

March 14, 2023

The Honorable Michael Regan
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Dear Administrator Regan,

We represent a diverse cross section of industries across five states. Our members are collectively pursuing billions of dollars in new investments in Carbon Capture and Sequestration (CCS), which will provide secure, good paying jobs and generate new revenue streams for communities across the country. CCS investments also represent a significant opportunity to expand U.S. leadership in climate technology, and are a critical part of realizing the goals of the Inflation Reduction Act (IRA).

However, our members are increasingly concerned about uncertain permitting timelines for Class VI injection wells and the lengthy process for states to secure primacy.

We join the growing, bipartisan chorus of stakeholders and policymakers who are calling attention to this lack of movement that is obstructing needed investments in CCS.

Louisiana Gov. John Bel Edwards recently [wrote](#) to you expressing frustration that “*a recurring question is if and when Louisiana will receive primacy,*” and indicating this lack of certainty in his state’s primacy application is stunting potential investments.

We agree. Certainty and predictability are key factors businesses and producers need to make definitive investments in CCS technology, and that starts with a reasonable timeline for primacy and permitting decisions.

Sens. Joe Manchin, Bill Cassidy and John Barrasso also recently [voiced concern](#) over the lack of progress in permitting dozens of Class VI wells and the implications this could have on our nation’s environmental goals, with Sen. Manchin questioning: “*What’s that going to do to meet the timetables that we have?*”

States have demonstrated for decades the importance of primacy over all classes of injection wells – not only for faster permitting, but for ensuring that these operations adhere to the unique environmental standards within our individual borders. Many states have regulations that far exceed the standards EPA has set.

Granting states primacy to approve Class VI injection wells would expedite and streamline the permitting process, so that the United States does not fall behind on this technology that is critical to major emissions reductions across multiple sectors.

To date, only two states have been granted primacy over Class VI injection wells, North Dakota and Wyoming. No approvals have been granted since the prior administration, despite strong bipartisan support for CCS, including from the White House and Biden administration. Secretary of Energy Jennifer Granholm has [referred](#) to this support as an avenue for opportunity: “*President Biden’s Bipartisan*

Infrastructure Law provides the transformative investments needed to scale up the commercial use of technologies that can remove or capture CO₂, which will bring jobs to our regions across the country and deliver a healthier environment for all Americans.”

A [letter](#) from the EPA further emphasizes this support: “*The Biden-Harris Administration is committed to supporting states’ efforts to obtain Class VI primacy.*”

But the administration’s actions are not matching its words. Currently, four states have pending primacy applications with at least eight more expressing interest in applying. More than 30 proposed Class VI permits remain under review by EPA, some of which have been in the queue for years. Zero permits have been granted since the passage of the IRA – widely heralded as the most ambitious climate legislation in U.S. history – or the 2021 Infrastructure Act, which established \$50 million to assist states in the primacy process.

Without immediate improvement, the current Class VI permitting timeline will continue to serve as a barrier to meeting emission reduction goals – including the ones the Biden Administration has set – while discouraging much-needed infrastructure investments across the country.

The good news is we have a solution in state primacy: there is clear precedence that states understand their respective geographies, industries, and interests allowing for an expedited permitting progress without sacrificing important environmental standards. Multiple [environmental groups](#) have voiced support for state primacy as a key part of expanding CCS and achieving deep emissions reductions.

For example, the Energy Futures Initiative – whose president and CEO is former DOE Secretary Ernest Moniz – recently released a [report](#) outlining recommendations to enable further commercialization of CCS. The report concluded that EPA “should delegate permitting authority to states.” EFI added that “improved market, permitting, and regulatory policies” – including primacy – “are needed to attract billions of dollars of private sector financial capital and widen the application of CCS to key industries.”

We appreciate the Biden-Harris Administration’s public declarations and funding commitments to support the growing CCS industry. Now, it is time to put those words into action, beginning with the expeditious approval of state primacy applications for Class VI injection wells.

Thank you for your consideration of this matter.

Sincerely,

Luke Bernstein, President & CEO
Pennsylvania Chamber of Business and Industry



Mark Denzler, President & CEO
Illinois Manufacturers’ Association



Rob Black, President & CEO
New Mexico Chamber of Commerce



Mark A. Biel, Chief Executive Officer
Chemical Industry Council of Illinois



Steven Kratz, President
Pennsylvania Chemical Industry Council



Rebecca McPhail, President
West Virginia Manufacturers Association



Carlton Schwab, President & CEO
Texas Economic Development Council



Bob Harvey, President & CEO
Greater Houston Partnership

