

Congress of the United States
House of Representatives
Washington, DC 20515

July 31st, 2024

The Honorable Sean W. O'Donnell
Inspector General
Environmental Protection Agency
Office of Inspector General
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Dear Mr. O'Donnell,

We write regarding the Office of the Inspector General's ongoing efforts to conduct oversight of the Environmental Protection Agency's (EPA) Underground Injection Control Class VI Well program. We understand your office is undergoing important reviews of the agency's effectiveness in managing Class VI permits, including compliance with environmental laws and regulations. As the federal government, states, and stakeholders seek to advance carbon capture and sequestration projects, we request your office consider challenges posed by delays in the EPA's approval of Class VI permits, as well as the impact it has on complementary efforts of federal and state officials and private industry to advance carbon capture technologies.

Carbon capture is a promising technology that continues to develop through pilot projects, public private partnerships, and ongoing research at our national labs. This technology could be employed in a range of industries to reduce emissions, such as steel, power generation, oil and gas production, cement and concrete, and biofuels to name a few.

To secure American leadership in carbon capture, the federal government needs to be an active partner with private industry. As federal and state partners advance a host of regulations, incentives, and frameworks to advance carbon capture, we continue to hear of concerning delays and lack of clarity in EPA's approvals of Class VI well permits. While we are encouraged by recent approvals for state-level primacy over the Class VI program, these approvals came after years of work between the states and the EPA. Further, too many projects continue to face significant delays, some of which span over two years.

Currently, over one hundred and thirty Class VI permits await approval by the agency, and this number is growing. EPA's permit tracker can be a helpful tool to provide transparency into the Class VI program, but also highlights where the process seems to be breaking down. The initial Completeness Review Phase is intended to take thirty days, yet companies wait upwards of six

months without knowing whether their application needs corrections. These delays inhibit the development of carbon capture, increase costs and project risk, and deter future investment needed for the deployment of the technology.

Permanent sequestration is one piece of the carbon capture supply chain involving a host of different companies and state and federal officials. Ultimate siting, construction, and execution of these capital-intensive projects and connective distribution infrastructure require a high degree of cooperation, regulatory compliance, and contractual agreements. For private stakeholders seeking to invest significant capital in carbon capture technologies, delays and lack of clarity into key aspects of the supply chain undermines regulatory certainty and raises the degree of financial risk involved.

To meet capital intensive requirements of necessary infrastructure, Congress established and enhanced 45Q tax credits and various funding programs to reduce financial barriers for carbon capture projects. The EPA's delay in reviewing and approving Class VI permits will hinder eligible project's ability to fully utilize available incentives and financial assistance programs. As carbon capture continues developing, projects seeking permanent sequestration through the Class VI well program will require access to a network of pipelines that can efficiently and safely distribute captured emissions to sequestration sites. Most facilities capturing carbon are not located near geologic formations suitable for underground storage and, as you are aware, much of this pipeline infrastructure does not currently exist.

The ongoing delays in Class VI well permits undermine the viability of carbon capture projects and inject uncertainty for private industry partners. We strongly urge your office to consider these challenges as you develop a final review of EPA's effectiveness in managing Class VI well permits.

Thank you for your attention to this important matter. We stand ready to answer any additional questions.

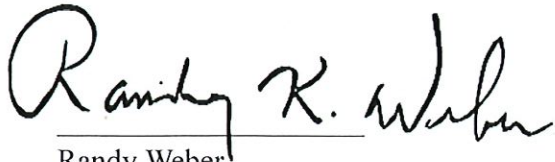
Sincerely,



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Member of Congress



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Member of Congress



Randy Weber
Member of Congress



Larry Bucshon, M.D.
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Richard Hudson
Member of Congress



Stephanie Bice
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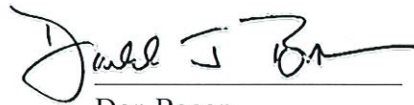
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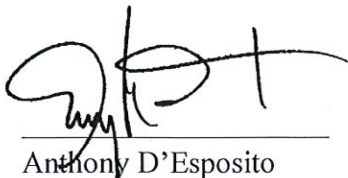
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