From: <u>Carbon Capture Coalition</u>

To: <u>Christian Flinn</u>

**Subject:** URGENT UPDATE - DOE cancels \$3.7 billion in OCED awards

**Date:** Friday, May 30, 2025 12:57:23 PM **Attachments:** DOE Award Cancelations 5.29.25.pdf

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Importance: High

Dear members and supporters of the Carbon Capture Coalition,

We're writing to share that this morning, the US Department of Energy (DOE) <u>announced the cancellation</u> of 24 awards issued by the Office of Clean Energy Demonstrations (OCED). **The cancelled funding totals more than \$3.7 billion in programmatic funding issued by OCED.** 

This cancellation includes mission-critical projects awarded under OCED's Industrial Demonstrations Program and the Carbon Capture Demonstration Program and represents a mix of funding appropriated by the Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA). Attached is the full list of cancelled projects.

While next steps for the funding remain unclear for now, we expect to see these claw backs represented in the DOE's fiscal year 2026 full budget request, which we anticipate will be shared in full over the course of the next several days. As more information comes to light, we will be sure to share with Coalition members.

Please find <u>linked here</u> and below the Coalition's statement on the project funding cancellations. If you have any questions, please contact a member of Coalition staff.

CCC staff

## **Coalition Statement on the Cancellation of DOE-Funded Carbon Capture Projects**

May 30, 2025 | News

The following statement may be attributed to Jessie Stolark, the executive director of the Carbon Capture Coalition. The <u>Carbon Capture Coalition</u> is a nonpartisan collaboration of more than 100 companies, labor unions, and conservation and environmental policy organizations. Coalition members work together to lay the groundwork for the necessary portfolio of federal policies to enable nationwide, commercial-scale deployment of carbon management technologies.

"Today, the cancellation of 24 DOE-funded projects, many of them carbon capture related, is a major step backward in the nationwide deployment of carbon management technologies. It is hugely disappointing to see these projects canceled – projects that had already progressed through a rigorous, months-long review process by technical experts at DOE.

"Further development and deployment of carbon management technologies is crucial to meeting America's growing demand for affordable, reliable, and sustainable energy. To be clear, ensuring projects funded by the bipartisan Infrastructure Investment and Jobs Act move forward toward commercialization are necessary to demonstrate the technology across fossil fuel power generation and key industrial sectors, including natural gas-fired power generation, cement, and basic chemicals.

"Federal investments have 'multiplier' effects. <u>DOE itself estimated that carbon management</u> projects have an economic multiplier between 2x and 4x, meaning that every dollar invested by the American taxpayer, can lead to up to \$4 in economic output through additional supply and material orders, job creation, and broader economic benefits to regional economies. Already, the more than 270 publicly announced carbon management projects across the nation have resulted in <u>more than \$77.5 billion</u> in capital expenditures. With **DOE canceling** these projects, we are instead faced with a worst-case scenario in which the American taxpayer and businesses have invested billions without any results.

"Above all, businesses require certainty to plan and execute projects, and carbon management is no different. For decades, the United States has been the global leader in the development and deployment of carbon management technologies but moves like this risk ceding America's energy and technological leadership to other nations. As the policy framework in other nations for carbon management continues to mature, we risk being left behind.

"We will continue to work with congressional champions, companies, non-governmental advocates, and labor to continue to build the case for continued support for the deployment of carbon management technologies across the nation."

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Coalition members work together to lay the groundwork for the necessary portfolio of federal policies to enable nationwide, commercial-scale deployment of carbon management technologies.



The Carbon Capture Coalition is convened by the **Great Plains Institute.**