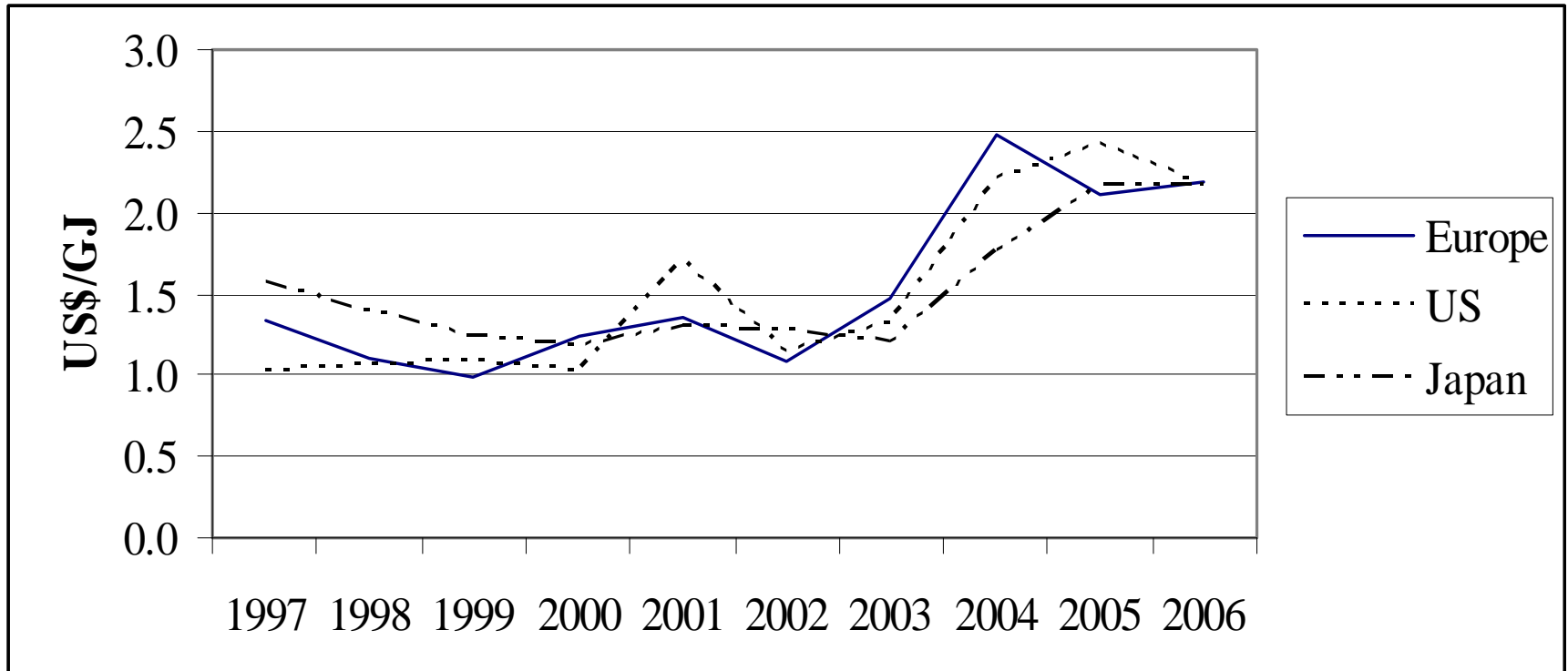
Chemical Engineering Plant Cost Index



