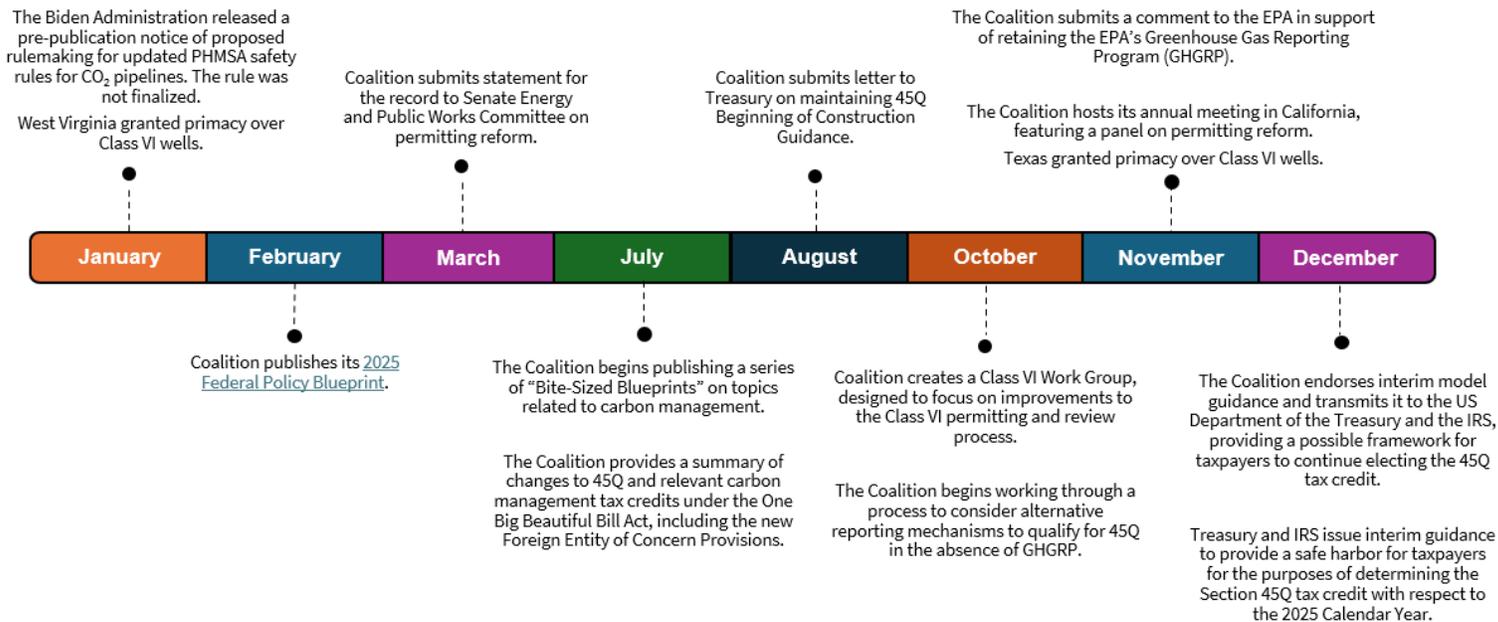




2025 Year in Review CCC Regulatory and Guidance Work Group



Overview of Regulatory and Guidance Developments in 2025

2025 saw several regulatory matters come to the forefront of discussion due to the new administration's deregulatory agenda. These included action on some of the administration's top priorities, such as rescinding the Environmental Protection Agency's (EPA) [endangerment finding](#) and rolling back regulations aimed at reducing [greenhouse gas emissions from power plants](#). While the Carbon Capture Coalition (the Coalition) does not have a position on the administration's broader deregulatory efforts, regulations underpinning the build-out of the carbon management sector, primarily the [EPA's Greenhouse Gas Reporting Program](#) (GHGRP), have also been swept up in this larger deregulatory agenda.

As a result, much of the Regulatory & Guidance Work Group's energy this year has been devoted to defending the GHGRP and developing both near- and long-term solutions. These include endorsing and submitting interim model guidance to the Treasury, as well as working with the Coalition's Legislative Work Group to identify potential legislative proposals. This ensures that taxpayers can continue to rely on the carbon management subparts of the GHGRP, which are integrally tied to the Section 45Q tax credit. Additionally, this fall, the Coalition established a work group to focus on improvements to the permitting and review process for Class VI wells and state primacy.

