

# Eighth Annual Conference on Carbon Capture & Sequestration

*Decision Making Tools/Criteria*

## **A revised estimation of CO<sub>2</sub> storage capacity in North American Gas Fields**

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# Contracting Parties and Sponsor Organisations of IEA GHG

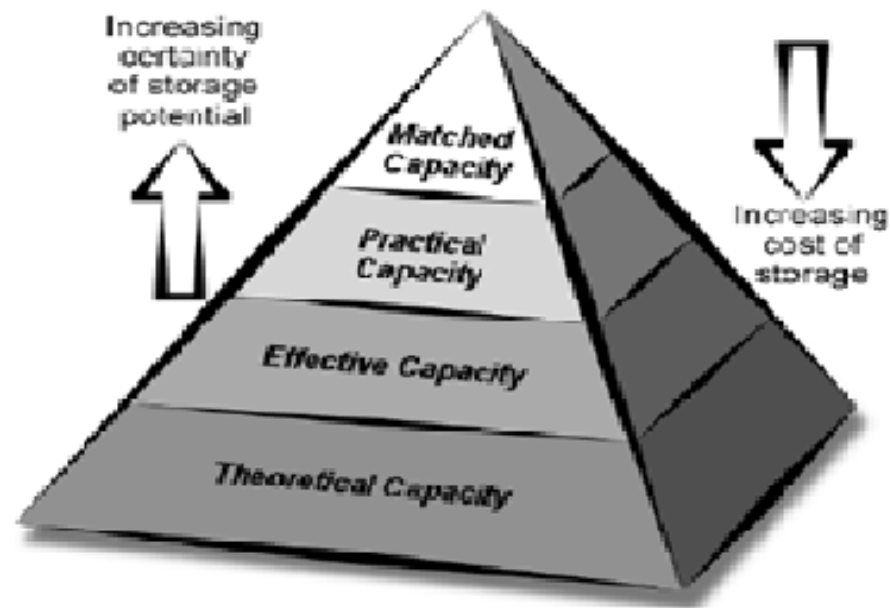


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## Background

- Depleted gas fields offer significant potential advantages for CO<sub>2</sub> storage
- Previous IEA GHG studies:
  - in 2000 estimated 797Gt global capacity
  - in 2004 estimated 39Gt effective capacity in USA/Canada
- Study undertaken by Poyry Energy Consulting, in association with Element Energy and BGS, starting in April 2008
- Main aims of the study were twofold:
  - Re-assess global storage capacity of depleted gas fields
  - Derive cost curves for storage in depleted gas fields

# CSLF Resource Pyramid



# Limitations of Study

- High level data sources due to global context:
  - USGS 1995 world and US petroleum assessments
  - 2008 AAPG Giant Fields Atlas
  - IEA GHG point source emission database
- Study necessitated use of many generic factors and simplifying assumptions
- Regional results must be treated with caution

# Basic Storage Capacity Assumptions

- Fields will be refilled to original pre-production pressures, but not above
- Total recoverable gas reserves converted to CO<sub>2</sub> storage capacities using gas expansion factor of 200 and injected CO<sub>2</sub> density of 0.7t/m<sup>3</sup>
- Global nature of study necessitated many simplifying assumptions and generic factors

# Storage Capacities from USGS Data

- USGS national and world datasets from 1995 used to estimate theoretical, effective and practical storage capacities
- USGS data not field-specific
- Allowances made for associated gas in oil fields, reserve growth and undiscovered reserves

# Global Storage Capacities from USGS Data

- *Theoretical capacity* calculated by simple conversion of total recoverable gas reserves – **870Gt**
- *Effective capacity* estimated as 75% of theoretical, to allow for technical factors – **650Gt**
- *Practical capacity* reduced by 40% from effective to allow for uneconomic field sizes and by a further 1% to allow for unsuitable sites due to probability of leakage – **390Gt**



# Regional Capacities from USGS Data (Gt)

Region	Theoretical	Effective	Practical
<b>N America</b>	<b>75</b>	<b>56</b>	<b>33</b>
Asia-Pacific	100	75	45
South America	60	45	27
Europe	83	62	37
Former Soviet Union	340	260	150
Middle East & Africa	240	180	110
<b>TOTAL</b>	<b>900</b>	<b>680</b>	<b>390</b>

# Matched Storage Capacities

- Source data: IEA GHG point source emissions and AAPG Giant Fields Atlas
- Source-sink matching exercise using a GIS-based network connection algorithm
- Assessment made on decade-by-decade basis with estimated close of production (CoP)
- Fields closing after 2050 or shallower than 800m discounted

