

Two companies want to store CO2 in the Danish subsurface

The Danish Energy Agency (DEA) has received two applications from companies that want to explore the potential for storing CO2 in the subsurface in an area close to Thorning.

On September 30th 2024, the DEA opened a licensing round for exploration in the subsurface around Thorning. The application deadline was today, and the DEA has received two applications from the following companies:

- Norne Thorning Storage ApS
- Storegga Danmark ApS

If a licence is granted, the subsurface will be thoroughly explored to ascertain whether it can be safely used to store CO₂. The area is shown on the map below.

In the coming time, the DEA will read through the applications and evaluate the technical and financial capacity of the applicants, and the work programmes they have offered in their applications. Before granting a licence, the minister for climate, energy and utilities, Lars Aagaard, must present a report to the Climate, Energy and Utilities Committee of Parliament, describing the intended licence.

Great potential for CO₂ storage in Denmark

The Danish subsurface contains several areas with good conditions for storing CO_2 . Five onshore areas have been identified as potential have been identified as potentially suited for safe storage of CO_2 deep below the surface. Earlier this year, licences were granted to explore three onshore areas, and the Thorning area is now ready to be added.

The purpose is to store CO₂, which can be caught from chimneys on incineration plants or large industrial plants, which emit large amounts of greenhouse gasses, since these gasses contribute to rising temperatures and

climate change. CO_2 capture and storage is, along with other reductions in greenhouse gas emissions, an important means to reduce the amount of CO_2 in the atmosphere and reach Danish reduction targets.

What happens after the licence is granted?

An exploration licence is initially granted for up to six years, with the possibility of extension up to a total of ten years. If the area is shown to be suitable for environmentally safe storage of CO_2 , the licensee can apply for a storage permit. This permit can have a duration of up to 30 years, with the possibility of extension. After this period, the project will transition to a closure phase, where the storage site is closed and CO_2 in the subsurface is subsequently monitored. The projects are subject to the environmental impact assessment act, and activities during the exploration phase, such as wells, must undergo environmental screenings, while a potential storage site will have to undergo a full environmental impact assessment (EIA).

FACT: Onshore CO₂ storage

- An area around Thorning has been opened for applications. The area is one of several areas identified by the National Geological Survey of Denmark and Greenland (GEUS) as having geological conditions that are particularly well suited for storage of CO₂ in the subsurface.
- A strategic environmental assessment (SEA) has been made, to ensure that environmentally safe storage is possible. Projects and activities in connection with exploration and storage must also undergo relevant environmental assessments.
- The application window opened on September 30th 2024, and follows on a previous tender of five onshore areas. According to the <u>agreement on</u> <u>improved regulatory framework for CCS in Denmark</u> of September 20th 2023, a licensing round for onshore exploration licences was to be opened by the end of 2023. The same agreement stipulates that the state, through Nordsøfonden, participates with a share of 20 percent in all exploration and storage licences.
- Three exploration licenses in the Danish part of the North Sea and three onshore have already been granted. More information about these can be found in press releases of <u>February 6th 2023</u> and <u>June 24th 2024</u>.

Contact:

Head of Division Henrik Sulsbrück, <u>hesu@ens.dk</u>, tel.: +45 33 92 66 86

Contacts

Ture Falbe-Hansen Head of Press (+45) 2513 7846 <u>tfh@ens.dk</u> Press contact (phone calls only) (+45) 3395 0800 <u>presse@ens.dk</u>