Top Regulatory & Guidance Priorities and Coalition Actions in 2025

- **[2025 Federal Policy Blueprint](#):** Released at the beginning of each Congress, the Coalition's foundational consensus-based policy document contained several regulatory and guidance-related priorities for Congress. Regulatory priorities in the Blueprint included:
 - Reducing regulatory barriers for reused carbon
 - Ensuring the direct pay mechanism has the intended impact
 - Implementing the most recent changes to the 45Q tax credit
 - Enacting further commonsense safety measures for CO₂ pipeline operators

- Ensuring the Class VI program provides regulatory certainty to project developers
- Clarifying regulations for geologic storage of CO₂ on federal lands and the Outer Continental Shelf (OCS)
- **PHMSA Safety Regulations for CO₂ pipelines:** Before the end of the Biden administration, the Pipeline Hazardous Materials Safety Administration (PHMSA) released a pre-publication of its updated safety regulations for CO₂ pipelines. However, the proposed rulemaking did not appear in the Federal Register before the end of the Biden administration, which ultimately left the rulemaking stranded as the Trump administration took over. As a result, state governments have begun to take it upon themselves to address the need for updated safety regulations at the state and local levels in the absence of an updated federal safety regime. Earlier this summer, PHMSA released two advanced notices of proposed rulemaking (ANPRMs) seeking stakeholder input on topics related to the safety and repair regulations for pipeline systems (one on [repair criteria](#) and one on [general updates](#) to safety regulations). Despite this progress, the administration recently placed updating CO₂ pipeline regulations on its long-term regulatory agenda, indicating that it is a low priority for the administration.
 - **Next steps:** In early 2026, Coalition staff will transmit a letter to the PHMSA administrator, requesting the agency prioritize updating the CO₂ pipeline safety regulations rulemaking and to effectively address the emerging patchwork of state regulations, thereby increasing investor and public confidence in the safety and reliability of carbon management infrastructure.
- **Strengthening Permit Review Timelines & Regulations under EPA’s UIC Class VI Program:** In 2024 and 2025, the Coalition submitted appropriations language that supported the Agency reviewing and providing a final decision on individual Class VI injection well applications within 18 months of having been deemed ‘administratively complete’ by the Underground Injection Control Program. Building off this work, in 2025, the Coalition has:
 - Met with political appointees at the EPA Office of Water to express our support for the Class VI program and the timely review of Class VI individual well and state primacy applications. EPA appointees made clear that the agency is prioritizing the review of complete well applications and is working to provide further guidance to regions on harmonizing permit reviews.
 - Stood up a Class VI work group that is actively looking into ways to improve the Class VI permitting process through both a regulatory and legislative lens; it is anticipated that the work group will have a work product to share with the full Coalition by Q3 of 2026.
- **EPA’s potential rescission of the GHGRP:** the Coalition, alongside thousands of other stakeholders, submitted consensus-based [comments](#) to EPA and participated in a public hearing on the EPA’s proposed repeal of the Greenhouse Gas Reporting Program (GHGRP). Our comments focused on maintaining those subparts of the GHGRP that are essential to substantiating amounts of CO₂ securely stored in appropriate geologic formations for the purpose of electing the federal Section 45Q tax credit.
- **Working with stakeholders to identify alternative reporting mechanisms to substantiate secure geologic storage:** the Coalition’s Regulatory & Guidance Work Group worked to consider and identify alternative reporting mechanisms to Subpart RR. In Q4, Coalition members worked to endorse interim [model guidance](#) that would allow taxpayers to certify amounts of sequestered CO₂ using annual reports verified by qualified third parties, providing continuity to the program should GHGRP be repealed in full.
 - On December 19, Treasury and IRS issued [interim guidance](#) to provide a safe harbor for taxpayers for the purposes of determining the Section 45Q tax credit with respect to the 2025 Calendar Year for qualified carbon oxide disposed of in secure geological storage.
- **Resources:**
 - [Summary of changes to 45Q under the OBBBA](#)
 - [Coalition statement on EPA granting West Virginia Primacy over Class VI Wells](#)
 - [Coalition statement on EPA granting Texas Primacy over Class VI Wells](#)
 - [“Bite-Sized” Blueprints](#) on evergreen topics in carbon management.