4th IEA International CCS Regulatory Network Meeting

Assessing Risk and Managing Liability: Framing Liability

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Outline

1. What sort of potential harm generates what sort of potential liability?
2. The traditional approaches to, and issues with, liability management
3. Balancing environmental risks:
   - should “typical” environmental liability models apply?
   - is another approach worth examining for CCS projects?
Harm and liability

- Liability accrual is usually driven by who has title or who has acted negligently.
- “Obvious” plaintiffs are those who can demonstrate that foreseeable harm or losses have been suffered.
- Less obvious – general (and long term) environmental harm.
Traditional liability management issues

- contracts
- insurance
- statutory protections/caps
- “pooled” liability/industry funds
- causation
- liability in international waters
Are we looking at CCS correctly?

—is CCS just another form of "waste disposal" or is it an expensive but essential public service agreed to or imposed upon power generators and other key industries?

—what level of risk is acceptable with terrestrial sequestration compared to atmospheric "storage"?

—what should State actors do to facilitate CCS and assist essential (but transitional) waste producers?

—is there a case for a global, liability management framework for long term environmental risks?
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