

Denbury and Nutrien Announce Agreement for Transportation and Storage of CO₂ to be Captured from Nutrien's Planned Clean Ammonia Project in Geismar, Louisiana

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Significantly expands longstanding and successful CCUS partnership

Denbury Carbon Solutions, LLC, a wholly owned subsidiary of [Denbury Inc.](#) (NYSE: DEN) ("Denbury"), and PCS Nitrogen Fertilizer L.P., a wholly owned subsidiary of [Nutrien Ltd.](#) (TSX and NYSE: NTR) ("Nutrien"), today announced that the parties have reached a term-sheet agreement under which Denbury would transport and store carbon dioxide (CO₂) captured from Nutrien's potential new clean ammonia project at its Geismar, Louisiana location.

This press release features multimedia. View the full release here:
<https://www.businesswire.com/news/home/20220518006058/en/>

Nutrien is evaluating its Geismar, Louisiana, ammonia facilities as a potential site for significant new ammonia production to serve growing demand in agriculture, industrial and emerging energy markets. Nutrien is progressing the proposed project to the front-end engineering design phase, with a final investment decision expected to follow in 2023 and, if approved, full production by 2027. The new plant is expected to have annual production capacity of 1.2 million metric tons of clean ammonia, with approximately 1.8 million metric tons per year of CO₂ to be captured. Under the terms of the agreement, Nutrien would pay Denbury for the transportation and sequestration of the associated CO₂ into Denbury's secure underground containment sites. The initial term of the agreement is 12 years, with up to two extension terms of five years each.

"We are thrilled to expand our successful long-term partnership with Nutrien through this world class project," said Chris Kendall, Denbury's President and Chief Executive Officer. "We believe that CCUS-enabled clean ammonia will be an important source of energy in a lower-carbon future, and we are honored by the confidence and trust that Nutrien has continued to place in Denbury to provide this important service."

"Nutrien is optimally positioned to supply global emerging clean ammonia markets and grow a pathway for a decarbonized supply chain," said Raef Sully, Nutrien's Executive Vice President and CEO of Nitrogen and Phosphate. "We are pleased to partner with Denbury on this initiative given our established track record of cooperation. It is another example of how we are building on our expertise in low-carbon ammonia to decarbonize the agriculture industry while also developing a source of clean energy."

This new agreement expands the companies' longstanding efforts to reduce atmospheric emissions by capturing industrial-sourced CO₂ for permanent underground storage. In 2013, Nutrien and Denbury began working together to transport CO₂ captured from Nutrien's existing nitrogen facilities in Geismar, Louisiana, located less than one mile from Denbury's CO₂ pipeline infrastructure, for use in Denbury's enhanced oil recovery operations. Since then, the companies' collective efforts have resulted in:

- Nearly 100% uptime and reliability in CO₂ takeaway;
- Permanent underground storage of nearly 3 million metric tons of CO₂ (current rate of 0.3 million metric tons per year);
- More than 2 million barrels of carbon-negative or "blue" oil, whereby more CO₂ is injected in the ground to produce a barrel of oil than the Scope 1, 2, and 3 emissions from that related barrel.

This agreement was previously announced by Denbury as part of its earnings release dated May 5, 2022.

Inclusive of the agreement between Denbury and Nutrien, the cumulative volume of Denbury's CO₂ transportation and storage agreements totals approximately seven million metric tons per year. In parallel, Denbury has entered into a number of agreements providing Denbury the exclusive rights to develop secure underground CO₂ sequestration sites in Louisiana, Texas, and Alabama, with total potential capacity of over 1.4 billion metric tons. Denbury's leadership position in CCUS is supported by over 20 years of experience transporting and injecting CO₂ underground. Denbury is currently moving in excess of 14 million metric tons of CO₂ annually in the United States through its 1,300+ miles of CO₂ pipelines, the largest CO₂ pipeline network in the world.

ABOUT NUTRIEN

Nutrien is the world's largest provider of crop inputs and services, playing a critical role in helping growers increase food production in a sustainable manner. Nutrien produces and distributes approximately 27 million tonnes of potash, nitrogen and phosphate products world-wide. With this capability and our leading agriculture retail network, Nutrien is well positioned to supply the needs of our customers. Nutrien operates with a long-term view and is committed to working with our stakeholders to address our economic, environmental and social priorities. The scale and diversity of Nutrien's integrated portfolio provides a stable earnings base, multiple avenues for growth and the opportunity to return capital to shareholders.

ABOUT DENBURY

Denbury is an independent energy company with operations and assets focused on Carbon Capture, Use and Storage (CCUS) and Enhanced Oil Recovery (EOR) in the Gulf Coast and Rocky Mountain regions. For over two decades, the Company has maintained a unique strategic focus on utilizing CO₂ in its EOR operations and since 2012 has also been active in CCUS through the injection of captured industrial-sourced CO₂. The Company currently injects over four million tons of captured industrial-sourced CO₂ annually, with an objective to fully offset its Scope 1, 2, and 3 CO₂ emissions by 2030, primarily through increasing the amount of captured industrial-sourced CO₂ used in its operations. For more information about Denbury, visit www.denbury.com.

The Denbury Carbon Solutions team was formed in January 2020 to advance Denbury's leadership in the anticipated high-growth CCUS industry, leveraging Denbury's unique capabilities and assets that were developed over the last 20-plus years through its focus on CO₂ EOR.

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This press release uses the term "agreement" to refer to both executed definitive agreements and executed term sheets covering various CCUS arrangements, such as the Nutrien agreement. These arrangements are subject to technical and feasibility evaluations and the building of new industrial facilities in future years.

This press release contains forward looking statements that involve risks and uncertainties, including the ultimate construction and operation of new industrial facilities, and the nature and extent of nearby sequestration sites, along with the results of Denbury's pre-injection period tests and assessments. These statements are based on engineering, geological, financial and operating assumptions that Denbury believes are reasonable based on currently available information; however, their achievement are subject to a wide range of business risks, and there is no assurance that these goals and projections can or will be met. Actual results may vary materially. In addition, any forward-looking statements represent Denbury's estimates only as of today and should not be relied upon as representing its estimates as of any future date. Denbury assumes no obligation to update these forward-looking statements.

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Contact

NUTRIEN CONTACTS:

Jeff Holzman, VP Investor Relations, 306.933.8545

Megan Fielding, VP Brand & Culture Communications, 403.797.3015

DENBURY CONTACTS:

Brad Whitmarsh, 972.673.2020, brad.whitmarsh@denbury.com

Beth Bierhaus, 972.673.2554, beth.bierhaus@denbury.com

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