



# CARBON CAPTURE COALITION

Legislative and Regulatory & Guidance Joint-Work Group

December 10, 2025

## Meeting Summary & Notes

### Meeting Summary

The Legislative and Regulatory & Guidance work groups met jointly on December 10 to review major developments across Congress, the administration, and key Coalition initiatives heading into 2026. Staff provided updates on the transition to Carbon Capture Impact for all legislative work beginning in January, staffing changes, and ongoing progress of the Class VI Work Group. The meeting also included a comprehensive presentation of the 2026 legislative landscape, highlighting continued executive action by the Trump Administration, congressional priorities, upcoming fiscal deadlines, and anticipated impacts of the midterm election. Staff also shared updates on the EPA's proposed repeal of the Greenhouse Gas Reporting Program (GHGRP), FY2026 appropriations, and several active advocacy efforts, as well as updates on the Coalition's engagement with PHMSA and SBTi's Corporate Net-Zero Standard consultation.

### Key-Takeaways

- **Beginning January 2026, all legislative work and communications will shift to Carbon Capture Impact, with members asked to complete the CCI survey by year-end.**
  - **To ensure your continued participation in the Legislative Work Group, please reach out to Coalition staff if you have not already completed the survey.**
- Staff transitions were announced, with Leo Duke's departure on December 12. Please reach out to Coalition staff with any inquiries you'd normally send to Leo.
- The Class VI Work Group continues to meet, with the next discussion planned for mid-January.
- The Trump Administration remains focused on executive action, deregulation, trade, AI leadership, and energy dominance heading into 2026.
- Congress faces major fiscal deadlines, slow legislative productivity, and heightened partisanship in the lead-up to the midterms.
- Coalition endorsed interim draft model guidance for Treasury to consider adopting in the absence of the GHGRP, and advanced bipartisan engagement across key committees on the impacts of repealing GHGRP.
- FY2026 Senate E&W bill includes improved proposed DOE carbon management funding levels relative to the House bill but still redirects a significant amount of CIFIA dollars to nuclear demonstrations.
- Coalition prepared comments on SBTi's Corporate Net-Zero Standard consultation, particularly surrounding concerns with the proposed 95% capture rate-based electricity threshold.

## Next Steps

- **Companies and trade association members: Complete the [CCI company-size survey](#) before year-end to ensure uninterrupted participation in 2026.**
- Members: Direct any requests previously sent to Leo Duke to the remaining Coalition staff after December 12.
- Staff: Submit interim GHGRP guidance to IRS/Treasury, CURC, and DOE/USGS.
- Staff: Continue committee-level engagement on GHGRP codification and repeal-related impacts.
- Staff: Share draft letter to PHMSA underscoring the need for updated safety regulations for CO<sub>2</sub> pipelines with Coalition members for review.
- Staff: Submit [comments](#) to SBTi by December 12 on the capture-rate-based electricity threshold.
- Staff & Members: Next Class VI Work Group meeting planned for the third week of January.

## Meeting Attachments

- [Meeting Slide Deck](#)
- Carbon Capture Coalition / CURC comment letter to Treasury
- Tax Notes Article

## Meeting Notes

- **Housekeeping**
  - Carbon Capture Impact
    - Beginning January 2026: all legislative work will be done through Carbon Capture Impact, including the legislative work group
      - Members of CCI will be able to engage in the work group
    - Communications regarding legislation and advocacy will come from CCI-branded emails, including any interactions with Madelyn
      - New emails will be shared with Coalition members in the next few weeks
    - Please complete the CCI survey to confirm your company size by end-of-year to ensure continuity in participation
      - This will enable staff to prepare the correct invoice for Impact membership and ensure that you can continue to participate in the legislative work group and advocacy activities
  - Staff changes
    - Leo Duke's last day is Friday, December 12
    - Please direct all inquiries that you would reach out to Leo to remaining Coalition staff
  - Class VI Work Group
    - Work Group met for the second time last week; discussed some potential near and long-term opportunities to bolster the Class VI program
    - Next meeting: January 21 at 12pm ET
- **KDCR Presentation: 2026 Legislative Outlook**

