

Storage leasing within the UK's CCS regulatory environment

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The Crown Estate's Storage Rights

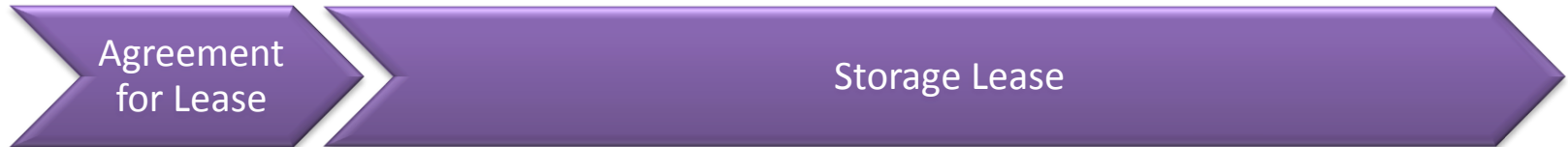
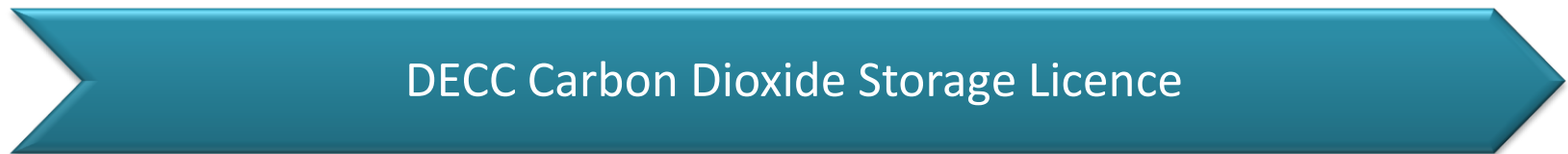
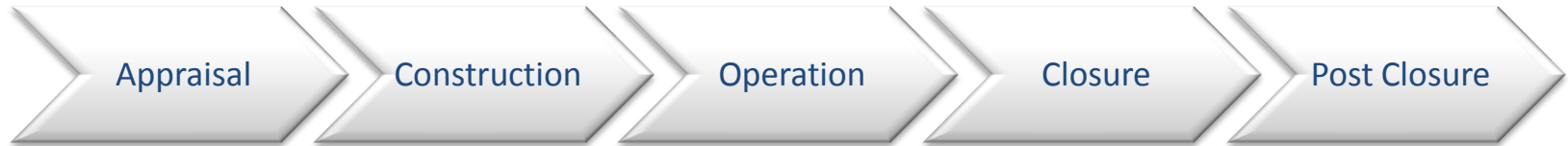
Within the territorial limit (12nm)

- Owner of the seabed
- Property rights over surface and sub-surface
(excludes oil, gas and coal)

On the UK continental shelf

- UK Gas Importation and Storage Zone
- Vested rights under the Energy Act 2008

The UK Licensing/Leasing Regime



CO₂ Storage Leasing

A Crown Estate lease is NOT

- Double Regulation
- Additional consenting
- Another financial security burden

A Crown Estate lease IS

- An exclusive property right
- A landlord-tenant contract
- Required under UK law

