

The Honorable Charles Schumer
Majority Leader
United States Senate
322 Hart Senate Office Building
Washington, D.C. 20510

Dear Majority Leader Schumer,

The undersigned organizations write to you on behalf of ourselves and tens of thousands of our members, constituents, friends, and families in the Midwest to encourage you to resist demands to reduce or eliminate minimum CO₂ capture requirements for the 45Q tax credits outlined in the Build Back Better Act. Midwestern communities are already overburdened by pipelines and petrochemical infrastructure, which will only be made worse by a massive build out of carbon capture infrastructure. It is unfortunate that the Build Back Better Act is poised to deliver billions in fossil fuel subsidies for carbon capture infrastructure, under the guise of climate action. To minimize the harm this technologies poses, at the very least we should:

- increase minimum capture rates to 90%, which industry leaders claim they are able to achieve,
- eliminate the tax credit for carbon used in enhanced oil recovery, and
- ensure that CCS facilities and related infrastructure are not sited in disadvantaged communities.

The far-off promise of post-combustion capture, pipeline, and underground injection of carbon dioxide is being used to justify the perpetuation of fossil fuels. Incentivizing these unnecessary and experimental technologies to be tested in communities like ours will have devastating local impacts, and they will actually serve to damage the climate rather than protect it. Carbon capture and storage (CCS) will allow fossil fuel infrastructure to continue spewing greenhouse gases and harmful emissions rather than phasing out this destructive industry as scientists are telling us we must do to keep the planet from warming out of control. Providing public money for CCS infrastructure will facilitate a double whammy for the people of the Midwest who will see increasing pollution from this industry, as well as climate impacts including severe weather and drought.

Proponents of the BBBA characterize it as a 'climate bill' and tout the implications of some of its provisions for repairing environmental injustice. We know that this aspect of BBBA is particularly important to you, Senator Schumer, as you've said yourself: no one can be left behind during the transition. But allowing for public support of CCS will leave behind the communities of the Midwest, and anywhere else targeted for this new fossil fuel industry infrastructure build out.

When captured carbon is used for enhanced oil recovery, subsidies for CCS amount to subsidies for oil drilling. Given the severity of the climate crisis, the last thing we should do is subsidize fossil fuel companies to pump more oil out of the ground. While industry claims this

practice is a low carbon oil extraction technique, in many cases the oil they extract would be uneconomical to extract without public subsidies and otherwise left in the ground.

It is important to note that the credits under 45Q have a poor track record: A recent investigation by the U.S. Treasury Inspector General for Tax Administration and commissioned by Senator Menendez found that 87% of tax credits awarded under 45Q were claimed improperly, without complying with the Environmental Protection Agencies monitoring, verification, and reporting requirements. It is unclear whether the companies claiming to store carbon are even doing so.

Given all of these fundamental problems, 45Q should be eliminated. However, the changes proposed to the 75% carbon emissions capture requirement would in fact widen the availability of 45Q credits, and not limit them, which would be disastrous for our communities. There is no justifiable reason to provide subsidies for CCS, unless your goal is to poison communities and enrich fossil fuel company profits. These subsidies would not only keep coal and gas plants on the grid if they built carbon capture units, but would also keep plants online that will never adopt carbon capture hoping for a potential lifeline down the road - leading to even more climate destruction with none of the purported benefits. You would be, in effect, giving public money to oil and gas companies to put us - the public - at risk.

Carbon capture and storage threatens to exacerbate environmental injustice. The communities living on the fence lines of coal and gas-fired power plants, petrochemical facilities, and other sources of emissions already disproportionately suffer the burdens of pollution, including elevated rates of cancer, respiratory illness, and increased mortality. Those targeted for this environmental injustice are disproportionately communities of color and low-income communities. Incentivizing industry to try to capture its carbon emissions, rather than requiring reductions or elimination of those emissions outright, threatens to entrench the underlying polluting facilities in those communities. CCS further increases toxic emissions to nearby neighborhoods, as even more energy would be needed to run the carbon capture units and transport the carbon away via a new network of CO₂ pipelines the industry is planning. For these reasons and more, the White House Environmental Justice Advisory Council specifically warned against support for CCS, as it's an approach that would not benefit communities.

Supporting the post-combustion capture and pipelining of carbon will do more harm than good for the climate. Carbon capture units require significant energy to operate, and this "energy penalty" is often 20% or more of overall output. This additional energy requirement comes with the upstream emissions from additional drilling, processing, and transport of more gas to supply the power, cutting dramatically into any gains from capturing smokestack emissions. Subsidizing carbon capture in the power sector would further entrench the fossil system, making the "100 percent carbon pollution-free electricity" by 2035 goal of the United States Nationally Determined Contribution to the Paris Agreement functionally impossible.

The Midwest has already endured harmful pollution from the industries proposing CCS projects. We should not encourage any further destruction by these corporations. Despite widespread opposition from the public, our leaders seem determined to welcome and encourage the

development of carbon pipelines and wells, endangering both our immediate safety and our long-term prospects for survival, given the risk from climate change to the Midwest and our agriculture-based economies. We love our states and we want it to have a healthy and bright future. We are telling you today that we will not be used as the fossil fuel industry's sewer system for their waste, and we are asking you to help, not hinder, us in this endeavor.

Sincerely,

Bold Alliance
Clean Up the River Environment
Dakota Rural Action
Food & Water Watch
Great Plains Action Society
Iowa Citizens for Community Improvement
Women, Food and Advocacy Network
350 US

CC:

The Honorable Ron Wyden
Chairman, Senate Committee on Finance

The Honorable Joseph Manchin
Chairman, Senate Committee on Energy and Natural Resources

The Honorable Robert Menendez
Chairman, Senate Foreign Relations Committee