

Will CCS increase my electricity bills or taxes?

The development of the Pilot CO₂ Storage Project emanates from collaboration between South African Government, South African industry, international governments and international industry. The funding of the PCSP is likely to follow a similar collaborative approach. This means that the Pilot CO₂ Storage Project will not impact the energy bills or taxes of South Africans.

With regard to commercial scale deployment of CCS, adding CCS technologies will increase the cost of energy compared to current costs, in particular electricity production. South Africa does have lower cost CCS options such as sourcing the CO₂ from synthetic fuel manufacturing where, although there is an additional cost when adding CCS, it is much lower than in electricity generation.

However, the current energy costs in South Africa do not factor in environmental costs for the impact that the CO₂ being produced is having on climate change and the resultant cost of climate change on South African society and the economy. Commercial scale CCS deployment will only occur once these costs are factored in, if CCS is deemed to be the cheapest and most appropriate solution and if a business case for CCS in South Africa exists.