



CARBON CAPTURE IMPACT

Carbon Capture Impact Legislative Work Group January 28, 2026 Meeting Notes

Meeting Summary

Carbon Capture Impact convened the Legislative Work Group to provide members with updates on the political and congressional landscape, including fiscal year 2027 appropriations, continued efforts on permitting reform, and the possibility of a new attempt at budget reconciliation. Developments regarding ongoing advocacy related to EPA's Greenhouse Gas Reporting Program (GHGRP) and Treasury's 45Q safe harbor guidance, and early planning for FY2027 appropriations were also discussed. The meeting concluded with a presentation from ClearPath on an updated legislative proposal to establish an optional federal siting pathway for interstate CO₂ pipelines, building on a proposal led by the Bipartisan Policy Center in the 118th Congress and subsequently endorsed by the Carbon Capture Coalition.

Important Resources

- [1.28.2026 Legislative Work Group Slide Deck](#)
- Legislative proposal: Optional Siting Authority for CO₂ Pipelines (Attached)
- [Survey: FY2027 Appropriations Priorities](#)
- [Carbon Capture Impact Statement for the Record: Senate EPW Hearing Examining the Federal Permitting Regime](#)
- [Hearing Summary: EPW Hearing to Examine the Federal Permitting Regime](#)
- [Hearing Summary: House E&C Hearing on FERC Oversight](#)

Key-Takeaways

- Congressional activity on permitting, appropriations, and GHGRP continues to move forward on parallel tracks.
- Treasury's prompt release of interim 45Q safe harbor guidance was a positive development, though targeted clarifications are needed to ensure it functions effectively across project types.
- FY2026 appropriations included a positive directive for NETL to carry out elements of the bipartisan PROVE IT Act.
- There is increasing interest in providing a clearer, more predictable framework for CO₂ pipeline siting, consistent with Coalition permitting principles adopted in 2023 and reflected in the 2025 Federal Policy Blueprint.

Next Steps & Action Items

- Impact staff will finalize and circulate a supplemental letter to Treasury, accompanied by a redline of the safe harbor notice, to members of the Coalition's Regulatory & Guidance Work Group and convene a Regulatory & Guidance Work Group call on February 4.
- Members will receive a survey to submit FY2027 appropriations priorities (linked above).
 - If you'd like to share appropriations priorities directly with Madelyn, please contact her at mmorrison@carboncaptureimpact.org.
- Review ClearPath's proposal (attached) on federal siting authority and give feedback to Impact staff to discuss endorsement.
- Impact will submit statements for the record on relevant congressional hearings and share finalized versions with members.
- Staff will continue engagement with congressional offices on GHGRP, including discussions related to potential statutory codification, and provide updates at the next Legislative Work Group meeting.

Notes

Political and Congressional Outlook

Key Topics Covered:

- FY2026 appropriations (January 30 deadline)
- Permitting reform landscape
- FY2027 appropriations outlook
- Potential budget resolution and reconciliation process
- Upcoming hearings in the Senate and House

Senate Environment & Public Works (EPW) Hearing – Permitting

The Senate Environment & Public Works Committee held a hearing focused on permitting reform on Wednesday (1/28). Minority staff indicated members would likely use the hearing to highlight perceived inconsistencies between the Administration's actions on clean energy projects and its stated commitment to accelerating infrastructure development, as well as identify areas of alignment between Members of the Committee.

Impact Action:

Impact staff will submit a statement for the record outlining the Coalition's permitting priorities, consistent with the 2025 Federal Policy Blueprint.

House Energy & Commerce Hearing

The House Energy Subcommittee will hold a hearing on Tuesday (2/3) regarding FERC's role in ensuring reliable and affordable natural gas.

Potential Impact Action:

Impact staff are evaluating the submission of a statement for the record emphasizing:

- The role of carbon capture and storage (CCS) in decarbonizing natural gas generation.
- CCS as a tool for ensuring reliability and emissions reductions simultaneously.

EPA GHGRP & Treasury 45Q Safe Harbor Updates

Treasury Safe Harbor (45Q)

While Impact welcomed Treasury's prompt issuance of safe harbor guidance in the event of full repeal of the Greenhouse Gas Reporting Program (GHGRP), several gaps were identified.

