



CARBON CAPTURE COALITION

Legislative and Regulatory & Guidance Joint Work Group November 19, 2025 Meeting Summary & Notes

Meeting Summary

The Joint Work Group convened to review the status of federal agency actions impacting carbon management and coordinate next steps in response to EPA's proposed repeal of GHGRP Subpart RR. Members also reviewed interim model guidance to preserve taxpayers' ability to claim 45Q should the repeal move forward and established deadlines for feedback and next steps to finalize a Coalition-endorsed proposal. A recap of key takeaways from the Coalition's Annual Meeting and updates on ongoing Congressional negotiations around FY26 appropriations and permitting reform were also discussed.

Key-Takeaways

- Coalition staff are preparing follow-up materials from the Annual Meeting and continuing roll-out of [Carbon Capture Impact](#), an allied 501c4 initiative of the Carbon Capture Coalition
- Congress remains gridlocked on appropriations and permitting reform, with growing uncertainty around FY26 funding timelines
- PHMSA has deprioritized CO₂ pipeline rulemaking, underscoring the need for Coalition engagement with the new Administrator and continued advocacy for surface transportation legislation
- EPA's proposed repeal of the Greenhouse Gas Reporting Program, and particularly Subpart RR has generated significant bipartisan and multi-industry pushback, with strong alignment across stakeholder groups
- The Coalition and partners see an urgent need for interim Treasury/IRS guidance to allow continued 45Q eligibility if the GHGRP is fully repealed
- A draft interim guidance proposal—consistent with themes covered in the Steptoe memo—has been circulated for member review

Next Steps

- Submit any high-level feedback on the draft interim model guidance by **Friday, December 5**
- Staff to reconvene the Joint Work Group on **Wednesday, December 10** to discuss and finalize potential Coalition endorsement of the draft interim model guidance
- Staff to coordinate with allied groups on delivering final model guidance to Treasury/IRS in December
- Coalition staff to send Annual Meeting follow-up materials and verify member company size for the new Impact dues model
- Engage with PHMSA leadership to outline the Coalition's CO₂ pipeline priorities and track reauthorization developments
- Monitor Congressional progress on appropriations, permitting reform, and NDAA before the holiday recess

Meeting Attachments

- [Draft Model Guidance - 45Q Subpart RR](#)
- [Steptoe Memo on GHGRP Subpart RR Repeal](#)
- [Meeting Slide Deck](#)
- Pipeline Safety Act (S.2953) Memo

Meeting Notes

- **Housekeeping**
 - 2025 Annual Meeting Follow-up
 - It was a productive meeting thanks to the attendance of many of you
 - Thank you to our attendees and sponsors!
 - Attendees & Coalition members will receive final follow-up materials in the coming days
 - Already beginning to plan next year's event; Staff will share a save-the-date with Coalition members early next year
 - Class VI Work Group
 - Next meeting: 3-4pm ET Tuesday, December 2
 - Convened our first work group call just before the Annual Meeting and laid out the current framework of the Class VI program and potential Coalition's near and long-term objectives for strengthening and streamlining procedures
 - Carbon Capture Impact Launch
 - Coalition staff hosted a member town hall where we discussed the function of this new initiative along with changes to our dues structure; a summary of that meeting and materials was circulated last week
 - Coalition staff will be reaching out to our companies & trade associations to verify company size for dues for 2026
- **Political/Congressional Updates**
 - Continuing Resolution
 - Expiration: January 30
 - Minibus: Agriculture, Legislative Branch, MilCon/VA
 - FY26 Appropriations
 - Senate Energy & Water Appropriations Bill
 - Seems Senate is getting closer to releasing their version of the bill which is likely to have topline much lower than the House bill, at Subcommittee Chair John Kennedy's (R-LA) insistence
 - Sequence of events still uncertain including if there will be a markup of the Senate's version of the bill
 - Members are broadly trying to figure out what might be next in terms of regular order appropriations
 - The Senate started the week off with nominations and has started to proceed on Defense Appropriations
 - Have not yet been able to achieve consent; conflict around language in CJS bill regarding FBI headquarters and fundamental question of approach to appropriations for Democrats

- Moderates in the caucus likely want to pass bills as quickly as possible to relieve pressure around things like nutrition packages and air traffic control
 - Open question about what both sides will do on healthcare in terms of extending Affordable Care Act subsidies
 - House has its own perspective on how it wants to move FY26 appropriations
 - Permitting Discussions
 - House Natural Resources Committee (SPEED Act)
 - The SPEED Act, led by Reps. Bruce Westerman (R-AR) and Jared Golden (D-ME) is the driver of permitting reform discussions in the House
 - The bill aims to make significant reforms to the National Environmental Policy Act (NEPA)
 - Markup Thursday, Chairman Westerman conducting outreach to Democrats to see what they need to make this a more bipartisan product coming out of committee; Democrats are prioritizing reversing project cancellations and protecting future projects
 - Unlikely to see a deal reached before tomorrow
 - Senate Environment and Public Works Committee; Senate Energy and Natural Resources Committee progress
 - Not much new intel since we all last gathered
 - EPW Chair Shelley Moore Capito (R-WV) and Ranking Member Sheldon Whitehouse (D-RI) discussed pulling together a document of priorities, but trust between Senate Democrats and Republicans is fractured; progress between the two leaders has slowed
 - Tension between ENR Chairman Mike Lee (R-UT) and Ranking Member Martin Heinrich (D-NM) remains which has made progress on any type of bipartisan effort slow and challenging
 - Republicans are unlikely to pursue a broad-scope bill with advanced appropriations like IIJA, as it has been so challenging to gain Democratic support
 - Also, chatter last week that the Administration is pursuing eliminating transit funding in the highway trust fund, which is further harming trust between the sides
 - Could be a path forward next year, but unlikely to materialize this year
 - Advanced Notice of Proposed Rulemaking
 - DOE transmitted ANPRM to FERC, encouraging them to put something out on large load and intergeneration connection; Senators Heinrich and Lee sent a letter in support of this effort at FERC
 - Reconciliation: Round Two?
 - There have been whispers of a second reconciliation vehicle emerging in 2026 focused on healthcare
 - Timing is uncertain; unclear if there would be significant Republican support in both chambers to proceed
- **PHMSA Updates**
 - Surface Transportation legislation
 - Senate Commerce committee released their PHMSA reauthorization this year, the Pipeline Safety Act of 2025 (S.2975)