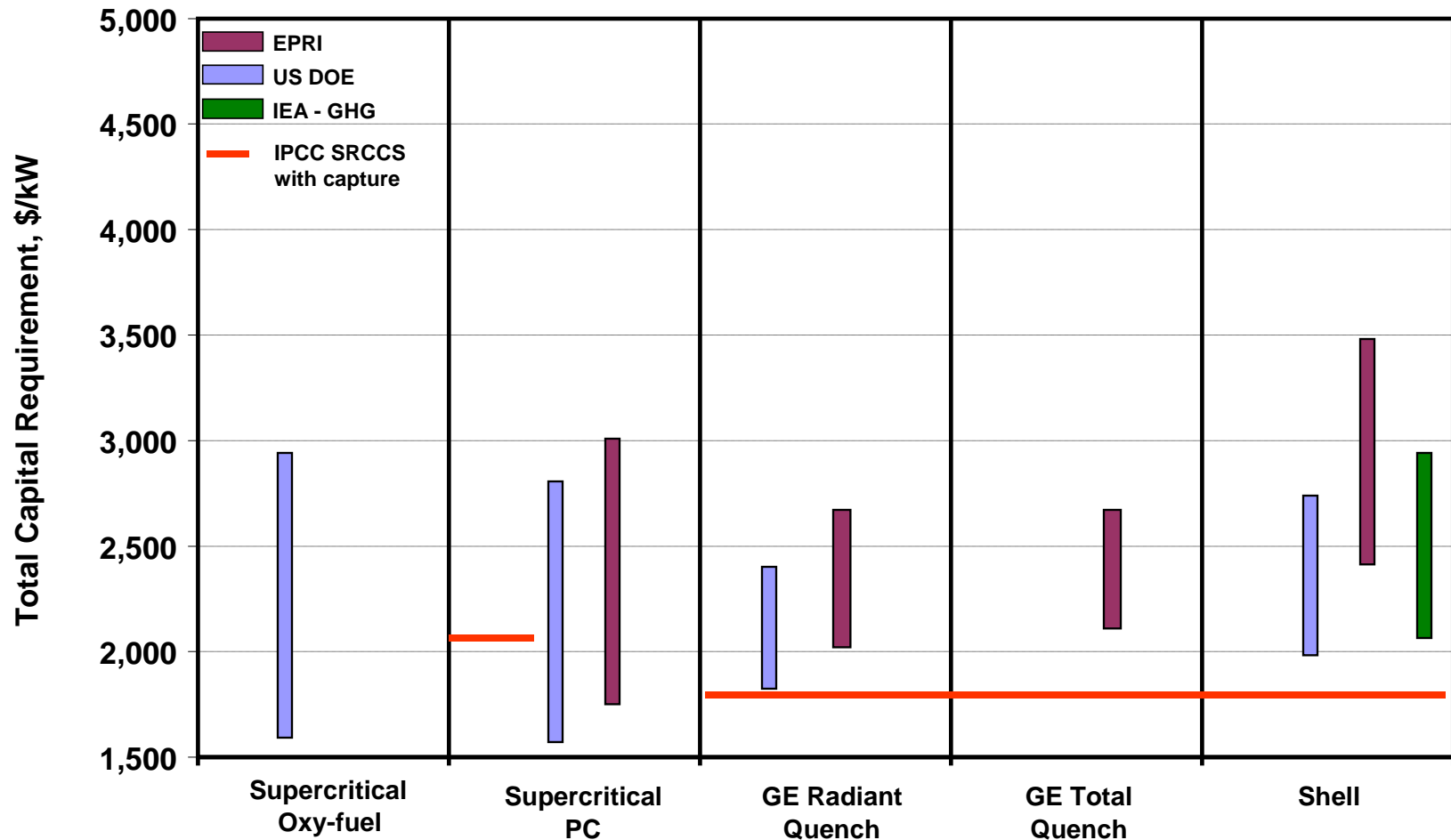
Natural gas prices



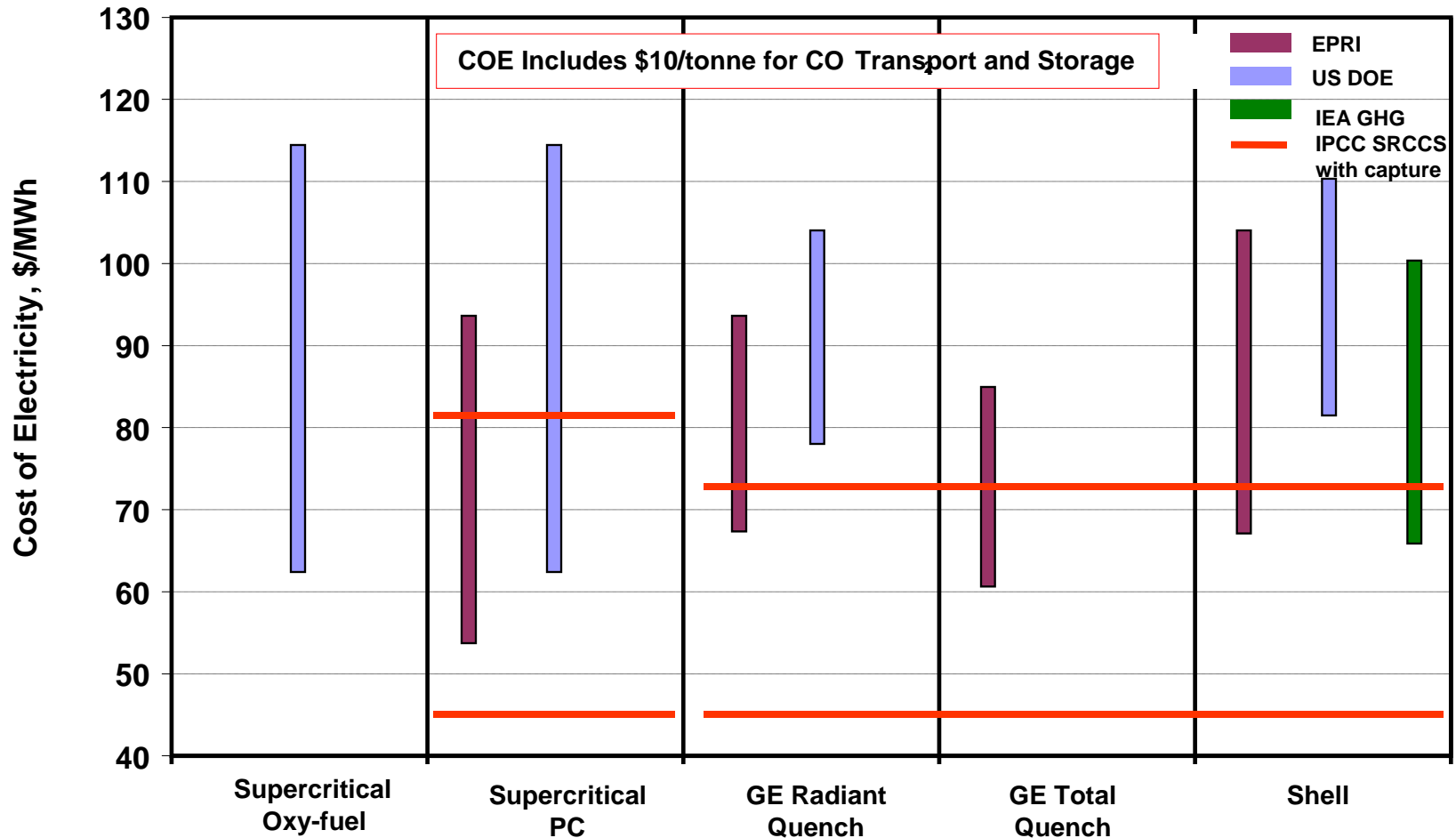