CO₂ Storage Leasing

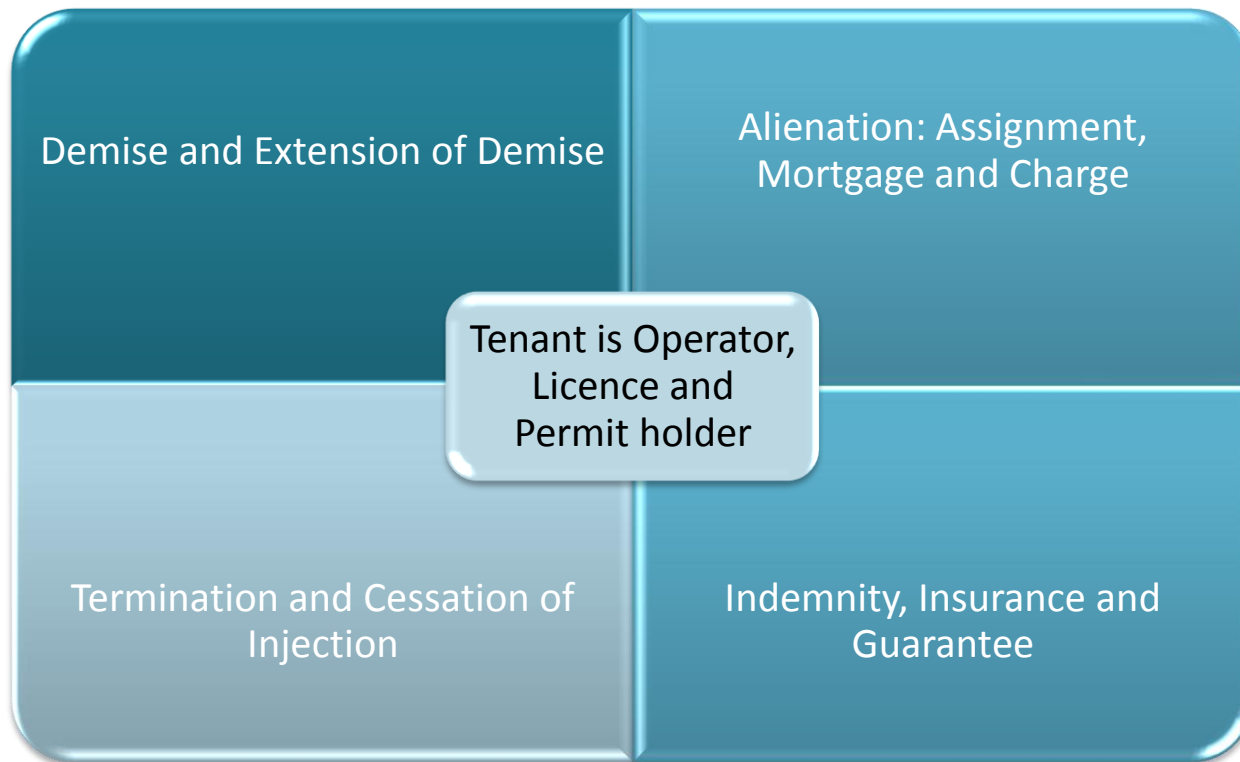
Agreement for Lease

- Exclusive option
- Time limited
- Defined area of seabed
- Pre-agreed lease

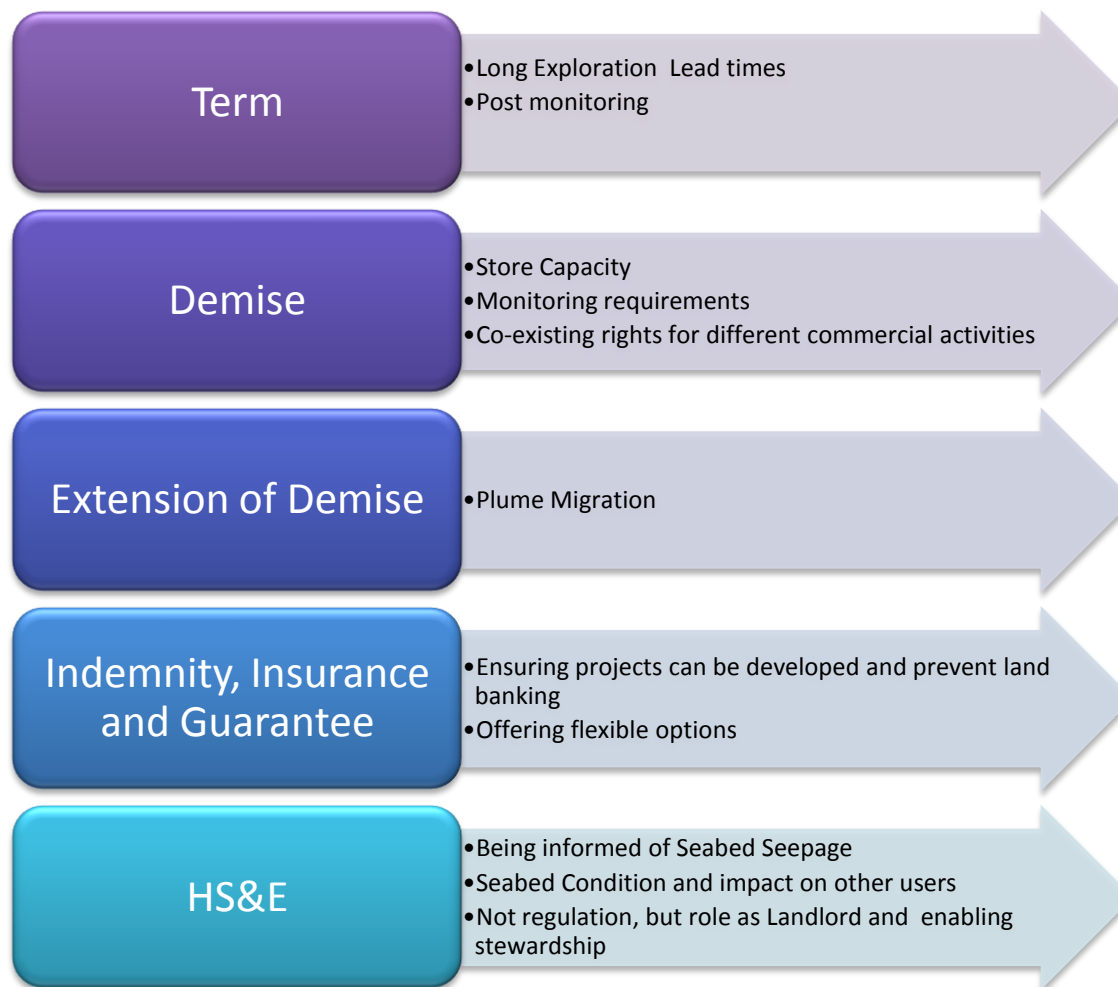
Lease

- Exclusive storage rights
- Time limited to cover post-closure monitoring
- Defined area of seabed plus 3D subsurface storage formation(s)
- Defined injection or storage volume and/or period

The CO₂ Storage Lease



Challenges in Managing Leasing Issues



Different Lease Scenarios