- House T&I released the PIPES Act of 2025 (H.R.5301); still unclear what House Energy & Commerce plans for a larger surface transportation package
 - Both chambers have indicated a surface transportation package will be a priority later next year
 - Agency updates on forthcoming rulemaking
 - Carbon Dioxide Pipeline rulemaking not a priority for agency; the recent CO₂ pipeline safety ANPRM was removed from the unified regulatory agenda and placed on the long-term action list, so no action is expected for the next 12 months
 - Main takeaway is that PHMSA is prioritizing other things, like pipeline repair criteria, which has remained an agency priority
 - Looking to schedule a Coalition meeting with the new PHMSA Administrator to share our priorities and introduce the Coalition
 - Intend to share the benefits of:
 - New safety rulemaking for CO₂ pipelines
 - Need to address state moratoriums by issuing federal guidance
 - Promoting PHMSA reauthorization
 - Given what we're hearing about PHMSA deprioritizing CO₂ pipeline rulemaking, we are looking to set up meetings there and will keep the group apprised on how this moves forward
 - Q: Does this mean rules are delayed a year, or indefinitely?
 - A: Signals to us that Coalition and other groups need to press the Administration and emphasize that this is a priority. This is also why it's essential to see a surface transportation bill move through Congress, since it would mandate PHMSA to update its regulations within two years of enactment
- **EPA GHGRP Repeal Updates**
 - Coalition submitted our [final comment letter](#) to EPA on the proposed repeal of the GHGRP
 - Submitted November 3
 - Thank you to everyone from this group who helped frame the message
 - Letter focused on asking EPA to preserve subpart RR and other relevant subparts for the purpose of claiming the 45Q tax credit; alternatively, the letter also discussed making RR voluntary, or delaying repeal until an alternative mechanism is adopted
 - Encouraging to see we were aligned in our comments and framing with several stakeholders who submitted comments
 - State-of-Play
 - Significant, broad, industry pushback
 - Congressional letter from Sens. Kevin Cramer (R-ND)/Sheldon Whitehouse (D-RI) letter
 - Called for Administration to withdraw proposal to repeal GHGRP, quoted Coalition in letter
 - IA/NE Attorney General letter
 - Letter focused on the pitfalls of repealing the GHGRP for the biofuels industry; renewable fuels producers rely on 45Q and 45Z, which are both significantly impacted by a full repeal

- Drafted by Coalition member's tax counsel; mirrors much of the same overarching themes of the Steptoe memo; shared amongst the broader stakeholder community
 - Draft letter to Treasury explaining context of 45Q rule as it relates to subpart RR, need for MRV in claiming credit, and proposed model guidance so that taxpayers can claim credit in near-term
 - The recommended solution: Treasury adopt interim model guidance which specifies that taxpayers can continue to use the Subpart RR methodology as it currently exists, but now certified by a qualified geologist or engineer rather than the EPA
 - Also tidies up the language since Subpart RR refers to other parts of GHGRP, which may not exist in the near future
 - Notice would be adequate indefinitely, and would be superseded by any updated Treasury regulations
 - Best option since it is a straightforward fix which uses existing methodologies and certification requirements; would allow companies to continue using their existing approved MRV plans, and provides for future statutory or regulatory changes with an easy transition to a reinstated Subpart RR
 - For Treasury and IRS to get guidance out quickly, it needs to be familiar to them
 - This is a lot easier since it cross-references existing regulations
- Q: In terms of the general timeline, once there is an officially approved ISO standard, how long could that take the Treasury to adopt that?
 - A: Current 45Q regulations permit ISO standards under EOR storage; writing a new ISO standard would be a lengthy process, which is not a priority for Treasury at this time; still waiting on IRA and now OBBBA regulations
 - Need to point out to Treasury and IRS that there is an immediate problem that needs immediate guidance
- Question from Coalition member about actions to maintain the same level of public transparency afforded by the GHGRP since information submitted to Treasury is confidential taxpayer data
 - We are thinking through a legislative play on this to add transparency to the process and hope to discuss further at our next meeting
- **Next Steps**
 - Friday, December 5
 - Please review the draft model guidance and provide feedback no later than Friday, December 5
 - Please keep feedback high-level rather than a redline on the letter itself
 - Wednesday, December 10
 - Reconvene joint work group to discuss/finalize CCC endorsement of the draft model guidance
 - December TBD
 - Share final interim model guidance with Treasury/IRS in coordination with other allied stakeholder groups