Coal Prices



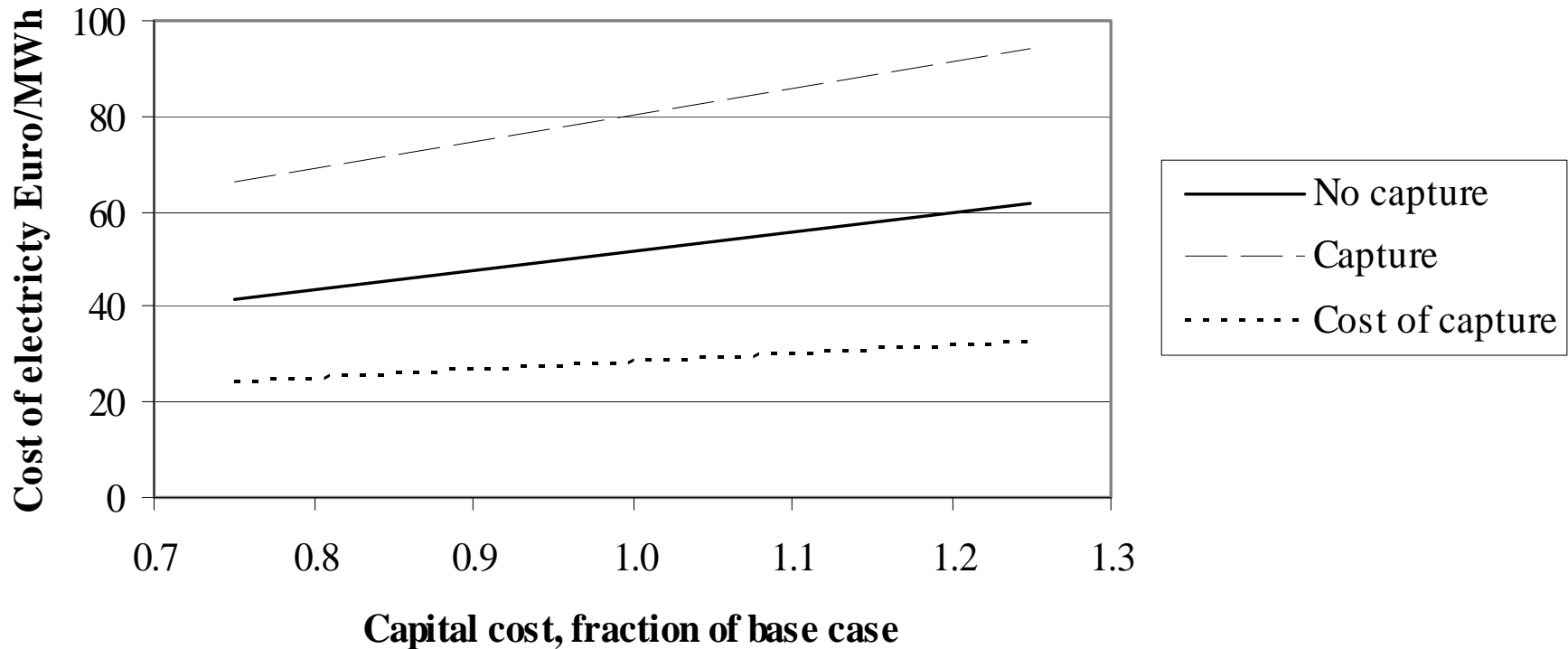
Power plant costs with & without capture



