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TESTIMONY OF JASON ALBRITTON DIRECTOR OF US CLIMATE AND ENERGY POLICY

BEFORE THE

HOUSE ENERGY AND COMMERCE COMMITTEE SUBCOMMITTEE ON ENVIRONMENT AND CLIMATE CHANGE

FEBRUARY 6, 2020

Good morning Chairman Tonko, Ranking Member Shimkus, and members of the committee. Thank you for the opportunity to speak to you today. My name is Jason Albritton, and I am the Director of US Climate and Energy Policy at The Nature Conservancy.

The Nature Conservancy is a global conservation organization that relies on a collaborative, science-based approach. We have chapters in all 50 states and work on the ground in many of your districts. The Nature Conservancy's work also extends around the globe, into 79 countries and territories. Across this nation and around the world, we are seeing the dire impacts of climate change – more devastating storms, sea level rise, more deadly wildfires, and impacts on agriculture and in urban areas. The Nature Conservancy acknowledges that climate change is a significant threat to our communities, our economy, and to nature itself, which is why we believe we must address climate change right now, with diligence and urgency.

According to the latest science, if we are to protect our planet from the worst impacts of climate change, we must prevent the average global temperature from rising more than 2 degrees Celsius, and preferably no more than 1.5 degrees Celsius. Our best chance to limit global temperature rise is to ensure that by 2050, we have reached "net zero" carbon emissions both in the United States and around the world. This will require significant decarbonization of our global economy in a mere 30 years.

No one country, no one organization, no one group, no one solution will be sufficient to meet the challenge. It will require bringing a diverse set of solutions together that will work comprehensively across economic sectors. The Nature Conservancy believes that carbon capture, utilization and storage is a valuable part of that climate solution set. We support efforts to ensure carbon capture is available as an effective tool for reducing greenhouse gas emissions while maintaining environmental safeguards.

Analysis by the International Energy Agency (IEA) and Intergovernmental Panel on Climate Change (IPCC) demonstrates the important role that carbon capture technology can play in meeting climate goals. The IPCC's recent 1.5 degree report¹ shows significant carbon capture deployment across multiple mitigation pathways. In the IEA's analysis of scenarios for limiting warming to 2 degrees

¹ Mitigation Pathways Compatible with 1.5°C in the Context of Sustainable Development, IPCC 2019 https://www.ipcc.ch/site/assets/uploads/sites/2/2019/02/SR15 Chapter Low Res.pdf

Celsius,² carbon capture may contribute 14 percent of cumulative emissions reductions by 2060. Further, nearly one-fifth of the industrial sector reductions needed to meet targets under the Paris Agreement could come from carbon capture, utilization and storage.³ Industrial processes, such as the production of cement and steel, are central to modern life but often lack alternatives for carbon mitigation. These difficult to decarbonize sectors form the third largest contributor to U.S. greenhouse gas emissions. Add in industrial electricity use, and together they become the largest contributor. It is imperative that we find viable pathways to reduce carbon emissions from difficult to decarbonize sectors, and we believe technologies like carbon capture will be essential.

Achieving investment levels sufficient to drive broad commercial deployment of carbon capture and storage technologies will not happen without policy incentives. In 2018, Congress took an important step when it passed a reform of the 45Q tax credit for carbon capture and utilization projects, but additional support is needed. For example, federal funding for research, development, demonstration and deployment (RDD&D) of the next generation of carbon capture, utilization, and storage technologies must be expanded and retooled.

One particular area for increased RDD&D investment is the collection of approaches known as negative emission technologies (NETs), which capture carbon from the atmosphere and sequester it. Last year, the National Academy of Sciences released a report⁴ highlighting the importance of NETs in meeting climate goals and outlined a research agenda to advance an array of negative emission technologies. The Nature Conservancy has long advocated for one of the most well-known and cost-effective negative emission technologies: nature. Our own research shows that natural climate solutions can play a meaningful role in reducing emissions. Other technologies, such as direct air capture, can assist our planet's natural capacity for carbon storage, further reducing emissions to help achieve a net zero economy. The NAS report recommends an annual investment of \$60 to \$180 million dollars over 10 years to advance deployment of direct air capture.

Congress can also provide support for the development of adequate carbon dioxide transport infrastructure, which is a central element of any integrated effort to achieve broad commercial deployment of carbon capture technologies. Once carbon is captured from the atmosphere or from an emissions source, such as an industrial facility, pipeline infrastructure will be necessary to transport the carbon to sites for permanent geologic sequestration or utilization. This component is often overlooked but without it, we cannot obtain broad commercial use of these technologies.

The USE IT Act (S. 383/H.R. 1166) is an important first step in addressing these policy needs. The bill was reintroduced by Senators Barrasso (R-WY) and Whitehouse (D-RI) in the Senate and Rep. Peters (D-CA) and McKinley (R-WV) in the House early this Congress and enjoys broad bipartisan support. The Nature Conservancy supports the USE IT Act as part of a larger group of policies that will help increase deployment of carbon capture, utilization and storage.

² Energy Technology Perspectives 2017, International Energy Agency, 2017 https://www.iea.org/reports/energy-technology-perspectives-2017

³ Transforming Industry through CCUS, International Energy Agency, 2019 https://www.iea.org/reports/transforming-industry-through-ccus

⁴ Negative Emissions Technologies and Reliable Sequestration: A Research Agenda, National Academy of Sciences, 2019 http://nas-sites.org/americasclimatechoices/other-reports-on-climate-change/new-report-negative-emissions-technologies-and-reliable-sequestration-a-research-agenda/

The USE IT Act helps facilitate the development of emerging direct air capture and carbon utilization technologies by creating a prize program and directing the Environmental Protection Agency to launch a new research and development effort. Such prize programs have a track record of producing valuable innovation, like the Department of Energy's L Prize, which famously led to the development of the LED light bulb in 2011. In addition, the bill would help advance the creation of carbon capture infrastructure by clarifying the inclusion of carbon dioxide pipelines in the FAST Act permitting process and creating task forces that enhance state, regional and federal agency coordination. All of these provisions, taken together, will help make carbon capture technology a reality in a timely fashion.

The fact is, time is of the essence when it comes to climate change. We must act now to secure a future for our planet and the generations that will come after us, and we must do so using all the solutions at our disposal, including carbon capture, utilization and storage. We appreciate the bipartisan leadership on this issue in the House and Senate and hope this committee will act quickly to move the legislation forward so that it can be signed into law this Congress. Thank you for your consideration of our views.