

# CARBON TERRAVALT

Supporting California in the energy transition and advancing a Net Zero future.



With some of the most ambitious decarbonization goals in the world, **California is leading the way in pursuing innovative technology solutions to achieve its emissions reduction goals and combat climate change.** At California Resources Corporation (CRC), we are committed to the energy transition and decarbonization of our local economies in alignment with the state's goals.

## Carbon Capture and Storage

Recognized as a key technology in reducing emissions around the world, carbon capture and storage (CCS) can help mitigate climate change by offering both immediate decarbonization benefits and a long-term solution to reach and maintain carbon neutrality.

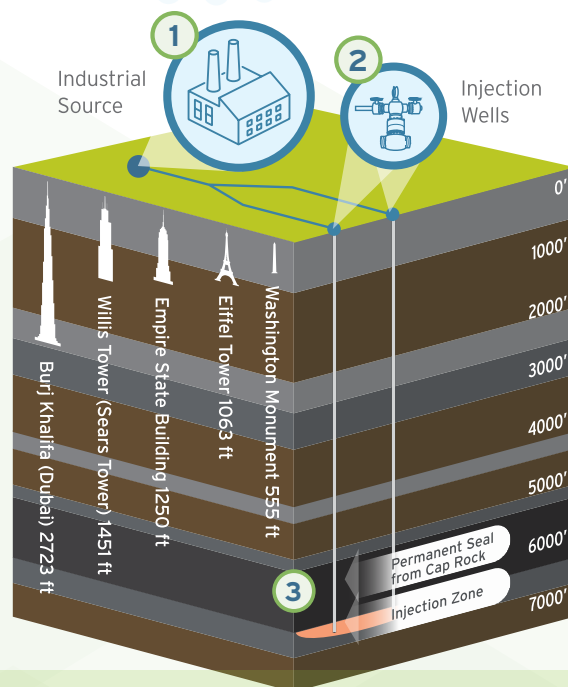
**CCS is a pillar of CRC's carbon management strategy and 2045 Full-Scope Net Zero goal for Scope 1, 2 and 3 emissions.** CRC's Net Zero goal places the company among a select few industry peers to include Scope 3 emissions in their Net Zero goal.

At CRC, **we believe our carbon management business is a natural extension of our core competencies.** We are proud to be a leading California company that is able to provide scalable and commercial solutions to help meet California's climate goals.

CRC is committed to empowering and working with our local communities to be a part of the solution in the energy transition. That's why **we are leading carbon capture with several decarbonization initiatives in California** such as Carbon TerraVault.

## Carbon TerraVault

Spanning across California, CRC's Carbon TerraVault (CTV) will provide services that include the capture, transport and storage of carbon dioxide (CO<sub>2</sub>) for its customers. CTV is developing a series of CCS projects that inject CO<sub>2</sub> captured from industrial sources into depleted underground reservoirs and permanently store the CO<sub>2</sub> deep underground.



CCS is the proven process of safely capturing CO<sub>2</sub> from industrial processes and transporting and permanently storing it underground. It involves three major steps: **1.** Capturing CO<sub>2</sub> at the source, **2.** Compressing and transporting and **3.** Injecting it deep into a rock formation where it is safely and permanently stored and monitored.



Projected statewide CTV projects have up to  
**1 BILLION MT**  
CO<sub>2</sub> PERMANENT STORAGE

## CTV Clean Energy Park at Elk Hills

Leveraging our world-class CO<sub>2</sub> sequestration assets and surface acreage at our Elk Hills Field in Kern County, CRC is partnering with greenfield projects to create the CTV Clean Energy Park at Elk Hills. **This park is a growing assemblage of emerging projects that have – and will continue to – come to Kern County as a Carbon Management Center of Excellence in California.** Industries are attracted not only by CRC's world-class reservoirs, but also by a well-understood permitting path that adheres to California's stringent environmental regulations.

The Elk Hills Field is "one of the premier CO<sub>2</sub> sequestration sites in the U.S. ...an optimal site for safe and secure sequestration of CO<sub>2</sub>."  
*California Energy Commission*

## CRC x Brookfield Partnership





To align CRC's carbon management strategy with a strong investment partner, CRC formed a joint venture (JV) with Brookfield Renewable focused on CCS development opportunities. Brookfield – a company that operates one of the world's largest publicly-traded, pure-play renewable power platforms – has committed an initial \$500 million to invest in projects that are jointly approved through the JV.

## California DAC Hub

CRC's CTV has assembled a consortium of more than 40 diverse organizations across industry, technology, academia, national labs, community, tribes, government, and labor to create the California DAC (Direct Air Capture) Hub – **the state's first full-scale DAC plus storage (DAC+S) network of regional hubs that will provide transformative benefits to our California communities.** DAC+S is a solution that can remove and then permanently store atmospheric CO<sub>2</sub> using low carbon emission energy. The first hub is targeted to launch in Kern County with plans to expand to other locations across the state.

**In August 2023, the California DAC Hub was selected to receive nearly \$12 million in funding from the U.S. Department of Energy,** which will be used to perform Front End Engineering Design (FEED) studies in 2024 on the first proposed DAC facilities, followed up with additional funding requests and planned development and construction potentially beginning in 2025.

### POTENTIAL BENEFITS INCLUDE:

-  Use of renewable energy
-  Utilization of reclaimed water
-  Quality union jobs in construction and technology
-  STEM and energy transition education programs

"California is pioneering new solutions to fight climate change, it's not enough to cut emissions – we have to go further by actively removing carbon pollution from the atmosphere. This project will be the first of its kind in our state and will help us meet our world-leading climate goals."

*California Governor Gavin Newsom*

## Together We Power California

"I'm honored to be able to help provide innovative decarbonization technology solutions like Carbon TerraVault that's going to revolutionize how we combat climate change here in California."

*Juan Campos*  
Vice President, Health, Safety and Environmental (HSE), and Sustainability