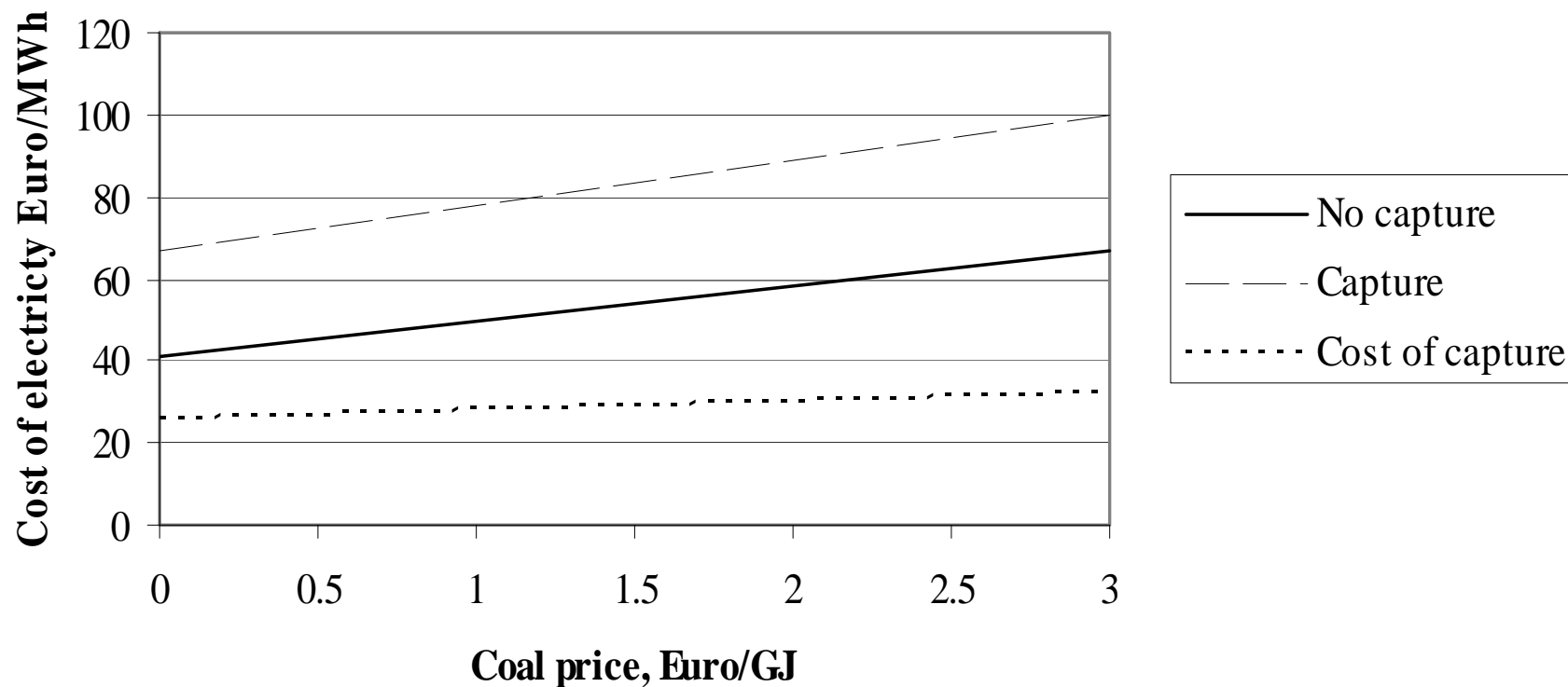
Cost of electricity with & without CCS



Sensitivity of electricity