

Dear Legislative Work Group participants,

We hope you are all well. Coalition staff and consultants continue to submit FY2025 appropriations requests, but there are not many substantial legislative updates to share with you today. Additionally, given that this week is CERAWeek, and many of you are traveling, we will cancel today's legislative work group call and opt for a short note with pertinent updates on our work across appropriations, permitting and PHMSA reauthorization. Please don't hesitate to contact Madelyn if you have any questions.

CCC Staff

### **FY2024 Appropriations**

Congress is up against a March 22 deadline to complete the final six funding bills for fiscal year 2024. Leadership reached a deal with the White House on Monday evening on Homeland Security funding, the final piece of the six-bill minibus package for FY24 spending bills. Timing on the release of final text and voting schedule is still unclear as the legislation continues to be drafted. House leadership has noted that they intend to vote on the package by Friday, ahead of the expiration of the current continuing resolution at midnight. Senate Majority Leader Schumer (D-NY) has indicated that he will put the measure on the floor immediately once received from the House; however, without a time agreement, it is possible that a shutdown, albeit short, could occur. There is already a discussion underway in the Senate as to what amendments members will demand in exchange for expedited procedural time to process the measure.

### **FY2025 Appropriations**

As FY24 all but wraps up, offices have pivoted to focus their attention on fiscal year 2025. Coalition staff and consultants continue to submit the Coalition's three appropriations requests for FY25 and work to identify member offices to help carry the water on each individual request. **Please feel free to adopt these requests and submit on behalf of your individual organization.** We anticipate FY25 to be just as challenging as the previous appropriations cycle and will need a chorus of voices to ensure robust funding for core carbon management programs at the Office of Fossil Energy and Carbon Management (FECM) and our report language priorities are considered.

You can find the topline of our requests [here](#). As a reminder, our priorities for the FY2025 appropriations cycle are to:

- **Build support for core programmatic activities at FECM:** Continue providing funding for core carbon management programs at the Office of Fossil Energy and Carbon Management to ensure that DOE has the resources to carry out programs that operate on funding provided by annual appropriations. You can read the full request [here](#).
- **Create predictable timelines for Class VI review:** Class VI well permits are the lynchpin to scaling geologic storage to climate scale. Project developers require certainty and predictability to move forward to secure project financing without sacrificing a rigorous review process. You can find this report language [here](#).
- **Issue 45Q guidance and address regulatory barriers to deploying carbon reuse projects:** In addition to urgently needing guidance on the most recent enhancements to

the 45Q tax credit from the Treasury, it has become apparent that carbon reuse projects are largely sitting on the sidelines -- unable to monetize the utilization pathway due to regulatory barriers. Treasury has an opportunity to address some of these issues in forthcoming 45Q guidance. You can find this report language [here](#).

On Wednesday morning, DOE Secretary Granholm testified before the House Appropriations Energy and Water Subcommittee regarding the FY2025 President's Budget Request for the Department of Energy. You can find a recording of the hearing [here](#). The Coalition team is currently monitoring the hearing and will provide a readout of any pertinent information.

### **Permitting**

- **Prospects of a bipartisan permitting package:** Coalition staff and consultants met with Sen. Manchin's Energy and Natural Resources Committee staff last week to discuss the Coalition's [guiding principles for permitting](#) as Chairman Manchin (D-WV) and Ranking Member Barrasso (R-WY) negotiate a framework for a bipartisan permitting package. Discussion included exploration of the potential inclusion of an optional federal pathway for the siting and construction of CO<sub>2</sub> transport infrastructure, among other things. The Manchin-Barrasso teams continue to trade paper on the parameters of a framework, and Chairman Manchin has said publicly that the two teams are "so close" to a draft proposal. Though committee staff were unable to provide a timeline for consideration of a bipartisan package given ongoing discussions, **Coalition staff have anecdotally heard that the Chairman is targeting a mid-late April timeframe for a potential markup.** That said, Chairman Manchin recently noted at a CERAWEEK event that he intends to have something done before the August recess and added that the White House remains supportive of the effort. Secretary Granholm reiterated the "oasis of bipartisanship around permitting reform" at a separate CERAWEEK event and said that the administration is working to speed up permitting on the executive side.
- **House Bipartisan Climate Solutions Caucus letter to EPA on Class VI:** Coalition staff met with staff of Rep. Chrissy Houlahan (D-PA) last week to discuss a letter the Congresswoman and fellow co-chair of the House Bipartisan Climate Solutions Caucus, Rep. Garbarino (R-NY), intend to send to EPA with a series of questions regarding the current process for review and consideration of Class VI well and state primacy applications. Coalition staff have been assisting the caucus co-chairs in garnering signatures from other members of the caucus. Reps. Houlahan and Garbarino intend to send the letter to EPA on Friday, March 22. Staff will share the letter with the work group when final.

### **PHMSA Reauthorization**

On Wednesday, the House Energy & Commerce Committee will mark up a suite of bills, including the [Pipeline Safety, Modernization, and Expansion Act of 2024 \(H.R. 7655\)](#), which was approved by the Energy Subcommittee on March 6. The bill would reauthorize PHMSA and update safety protocols within the administration. Notably, full committee Ranking Member Pallone (D-NJ) and other committee Democrats are reportedly incensed by the bill being a partisan work product and have cited concerns with the legislation, including a decrease in authorization funding levels and the bill being less focused on safety and more on permitting. **Coalition staff continue to monitor**

the legislation and communicate Coalition priorities for a PHMSA reauthorization to relevant committee members and staff.



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