Written Remarks of Christian Flinn
Public Policy Manager
Carbon Capture Coalition
October 1, 2025
Environmental Protection Agency (EPA) Public Hearing on Reconsideration of the GHG Reporting Program

Good afternoon,

Thank you for convening this hearing on "Reconsideration of the GHG Reporting Program (GHGRP)" and for the opportunity to testify. My name is Christian Flinn, and I am the Public Policy Manager at the Carbon Capture Coalition – a nonpartisan collaboration of more than 100 companies, unions, and policy organizations building federal policy support to enable the nationwide deployment of carbon management technologies. Our members include leading companies across the energy and industrial sectors, building carbon management projects that drive billions of dollars in investments in states such as Wyoming, North Dakota, Indiana, Texas, and Louisiana, among others. I would like to express our deep concern regarding the implications of this proposed rule for the future of these investments, American energy security, the preservation of good-paying jobs, and global competitiveness.

GHGRP's Subpart RR provides responsible stewardship of taxpayer dollars

The Coalition has long been a key advocate for the Section 45Q tax credit, a proven, bipartisan incentive most recently preserved and enhanced in the One Big Beautiful Bill Act, signed by President Trump. The GHGRP includes important public transparency mechanisms that bolster investor and public confidence in the integrity of the 45Q tax credit, enabling the administration's responsible stewardship of American taxpayer dollars. Specifically, Subpart RR of the GHGRP contains important monitoring, reporting, and verification mechanisms for mass-balance accounting of sequestered CO_2 emissions, which provide a transparent and cost-effective way to demonstrate that the 45Q tax credit is working as Congress intended.

Underscoring the intrinsic link between EPA's Subpart RR and claiming the Section 45Q tax credit

Today, there are 19 commercial-scale facilities with the capacity to capture more than 21 million metric tons of CO_2 per year. Thanks to long-standing congressional support, however, there are now over 270 announced and operating projects across diverse energy and industrial sectors present in every region of the country. In fact, according to our estimates, there are $18 billion in private investments tied specifically to projects with approved Class VI wells from the EPA or states with primacy over Class VI wells. More broadly, 45Q has spurred over $77 billion in investments across announced and operating projects. These investments are underpinned by a taxpayer's ability to elect the 45Q tax credit by reporting volumes of CO_2 sequestered under Subpart RR in their annual tax filings to the Internal Revenue Service (IRS).

Industry stakeholders took years to align on the use of data reported under Subpart RR for the purpose of electing 45Q, and in 2021, the Department of the Treasury and the IRS reaffirmed this use of Subpart RR of the GHGRP in regulations. **Now, Subpart RR is a well-established and accepted reporting mechanism within the carbon management industry that, if eliminated, would leave taxpayers unable to claim 45Q.**

Compliance cost considerations

It is already standard practice for facilities that capture, sell, and store CO_2 to measure the volume of CO_2 in question thanks to widely available, cost-effective equipment installed at these facilities. Therefore, for large and small companies engaged in the CO_2 supply chain, reporting this information requires minimal additional effort. EPA's own estimates confirm this, demonstrating that compliance costs are negligible compared to the scale of industry investment. Conversely, repealing Subpart RR jeopardizes the ability of taxpayers to elect 45Q in tax year 2025, as well as the billions in investments already made in carbon management projects under development.

Impact of repealing Subpart RR of the GHGRP

Beyond the regulatory issues associated with repealing Subpart RR due to its inextricable link with claiming the Section 45Q tax credit, repeal would have a severe impact on investor confidence, public transparency, and implementation of the EPA's Class VI well program.

These projects are already complicated to structure and finance, involving multiple partners and complex financing mechanisms. Injecting regulatory uncertainty into the process could lead to longer delays in Class VI application reviews and, in the worst-case scenario, project cancellations – hurting regional economies that depend on these projects and throwing years' worth of negotiations and investment planning into chaos. **To be clear: repealing Subpart RR of the GHGRP puts far more dollars at risk than it saves and needlessly undercuts innovative American businesses**.

Conclusion

Due to the GHGRP's importance to the nation's economy at large, and the carbon management industry more specifically, the Carbon Capture Coalition urges the EPA to reconsider the repeal of Subpart RR of the GHGRP and retain the reporting mechanism so essential to investor and public confidence in the Section 45Q tax credit.