cost to the capital cost of power plants

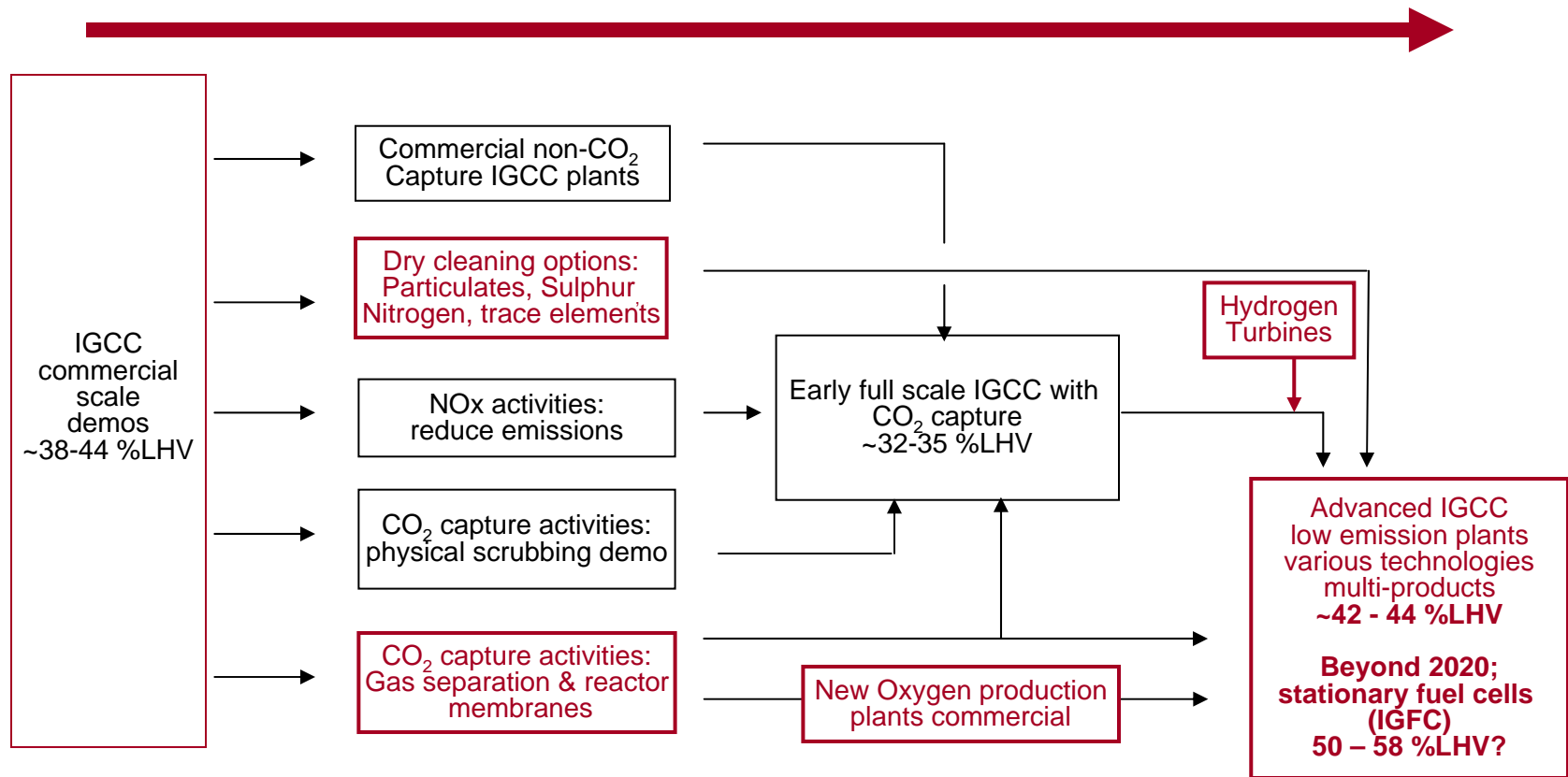


Sensitivity of electricity