

Fiscal Year 2025 President's Budget Request Carbon Management Provisions

On March 11, the White House released the <u>President's Budget Request for Fiscal Year 2025</u>. The request provides \$51.42 billion for the Department of Energy (DOE), roughly a billion-dollar increase over FY2024-enacted levels, and \$11 billion for the Environmental Protection Agency (EPA), amounting to around a 20 percent increase for the agency. You can find DOE's Budget in Brief <u>here</u>, and EPA's Budget in Brief, <u>here</u>.

While both agencies would receive notable increases under the budget request, topline funding for the six core carbon management programs at DOE's Office of Fossil Energy and Carbon Management (FECM) would remain relatively flat when compared to FY2024-enacted levels. Overall, carbon management programmatic funding at FECM saw a very modest \$7.5 million increase. Additionally, funding for the point-source carbon capture program, which is nominally responsible for awarding Front-End Engineering and Design (FEED) studies, would receive a cut of more than \$31 million. Other program areas, including carbon dioxide removal and carbon transport and storage, would receive increases under the budget request. A full breakdown of each program can be found in the chart below.

With the release of the President's Budget Request, this officially kick-starts the annual budget process with lawmakers on Capitol Hill. While we anticipate a slow start to the appropriations process this year, given that lawmakers are still trying to wrap up 6 of the 12 annual funding bills from the FY2024 cycle, Coalition staff and consultants continue to engage with the administration and Members of Congress to ensure that our funding requests for the FY2025 budget cycle are prioritized.

Fossil Energy and Carbon Management (FECM) Annual Funding						
Carbon Management Technologies	FY2024 House Bill	FY2024 Senate Bill	Final FY2024 Bill	FY2023 Enacted vs FY2024 Final Bill	FY2025 President's Budget Request	FY25 PBR vs FY24 Enacted
Carbon Capture	\$100,000,000	\$135,000,000	\$127,500,00	-\$7,500,000	\$96,200,000	-\$31,300,000
Carbon Dioxide Removal	\$15,000,000	\$74,000,000	\$70,000,000	-	\$90,200,000	+\$20,200,000
Carbon Utilization	\$80,404,000	\$50,000,000	\$52,250,000	+\$2,500,000	\$60,000,000	+\$7,750,000
Carbon Transport & Storage	\$95,000,000	\$106,000,000	\$93,000,000	-\$17,000,000	\$97,200,000	+\$4,200,000
Hydrogen with Carbon Management	\$95,000,000	\$95,000,000	\$85,000,000	-\$10,000,000	\$85,000,000	
CM Policy, Analysis & Engagement	\$0	\$2,000,000	\$0	-	\$7,000,000	+\$7,000,000
TOTAL			\$428,000,000	-\$32,000,000	\$435,600,000	+\$7,600,000