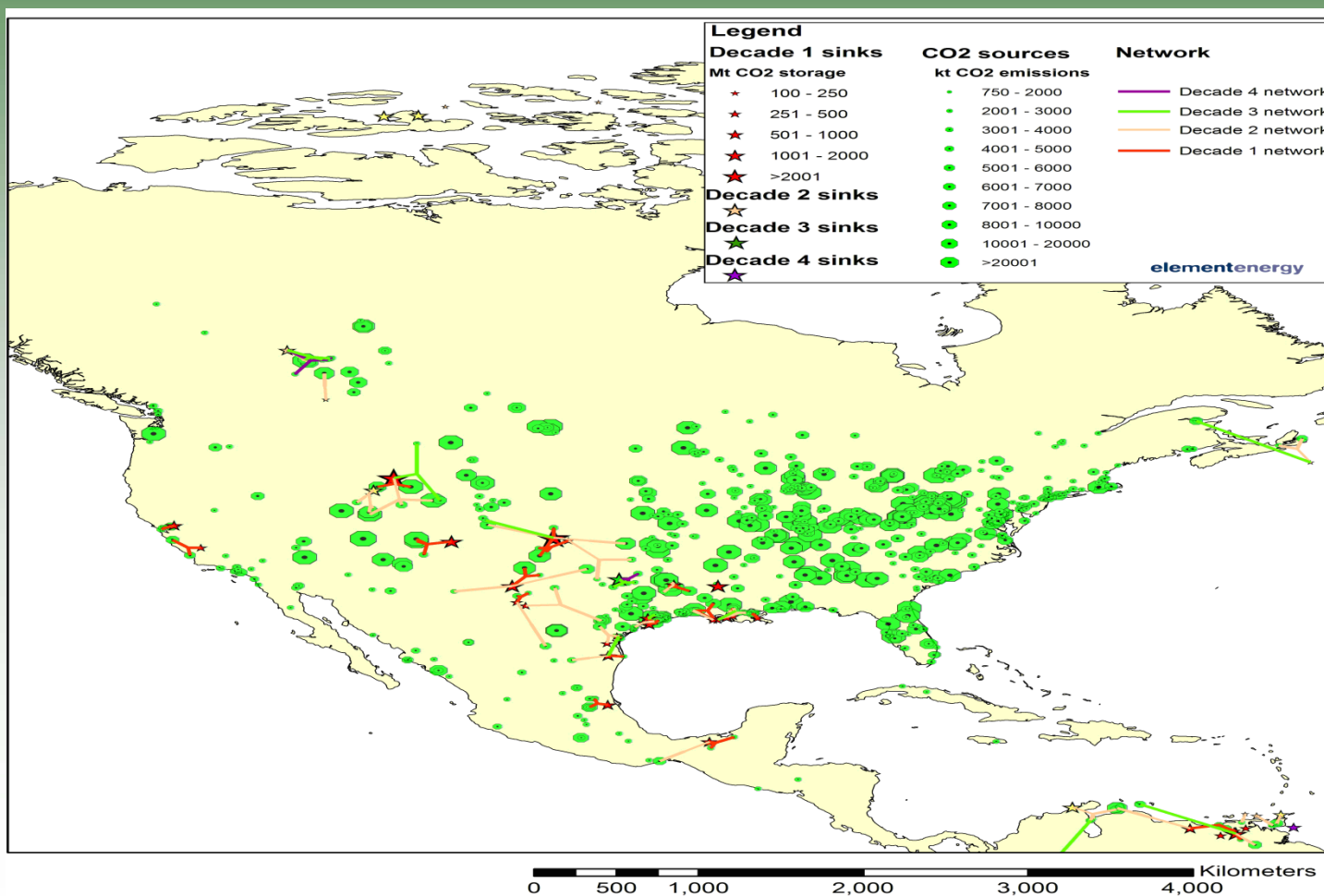
# Source-sink matching

- GIS-based algorithm used to undertake source-sink matching exercise
- Sinks allocated by decade according to estimated CoP
- Up to 3 sources allowed to connect to each sink per decade, provided capacity sufficient
- Matching based on technical/economic factors, not geopolitical

# Matched Regional Capacities (Gt)

Region	By 2020	By 2030	By 2040	By 2050
<b>N America</b>	<b>11</b>	<b>15</b>	<b>17</b>	<b>17</b>
S America	2	5	6	8
W Europe	4	9	11	11
E Europe	7	21	38	47
Middle East	6	25	32	33
Africa	1	11	13	13
Asia/Oceania	2	5	19	28
<b>TOTAL</b>	<b>33</b>	<b>89</b>	<b>140</b>	<b>160</b>