cost to coal price



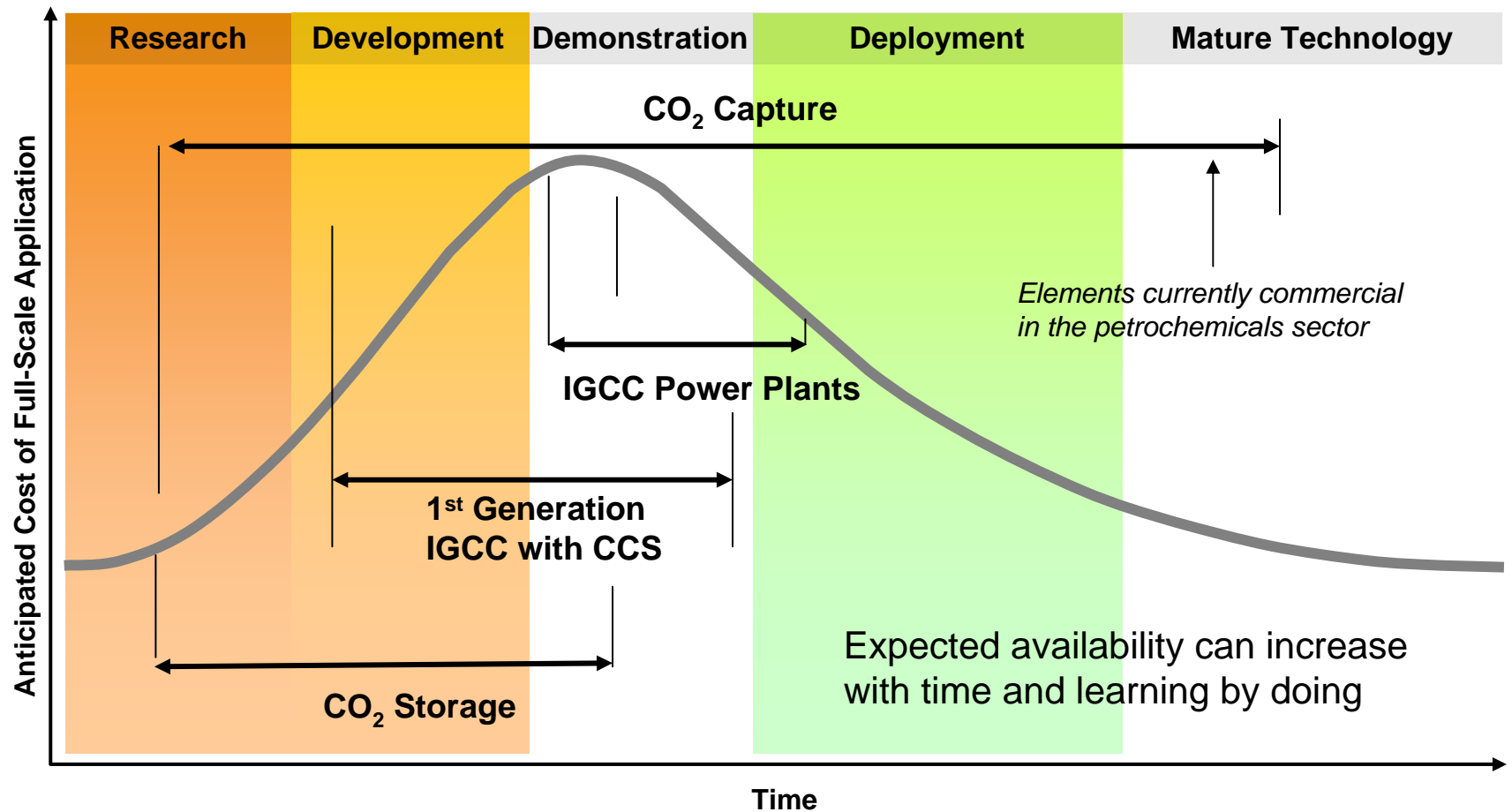
Path to improved coal-fired, IGCC with CCS

