



US/NORWAY - MoU meeting

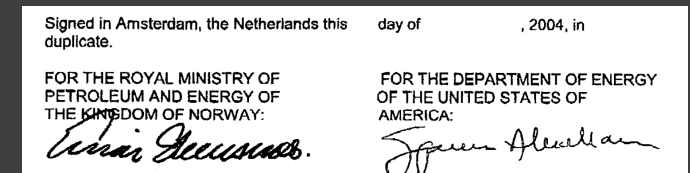
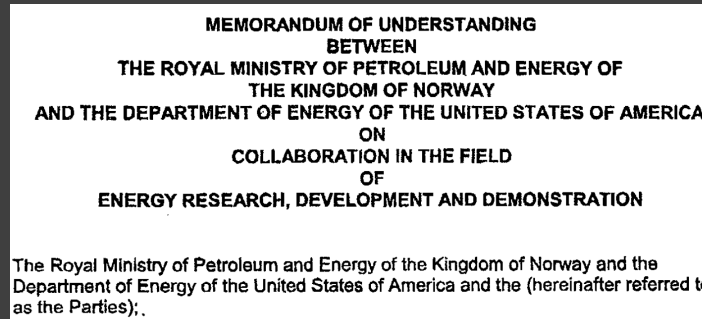
Welcome and opening remarks

William Christensen, Deputy Director General

Bergen, 27 June 2022

MoU - History

- Signed in 2004



- **Main functions**

- Non-binding Government framework to encourage collaboration between relevant US Norwegian industry research communities
- In principle RD&D related to all energy forms are covered
- CCS was identified as the most relevant area to begin with – and still is – but scope for more?
- An annex to the MoU covering Hydropower was signed in 2018

MoU – Meetings, activities

- **Recent bilateral meetings**

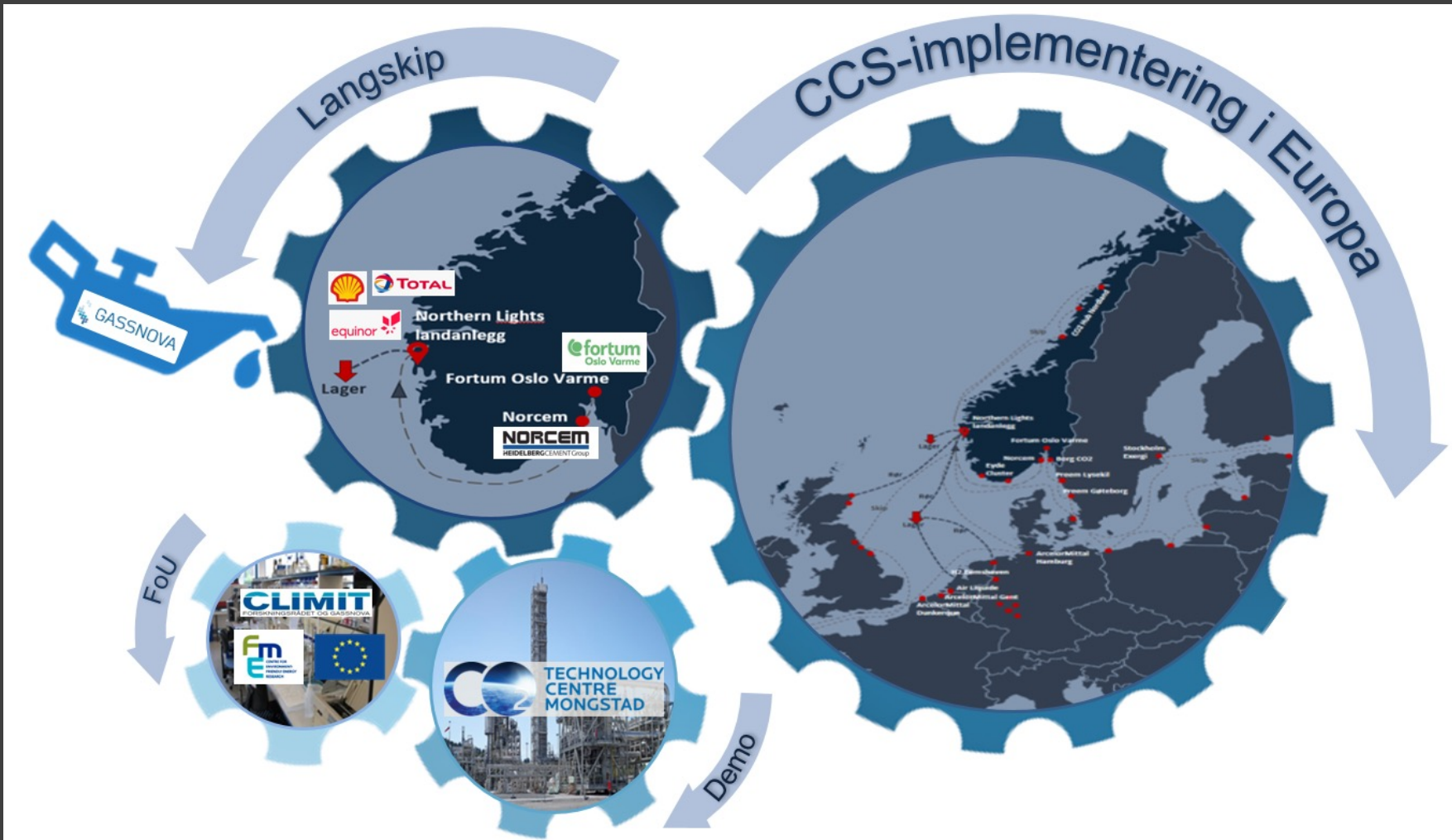
- Washington 2015
- Bergen 2016
- Washington 2017
- Oslo 2018
- Pittsburgh 2019
- Bergen 2022