Supplemental Letter to Treasury (in development):

The draft letter—coordinated with CURC—thanks Treasury for swift action and proposes improvements in four areas:

1. Extend the safe harbor beyond 2025.
2. Clarify that EOR projects may use the safe harbor (rather than being forced to transition to ISO reporting).
3. Allow approval or revision of Subpart RR MRV plans in 2025 and beyond.
4. Clarify application of recapture provisions.

A redline of the notice will accompany the letter.

Next Steps:

- Regulatory & Guidance Work Group call scheduled for February 4 (2–3 PM ET).
- Draft letter and redline to be circulated to Regulatory & Guidance Work Group in advance for member input.

Updates on GHGRP and Advocacy (Writ-Large)

- EPA's endangerment finding is expected imminently.
- Following finalization, EPA is anticipated to move quickly on GHGRP rulemaking.

- Discussions continue regarding potential statutory codification of parts **or** all of GHGRP, potentially housed in another federal entity.
- Meetings with Senate Republicans are scheduled to clarify legislative interest and direction.
- Coalition staff will have more to share at the next work group meeting

Additionally, Rep. Carol Miller's office (R-WV) and Marc Veasey's office (D-TX) are reviewing a draft letter to EPA on the impact a repeal of the GHGRP will have on 45Q and the carbon management industry. This letter is meant to act as a House counterpart to Sen. Kevin Cramer (R-ND) and Sen. Sheldon Whitehouse's (D-RI) letter from fall of 2025. Impact staff will share more information on timing of the letter at our next meeting.

Appropriations

FY2026 Appropriations Update

A notable development in the FY2026 joint explanatory statement directs the Department of Energy's National Energy Technology Laboratory (NETL) to carry out elements of the bipartisan PROVE IT Act introduced by Sens. Kevin Cramer (R-ND) and Chris Coons (D-DE).

National Energy Technology Laboratory (NETL)

The directive instructs NETL to assess the emissions intensity of certain U.S.-produced goods relative to foreign competitors—an outcome that aligns with the Coalition's emphasis on demonstrating the carbon competitiveness of U.S. industry.

This inclusion represents a positive and somewhat unexpected development given prior Republican opposition to the underlying bill.

FY2027 Appropriations Process Update

Impact staff outlined the strategy for shaping FY2027 federal funding requests:

Process Timeline:

- 2–3 weeks of one-on-one conversations with interested members.
- Distribution of a membership survey to gather a “wish list” of priorities.
- Staff development of draft appropriations requests.
- Review and refinement during the second February Legislative Work Group meeting.
- Formal submission of requests beginning in March.

Objective:

Develop targeted, consensus-driven funding requests aligned with Coalition deployment priorities.

Action Item for Impact Members:

Please fill out the survey (linked above) with your organization's top carbon management priorities for the FY2027 appropriations cycle.

CO₂ Pipeline Legislative Proposal

Presentation: Kelsey Grant (ClearPath)

An updated legislative proposal was presented to the work group, which would establish an optional federal pathway for siting of interstate CO₂ pipelines. Importantly, this proposal represents a slightly modified version of a Coalition-endorsed proposal led by the Bipartisan Policy Center in 2024. Overall, this legislative text closely aligns with the Coalition's 2023 permitting principles which call for an optional federal pathway for siting CO₂ pipelines, as well as the Coalition's 2025 Federal Policy Blueprint, which cites this as a priority.

Overview of the Proposal:

- Provides developers of interstate pipelines that transport captured carbon dioxide the option to obtain a certificate from the Federal Energy Regulatory Commission (FERC) to site, construct, and operate such facilities.
- The FERC certificate would confer on a pipeline the same rights and benefits enjoyed by an interstate natural gas pipeline that obtains a certificate from FERC under the Natural Gas Act (NGA).

Rate Regulation:

- Pipelines that choose to obtain FERC siting authority would be subject to regulation of rates and services.
- **(Modification)** Certificated pipelines may only charge rates that they have posted publicly, unless granted an exemption by FERC. FERC can only order rate changes in response to complaint and after finding that a tariff provision or practice is unjust, unreasonable, or unduly discriminatory.

NGA Processes

- Incorporates NGA mechanisms for coordination, hearings, rehearings, and judicial review.

Impact Next Steps:

Given the proposal closely aligns with the Coalition's 2023 Permitting Principles **and** the 2025 Federal Policy Blueprint, Impact should consider endorsing the proposal.

Action Item for Impact Members:

- Review the legislative text (attached) and share questions or concerns with Impact staff **no later than February 20, 2026**.