



Portman, Bennet Lead Push For Carbon Capture Bonds

WASHINGTON, April 5, 2017 -- ClearPath Action applauds Sens. Rob Portman (R-OH) and Michael Bennet (D-CO) on leading an effort to facilitate the financing of carbon capture projects through the use of private activity bonds.

Their bipartisan Carbon Capture Improvement Act provides carbon capture projects access to tax-advantaged bonds issued by municipal and state governments to attract investment in local infrastructure projects. They have been proven for nearly 50 years as an effective way of attracting private sector funds, including helping to finance airports, docks, electricity grid infrastructure and other projects.

These bonds are a crucial part of a multi-pronged financing effort for carbon capture projects that also includes extending and expanding investments through the Section 45Q tax credit.

While private activity bonds provide low-cost financing for carbon capture development, the 45Q credit can then further complement that by driving equity investment in the projects.

Together, these incentives have the potential to dramatically boost commercial carbon capture deployment in the U.S., which can lead to significant increases in enhanced oil recovery and other economic benefits.

The Petra Nova carbon capture project, located outside of Houston, is emblematic of the burgeoning potential. It created more than 500 jobs and attracted \$1 billion in investment. By capturing emissions and injecting them into a nearby oil field, it is expected to increase production from just 300 barrels of oil per day to upwards of 15,000 barrels daily.

According to the National Enhanced Oil Recovery Institute, more than 300,000 barrels per day (or about 5 percent) of domestic oil production is harvested using carbon

dioxide enhanced oil recovery techniques. With advanced carbon capture technologies, the total lifetime potential rises to more than 100 billion barrels.

The Carbon Capture Improvement Act's diverse benefits has earned support from a broad coalition of U.S. energy companies, labor unions and environmental organizations.

ClearPath Action is a 501(c)(4) working to create and influence conservative clean energy solutions. Find out more at clearpath.org and clearpathaction.org. Also follow us on Twitter: @JayFaison1 and @ClearPathAction.