

Support for CCS in the Final Economic Stimulus Package

I. CLEAN COAL & CCS DIRECT FUNDING

The final bill provides \$3.4 billion to support various fossil energy-related programs, including:

- \$1 billion for fossil energy R&D programs;
- \$800 million for additional amounts for the Clean Coal Power Initiative Round III Funding Opportunity Announcement;
- \$1.52 billion for a competitive solicitation for a range of industrial carbon capture and energy efficiency improvement projects, including a small allocation for innovative concepts for beneficial CO₂ reuse;
- \$50 million for a competitive solicitation for site characterization activities in geologic formations;
- \$20 million for geologic sequestration training and research grants; and
- \$10 million for program direction funding.

II. CCS TAX MEASURES

- **Carbon Capture and Sequestration Credit:** Changes the monitoring and verification of the current law CO₂ capture and sequestration credit (§ 45Q). Requires the same monitoring and verification for the \$10/ton EOR credit as is required of the \$20/ton permanent storage credit.
- **Advanced Energy Investment Credit:** Establishes a new 30% investment tax credit under section 46 of the tax code for facilities engaged in the manufacture of advanced energy property. Advanced energy property includes, among other things, property designed to manufacture equipment related to CCS. This credit is unavailable to taxpayers who receive the Energy R&D credit described above.