CARBON CAPTURE COALITION

NOVEMBER 2023

GUIDING PRINCIPLES FOR PERMITTING

Background

Carbon capture, removal, reuse, transport, and storage projects and associated infrastructure must be responsibly deployed in timeframes in keeping with ambitious 2030 emissions reduction goals, which are an important milestone to meet midcentury climate targets. Unprecedented federal bipartisan investments in carbon management technologies have set the stage to scale deployment, but building out associated infrastructure will require efficient and effective permitting, grounded in robust environmental protections and community engagement. Ensuring benefits associated with project deployment flow to the communities that host these diverse projects and the workers with a broad range of skill sets that build them is critical to deploying successful projects. Improvements to the current permitting system will help facilitate the build out of climate-essential projects and encourage private investment. Though it is not true in all cases that federal and state agencies will have permitting and siting authority over carbon management projects, these principles are intended to be considered in those cases where federal authority is clear.

While some federal permitting reforms were included in the recently enacted Fiscal Responsibility Act, additional reforms to address current significant barriers to the efficient and responsible deployment of carbon management projects will be critical to efficiently deploy the infrastructure necessary to achieve commercial deployment of these technologies economywide.

Fortunately, there is bipartisan momentum to pass subsequent legislation to improve the federal permitting process. In anticipation of such legislation, the Carbon Capture Coalition recommends policymakers ensure reform is aligned with the following principles.

1. Ensure federal and state agencies have the resources, staffing, technology, and training to efficiently complete a growing number of reviews and community engagement processes as carbon management projects scale in deployment.

Allocating sufficient resources to federal and state agencies for the permitting and siting process, including robust stakeholder engagement and up-front planning, yields several important benefits. First, it enables staff to conduct timely and coordinated reviews, preventing bottlenecks in the permitting and project approval process. Second, resources allow for the increase, retention, and training of a workforce knowledgeable of the unique considerations for carbon management projects, and capable of evaluating complex projects to ensure safety and reliability of operation. Moreover, agencies can adopt innovative technologies that enhance planning, mapping, and data sharing with the public and between agencies during the permitting and project approval process, leading to accelerated timelines and reduced environmental impact. Sufficient agency resources contribute to faster implementation, more sustainable outcomes, and better overall projects.

2. Ensure early, robust, meaningful, and timely public engagement and input from affected communities is reflected in decision making.

One way carbon management project developers can ensure transparency and open dialogue is by actively involving local communities early in the decision-making process and allowing for community input to be incorporated early in the project development process. This approach fosters a trusted environment, enhances public and community buy-in, and promotes the formation of valued partnerships. Moreover, a transparent yet timely community engagement process leads to the identification of alternative designs that mitigate local impact and ultimately leads to better project planning.

3. Ensure environmental standards and protections are maintained, and environmental outcomes are strengthened.

An effective process allows agency staff to better analyze environmental impacts of projects and potential alternative designs that utilizes all options to avoid, reduce, and/or offset environmental impact in a timely manner. The environmental review process should allow for timely deployment of carbon capture and associated technologies capable of reducing and removing carbon dioxide emissions and harmful co-pollutants, while also avoiding, minimizing, and mitigating potential local environmental concerns.

4. Direct agencies to appropriately use programmatic review and categorical exclusions for carbon management infrastructure.

Programmatic reviews allow for a comprehensive evaluation of project types or projects within a broad geographical area. These reviews take time on the front end, but significantly reduce review time for each project done afterwards, enabling the ability to "tier" any project-specific review on top of the programmatic review.

Categorical exclusions provide a framework for identifying actions that are well understood and cause minimal environmental impact, allowing for expedited reviews and approvals. Using categorical exclusions where appropriate both advances projects covered by categorical exclusions as well as frees agency staff and resources to review more complicated projects.

5. Create a pathway for federal siting authority for interstate CO_2 pipelines, creating appropriate parity for all types of interstate linear infrastructure.

Currently, interstate CO_2 pipelines are sited on a state-by-state basis while, in contrast, there is federal siting authority for interstate natural gas pipelines under the Natural Gas Act. There is active discussion in the context of permitting reform over federal siting authority for interstate transmission lines and interstate hydrogen pipelines. Absent from the debate, however, has been providing similar siting authority for CO_2 pipelines. Establishing a pathway for federal siting authority for interstate carbon dioxide pipelines to provide similar parity for all linear infrastructure types, where appropriate, that face similar siting challenges is a priority to enable recent federal historic investments dedicated to carbon management infrastructure to enable efficient and responsible buildout of the necessary CO_2 pipeline network. Such parity would also enable better coordination planning and siting across federal agencies to lower impacts for wildlife and local communities. However, lines that are well served by the current state by state regulatory siting authority should be allowed to continue with that process.

6. Ensure review of Class VI state primacy applications, as well as individual Class VI well applications, occur on a reasonable and predictable timeframe.

The Environmental Protection Agency (EPA)-regulated Class VI wells are specifically designed for the underground injection of CO_2 for secure, long-term storage. To ensure the effectiveness of carbon capture and storage projects, it is crucial that the review of state primacy and individual well applications occurs within a reasonable and predictable timeframe, providing the necessary certainty to encourage necessary private investment. Furthermore, it is important that the EPA reviews state, territories, or Tribal nation applications for Class VI primacy enforcement authority – referred to as primacy–within a reasonable and predictable timeframe. Granting primacy empowers states to manage and regulate Class VI injection wells within their jurisdiction, while upholding the same or more rigorous environmental and public engagement standards as the EPA. States, territories, or Tribal nations can be approved for this delegation of primacy only when their regulations meet or exceed the federal UIC requirements. A state agency's commitment of resources for well monitoring and enforcement, as well as public notice and comment are important and routine considerations for review under the Underground Injection Control evaluation framework of Class VI primacy applications. EPA has already granted primacy over other well classes (I–V) to many states.