Now → 2015 → 2015-20 → 2020 onwards
Increasing efficiency, lower emissions, lower costs



An example of technology improvements that can increase energy efficiency and reduce costs by at least 20- 30%

Example of new technology deployment, IGCC



The message !

..... In the time we have spent talking about CCS plants, the costs have decreased and then increased – we are now in need of real plants in order to reduce both CO₂ emissions and costs.....

IEA GHG costs of IGCC plants with and without CCS

| | Without capture | With capture | Difference for capture |
|--|-----------------|--------------|------------------------|
| Performance | | | |
| Coal feed, MW (LHV) | 1800.8 | 1962.5 | |
| Electricity gross output, MW | 891.9 | 875 | |
| Electricity net output, MW | 762.3 | 655.8 | |
| Efficiency to electricity, % | 42.3 | 33.4 | -8.9 % points |
| Costs | | | |
| Capital cost, M€ | 1266 | 1560 | |
| Capital cost, €/kWe | 1661 | 2379 | +43% |
| <i>Without CO₂ transport & storage</i> | | | |
| Cost of electricity, €/MWh | 52 | 72 | +38% |
| Cost of CO ₂ avoided, €/tonne | | | 31 |
| <i>With CO₂ transport & storage</i> | | | |
| Cost of electricity, €/MWh | 52 | 80 | +54% |
| Cost of CO ₂ avoided, €/tonne | | | 45 |

Eur – US \$ at time of study \$1.25

EPRI costs of plants with and without CCS

| | Supercritical PC | IGCC | | | |
|--|------------------|-------------------|-----------------|------------------|------------------------------------|
| | Post combustion | GE radiant quench | GE total quench | Shell gas quench | Conoco-Phillips full slurry quench |
| Total plant cost | | | | | |
| Without capture, \$/kW | 1800 | 2350 | 2100 | 2400 | 2100 |
| With capture, \$/kW | 3000 | 2950 | 2650 | 3500 | 2850 |
| Increase for CO ₂ capture % | 67 | 25 | 26 | 46 | 36 |
| Cost of electricity | | | | | |
| Without CCS, \$/MWh | 53 | 67 | 61 | 67 | 61 |
| With CCS, \$/MWh | 93 | 92 | 86 | 105 | 91 |
| Increase for CCS % | 75 | 37 | 41 | 57 | 49 |

US DOE efficiency & costs of plants with & without CCS

| | Pulverised coal | | IGCC | | | NGCC |
|--|-----------------|----------------|-------------------|-------|-----------------|-----------------|
| | Post combustion | Oxy-combustion | GE radiant quench | Shell | Conoco-Phillips | Post combustion |
| Efficiency | | | | | | |
| Without capture, % LHV | 41 | 41 | 39.6 | 42.6 | 40.7 | 56.3 |
| With capture, % LHV | 28.2 | 29.3 | 33.7 | 33.2 | 32.9 | 48.5 |
| Decrease for capture % | 12.8 | 11.7 | 5.9 | 9.4 | 7.8 | 7.8 |
| Total plant cost | | | | | | |
| Without capture, \$/kW | 1563 | 1563 | 1813 | 1977 | 1733 | 554 |
| With capture, \$/kW | 2857 | 2930 | 2390 | 2668 | 2431 | 1172 |
| Increase for CO ₂ capture % | 83 | 87 | 32 | 35 | 40 | 112 |
| Cost of electricity | | | | | | |
| Without CCS, \$/MWh | 62.9 | 62.9 | 78 | 80.5 | 75.3 | 68.4 |
| With CCS, \$/MWh | 114.4 | 113 | 102.9 | 110.4 | 105.7 | 97.4 |
| Increase for CCS % | 82 | 80 | 32 | 37 | 40 | 42 |