



To: U.S. Environmental Protection Agency (EPA)

EPA Docket Center
Office of Air and Radiation Docket
Mail Code 28221T
1200 Pennsylvania Avenue NW
Washington, DC 20460

From: Carbon Capture Coalition

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Re: Docket ID No. EPA-HQ-OAR-2019-0424-0255

Members of the Carbon Capture Coalition (the Coalition) have prepared these comments on the re-proposed supplement rule—Revisions and Confidentiality Determinations for Data Elements Under the Greenhouse Gas Reporting Rule (EPA-HQ-OAR-2023-0234). The Coalition appreciates EPA’s work to update the Greenhouse Gas Reporting Rule (GHGRP), and the re-proposed rule incorporates much of the Coalition’s [initial comments](#) from October 2022, on the Revisions and Confidentiality Determinations for Data Elements Under the Greenhouse Gas Reporting Rule (EPA-HQ-OAR-2019-0424).

The foundational policy mechanism to enable economywide commercial deployment of carbon management technologies is the federal Section 45Q tax credit. To be eligible to claim the credit, claimants must demonstrate secure geologic storage of captured or utilized CO₂ through robust monitoring, reporting, and verification (MRV), or lifecycle analysis (LCA), of the utilized carbon oxide, CO₂, or its precursor, carbon monoxide (CO). The EPA’s proposal includes important additions to the GHGRP for the purposes of reporting under the 45Q tax credit and the Coalition wishes to re-submit three general comments.

Adding direct air capture to Subpart PP – Suppliers of Carbon Dioxide

Direct air capture (DAC) is expected to play an important role in meeting midcentury climate goals by offsetting challenging-to-decarbonize sectors, as well as addressing legacy emissions in the atmosphere. As DAC projects reach commercial maturity, the GHGRP should be updated to ensure that DAC equipment owners can properly

demonstrate the permanent storage or utilization of captured CO₂ to claim the 45Q tax credit.

The Coalition reiterates its support of EPA's proposal to revise 40 CFR 98.6 to add direct air capture to the list of suppliers of CO₂ and adding DAC to the definition of "carbon dioxide stream". Additionally, the Coalition supports EPA using the statutorily defined definition of DAC in the Clean Air Act (42 U.S.C 7403(g)) for the purposes of the GHGRP.

Creation of Subpart VV – Geologic Sequestration of Carbon Dioxide with Enhanced Oil Recovery Using ISO 27916

The Coalition also strongly supports EPA's proposal to create Subpart VV – Geologic Sequestration of Carbon Dioxide with Enhanced Oil Recovery using ISO 27916. The integrity of 45Q tax credits rests on the monitoring, reporting and verification requirements required to elect the tax 45Q credit for secure geologic storage established through EPA's GHGRP. The Coalition has long supported the role that these reporting mechanisms play in ensuring carbon management technologies address greenhouse gas emissions as well as ensuring public and policymaker support of the program.

For purposes of monitoring the safety and long-term security of CO₂ storage, ISO 27916 may be viewed as an equivalent reporting mechanism to the existing EPA Subpart RR rule, except for the transparency and accountability information that EPA makes publicly available from those EOR operators reporting under Subpart RR. The Coalition has long supported supplementary transparency and accountability provisions for an ISO-based program to ensure equivalency between these two reporting mechanisms and maintain public confidence in the integrity of the 45Q tax credit.

The re-proposed supplemental rule adopts the Coalition's recommendation to require the use of Subpart VV for those CO₂-EOR operators who opt-in to reporting through ISO 27916 and makes clear that CO₂-EOR operators electing to use ISO 27916 no longer have the option to report under subpart UU and instead would report under the newly established subpart VV. The Coalition supports EPA publishing non-confidential data on the EPA website related to the amounts of securely stored CO₂ and associated documentation for ISO 27916, as this would harmonize the information available to the public about those projects reporting under Subpart RR and ISO 27916. Additionally, EPA publishing this information does not pose any additional burden to project operators, as the information is already reported to IRS via the ISO standard for purposes of electing the 45Q tax credit.

Adding Carbon Utilization to the GHGRP

As part of the Coalition's 2022 comments to EPA, the Coalition provided feedback on whether EPA should add CO₂ utilization (beyond the purposes for use in EOR operations) as a source category in part 98 of GHGRP. Currently, there is not a source category strictly related to CO₂ utilization. Already, carbon reuse companies wishing to elect the 45Q tax credit must provide a cradle to grave lifecycle assessment to Treasury and IRS, which is subsequently reviewed and approved by the Department of Energy, before receiving the credit. In initial comments, the Coalition urged EPA to take the time necessary and give due consideration to the creation of any reporting program for the nascent CO₂ utilization industry to avoid inadvertently creating further barriers to the deployment of these climate essential technologies.

The re-proposed rule does not address EPA's earlier question on the addition of a source category relating to CO₂ utilization. At a minimum, EPA should review, synthesize and make public the initial comments received on the questions related to carbon reuse in the initial rule. These findings should be made public and the Agency should publish a subsequent request for more information to better understand the considerations of greenhouse gas emissions and sinks related to carbon reuse. As EPA considers the complex question of adding carbon reuse to the GHGRP, carbon reuse companies and project developers will want to understand different reporting requirements that they may be subject to in the future under the GHGRP. The Coalition and its members stand ready to assist EPA in any such public processes.

ABOUT US

The [Carbon Capture Coalition](#) is a nonpartisan collaboration of more than 100 companies, unions, conservation and environmental policy organizations, building federal policy support to enable economywide, commercial scale deployment of carbon management technologies. This includes carbon capture, removal, transport, reuse, and storage from industrial facilities, power plants, and ambient air.

Economywide adoption of carbon management technologies are critical to achieving net zero emissions to meet midcentury climate goals, strengthening and decarbonizing domestic energy, industrial production and manufacturing, and, retaining and expanding a high-wage jobs base. Successful commercial deployment of these technologies requires prioritizing meaningful engagement and consultation with local communities as well as associated workforce development. Convened by the Great Plains Institute, Coalition membership includes industry, energy, and technology companies; energy and industrial labor unions; and conservation, environmental, and energy policy organizations.