# North American Source-Sink Matching

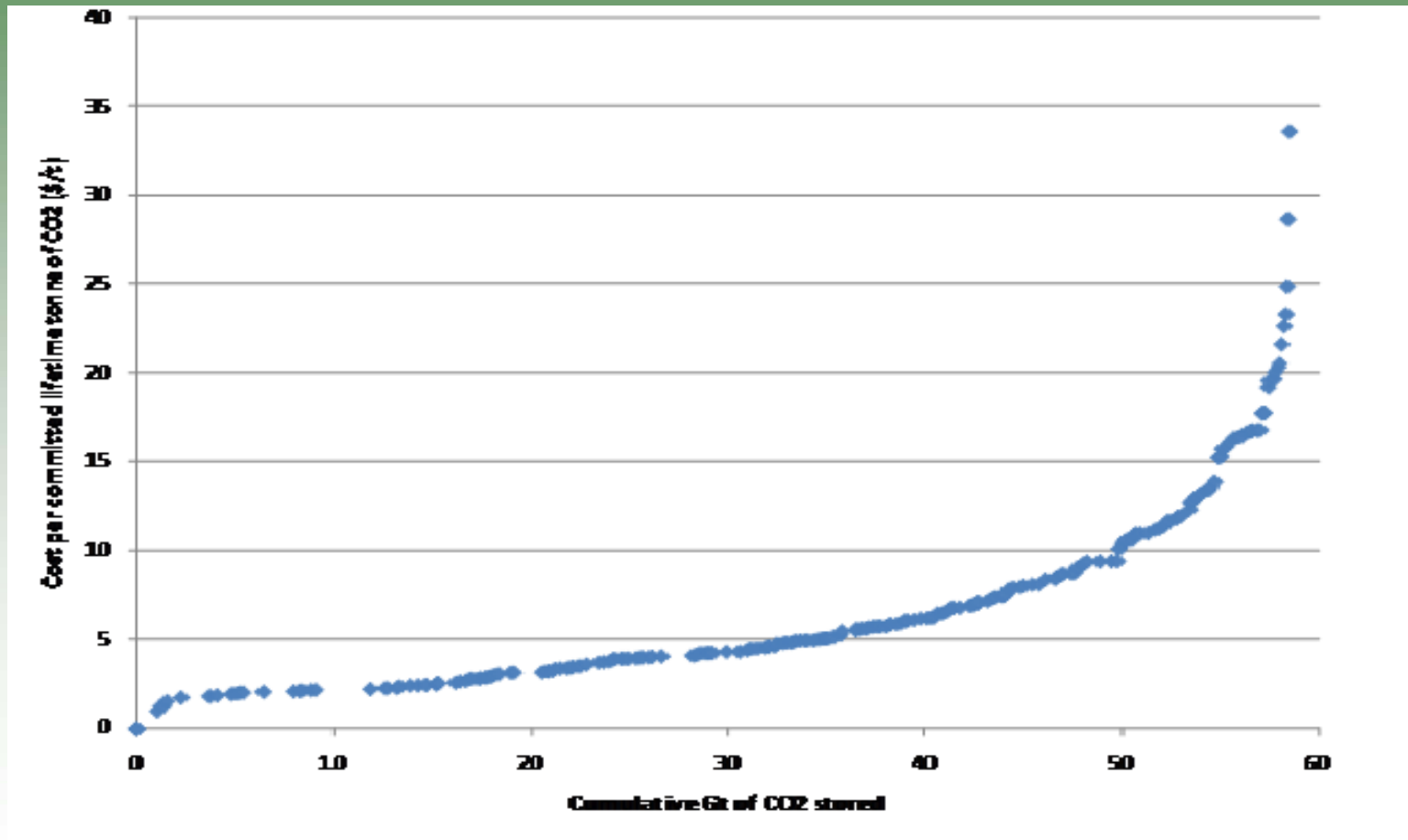


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# Storage Costs

- Matched source-sink connections used to estimate transport and storage costs
- New infrastructure assumed
- Pipelines mapped as straight lines but costs estimated on 1.25x route length
- Geopolitical factors not considered
- North America: 8Gt capacity <\$5/t by 2050

# Cost Abatement Curve



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# North American Capacity and Costs

- Matched capacity 17Gt by 2050, costs under \$10/t (under \$5/t for first 8Gt)
- Study could be refined with better data and assumptions:
  - Gas production and remaining reserves
  - Forecast reserve growth
  - Undiscovered gas resources
  - Appropriate field capacity cut-off



# Conclusions

- Study has provided fresh perspective on storage potential of depleted gas fields and use of resource classification schemes
- Matched global capacity of 160Gt may be more realistic than previous estimates
- Some assumptions conservative, so 50Gt capacity <\$10/t emphasises important economic potential of CO<sub>2</sub> storage in gas fields

# Acknowledgements

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