- **Achievements**

- Co-operation on the use of TCM
- Joint research projects
- Knowledge sharing
- Trans-Atlantic exchange of researchers



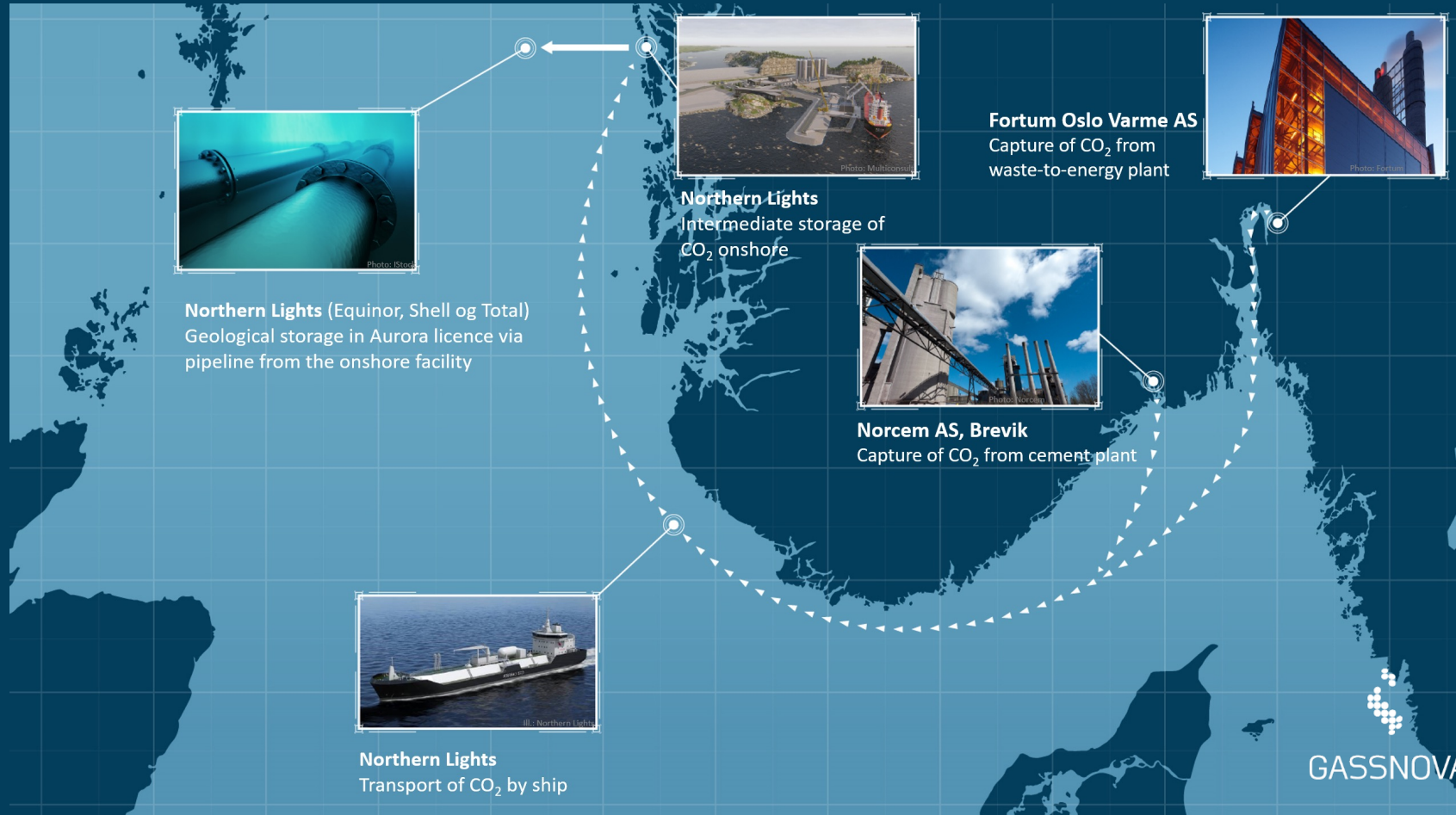
Norwegian CCS - strategy

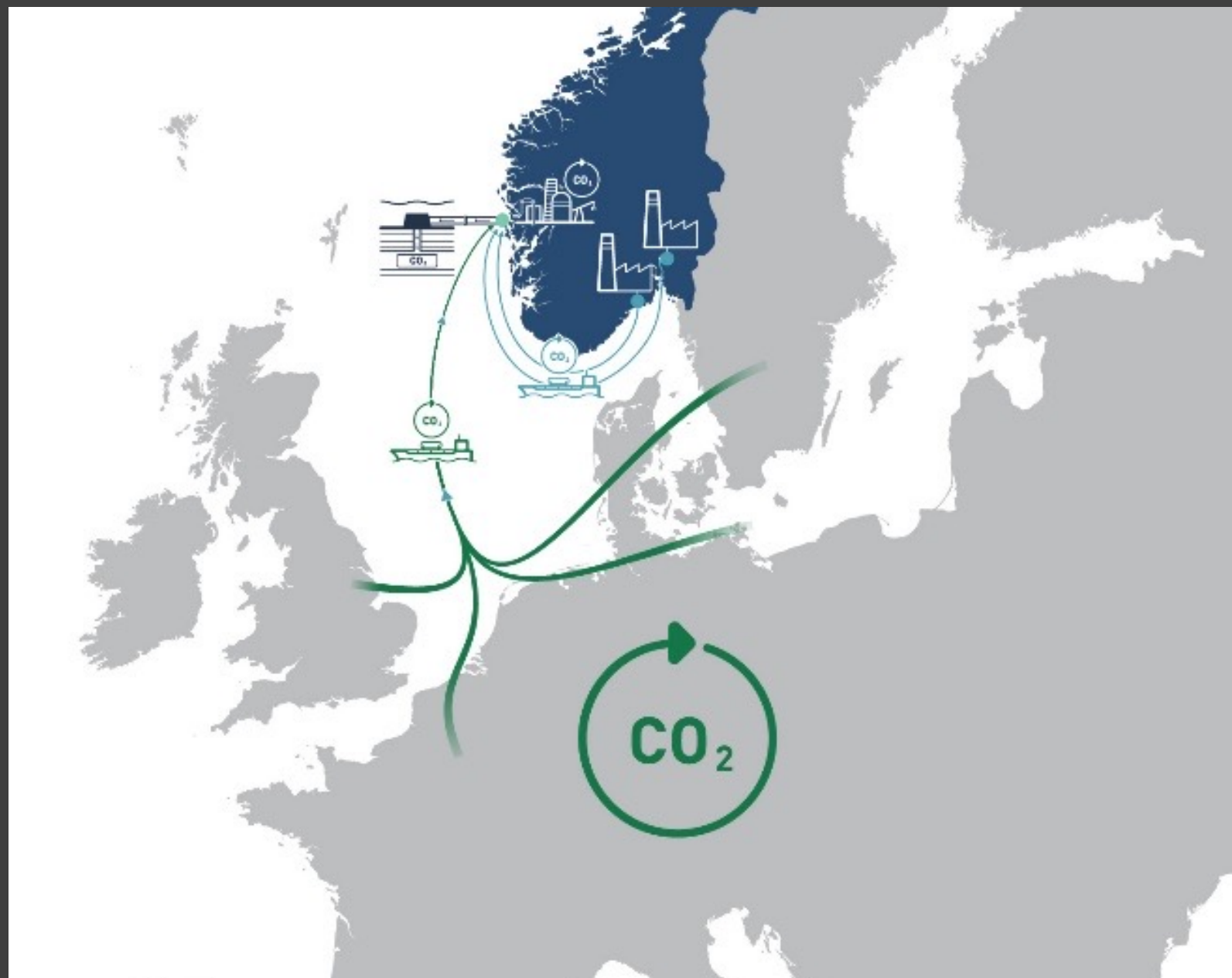




Olje- og
energidepartementet

Longship





Applications and awards of new acreage for CO₂ storage - under the CO₂ storage regulations

- Areas for CO₂ storage in the North Sea and Barents' Sea announced last year. Permits recently offered to Equinor ASA and Equinor ASA/Horizont Energi AS /Vår Energi AS
- A new area for CO₂ storage in the North Sea was announced 8 April 2022



Map of available acreage
The North Sea

The market failures for CCS

- Positive externalities: Development of the technology has larger benefits to society than to investors
- Economies of scale: Establishing a storage entails high investment costs, and relatively low marginal costs for new users
- First mover disadvantage 1: To establish a storage the investor needs certainty of a capture site - and vice versa
- First mover disadvantage: Cost of technology falls with experience: Investors wait and see