- Please see linked slide deck for additional information
- **CCC GHGRP Updates**
  - Finalizing interim guidance to Treasury:
    - CCC has been working to finalize the joint comment letter with CURC that contains interim model guidance for Treasury to consider if GHGRP is indeed repealed
    - Coalition staff have worked through a couple of pieces of feedback from members; we received a lot of positive feedback and landed with largely the same letter that was sent for review; next steps will be to submit the letter to Treasury
    - Good news: In a Tax Notes article (linked above) on Wednesday, IRS and Treasury noted that they are actively working on interim guidance for taxpayers claiming 45Q to be able to continue to report if GHGRP is repealed
      - Interim guidance is intended to be released by end of year
    - They also noted that they are working on guidance on the new FEOC restrictions, which may also be released by year-end
  - Next steps on Coalition / CURC joint letter:
    - The letter will be submitted to Treasury with Jessie's signature as well as the signature of CURC's executive director to show unified consensus across both membership organizations
    - Additionally, the letter will be shared with colleagues at:
      - DOE
      - USGS
      - The Energy Dominance Council
  - Advocacy Update
    - Continued positive engagement with members of:
      - Senate Energy and Natural Resources
      - Senate Finance Committee
      - Senate Environment and Public Works
      - House Energy & Commerce
      - House Ways & Means
      - House Natural Resources
    - Republican offices acknowledge the effects a repeal could have across energy industries, and the wide breadth of industry supporters pushing back against a full repeal
    - A bit of a mixed bag in terms of what folks anticipate EPA to do with the final rule—
      - Some see the industry's strong pushback as potentially providing light at the end of the tunnel for EP to modify its proposal
      - Others feel EPA is moving forward with a full-scale repeal
        - General feedback from offices is that we are right to plan contingencies; our two-step approach in terms of an

interim fix for 45Q, as well as thinking through a more permanent solution is the right strategy

- Discussions on potential legislative fixes:
  - Thinking around a legislative fix has evolved since earlier this fall
  - Momentum seems to be building to codify GHGRP or parts of the program in statute
    - Coalition engaging in various conversations and thinking through potential proposals; discussions still in its' infancy
    - Hoping that by the first work group of the new year, we will have more concrete information for folks in the legislative work group to react to and help identify next steps
- **FY2026 Appropriations**
  - Long-awaited Senate E&W bill was finally posted ahead of the Thanksgiving holiday
    - Despite lower topline than the House counterpart, the Senate bill included much better funding tables for carbon management technologies at DOE
      - Totalling roughly \$150M **more** in spending, **and** higher spending levels than what DOE indicated they were spending on these programs under the 2025 full-year continuing resolution
      - Senate bill mirrors the House in that it also reprograms \$1.5B in CIFA funding toward nuclear demonstrations
      - Committee report also included language directing DOE to award remaining funds of programs authorized under IIJA; additional report language that would create significant new requirements for DOE if it wants to cancel grants on the basis that they do not align with agency/administration priorities
        - Important distinction: this report language would **not** apply to awards or projects canceled over the course of 2025—only new grants
    - Congressional next steps:
      - Given that the bill did not receive bipartisan support, the committee will not mark up the bill; instead, they will move to pre-conference discussions with the House
      - We anticipate that this bill could be part of potential minibus negotiations when Congress returns from the holiday recess
- **Misc. Updates**
  - Letter to PHMSA:
    - Coalition staff drafting letter to PHMSA underscoring importance of updating pipeline safety regulations
    - Intend to send in early January; will share a draft for Coalition review shortly
  - SBTi – Carbon Capture Rates

- The Science-Based Target Initiative (SBTi)'s standards are a well-respected framework with companies around the world widely setting science-based targets based on SBTi's Corporate Net-Zero Standard (CNZS)
- SBTi is updating its' Corporate Net-Zero Standard Version 2.0. Comments are due Friday (12/10)
- The proposed update recognizes carbon capture technologies as a clean, firm source of power generation, which is a positive development; however, the proposed standard requires a 95% capture rate, which would effectively lock out carbon capture technologies from qualifying
  - Additionally, the Standard doesn't define whether the capture rate is applied at the EGU or at the facility level
- After discussion with the Work Group, Coalition staff prepared a response to the questions relevant to carbon capture, noting that 95% capture rates are arbitrary and do not reflect economic viability or operational realities, and would be a significant barrier to CCS deployment
- Coalition submitted a single response on the topic of carbon capture rates