

Repeal Wasteful and Dangerous Carbon Capture Subsidies

February 10, 2025

The Honorable Mike Crapo
Senate Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510-6200

The Honorable Jason Smith
House Committee on Ways and Means
1139 Longworth HOB
Washington D.C. 20515

The Honorable Ron Wyden
Senate Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510-6200

The Honorable Richard Neal
House Committee on Ways and Means
1139 Longworth HOB
Washington D.C. 20515

Dear Chairs Crapo and Smith and Ranking Members Wyden and Neal:

As a broad based alliance representing organizations and communities across the United States, we urge you to repeal the 45Q tax credit and other subsidies for the carbon capture and sequestration (CCS) industry in the upcoming reconciliation package. These subsidies waste billions in taxpayer money, endanger public safety, and prop up a fundamentally flawed and unreliable technology. By eliminating these programs, Congress can protect communities, ensure fiscal accountability, and demonstrate responsible stewardship of public resources.

The Financial Costs of CCS: A Wasteful Investment for Taxpayers

CCS has proven to be an inefficient and costly endeavor. Despite years of taxpayer support, the industry has [consistently failed](#) to meet performance benchmarks or achieve meaningful emissions reductions. Projects like [Petra Nova](#) in Texas, heralded as CCS success stories, have struggled with operational issues and were ultimately shut down, wasting hundreds of millions of taxpayer dollars. Meanwhile, [other projects](#) continue to overpromise and underdeliver, all while demanding more federal support.

A recent investigation by the Treasury Inspector General for Tax Administration highlights the fiscal irresponsibility of continuing to subsidize CCS. The [report](#) found widespread abuse and fraud in the 45Q tax credit program, with nearly \$1 billion claimed for unverified or non-existent carbon sequestration. Despite these findings and rapidly growing federal subsidies to CCS, the IRS has yet to revise its rules to prevent future abuse, leaving taxpayers vulnerable to ongoing exploitation. For a Congress committed to fiscal responsibility, continuing to fund an industry rife with fraud is indefensible.

Safety Risks: A Danger to Communities

Beyond financial waste, CCS poses significant safety risks to American communities. There are few examples of operational CCS injection projects in the US. Multiple wells have failed such as at the [ADM's Decatur carbon storage site](#) in Illinois, projects [throughout Texas](#). Additionally, CO2 transportation projects have also faced safety concerns. The 2020 [CO2 pipeline rupture](#) in Mississippi sent dozens to the hospital and left many with permanent disabilities underscores the dangers of transporting and storing carbon dioxide. These accidents led to evacuations,

hospitalizations, and severe disruptions, exposing the inadequacies of safety regulations and oversight which still exist today.

Transporting [CO2 in pipelines and injecting it underground is inherently risky](#) because CO2 reacts with trace amounts of moisture to form carbonic acid that can corrode pipelines and well equipment and release heavy metals from rocks in aquifers, putting communities and drinking water near this infrastructure at risk of serious harm. The 45Q subsidy incentivizes a rapid buildout of these unsound pipelines and injection wells, already sparking a tremendous [backlash](#) against the industry.

Communities near CCS infrastructure face ongoing threats to their health and safety, with limited recourse to hold companies accountable. The technology itself involves risks that cannot be fully mitigated, necessitating pipelines and injection wells that are destined to leak, which threatens public safety and drinking water, making it unsuitable for widespread adoption. Congress has a responsibility to protect its constituents from these dangers by ending subsidies that incentivize the expansion of hazardous CCS projects.

Water Supply Concerns: A Vital Resource at Risk

CCS operations also jeopardize critical water resources, which are already suffering from basic supply concerns. [Depletion of groundwater](#) and widespread drought are impacting [farmers](#) and communities [across](#) the country. Capturing and injecting carbon dioxide underground requires [vast amounts of water](#), competing with agricultural, industrial, and residential needs in already water-stressed regions. Moreover, the risk of groundwater contamination from CCS storage sites poses a long-term threat to drinking water supplies.

The United States cannot afford to compromise its water security for a technology that has consistently failed to prove its value. Prioritizing CCS subsidies over investments in water infrastructure or conservation efforts demonstrates a misplaced set of priorities that harms everyday Americans.

Eminent Domain Abuse and Indigenous Community Impacts

The rapid expansion of carbon pipelines, driven by subsidies like the 45Q tax credit, has [intensified eminent domain abuses](#), forcing land from families and communities without consent. For Indigenous communities, these projects perpetuate a [legacy of exploitation](#) and violations of sovereignty. Companies frequently fail to conduct meaningful consultation or secure Free, Prior, and Informed Consent, leaving tribal nations sidelined until plans are finalized.

These pipelines also bring [increased risks of violence](#) to Indigenous women and children due to transient workforces housed in "man camps." Documented cases of human trafficking and abuse have accompanied such projects, compounding harms in communities already facing systemic inequities. Safety concerns further underscore the risks, as hazardous CO2 pipelines threaten reservations and nearby rural areas with incidents like the Satartia, Mississippi rupture. Most small or rural communities [lack the infrastructure to manage such emergencies](#), heightening risks to lives and ecosystems.

Stand for Fiscal Responsibility and Public Safety

Repealing 45Q and other CCS subsidies aligns with bipartisan values. For those on the right, the waste of taxpayer money on a failing industry contradicts [principles of fiscal conservatism](#) and efficient governance. The widespread fraud in the 45Q program underscores the need for tighter fiscal oversight and accountability.

For those on the left, the [risks to public safety](#), drinking water, and local communities highlight the urgency of ending support for CCS. The industry disproportionately burdens rural and vulnerable communities, exacerbating existing inequalities. Protecting these communities from avoidable harm should be a priority for all members of Congress. CCS claims to deliver greenhouse gas emissions reduction, but consistently fails to do so, in spite of massive public subsidies.

As stewards of taxpayer resources and public safety, you have an opportunity to demonstrate leadership by ending subsidies for the CCS industry. Repealing 45Q would free up tens of billions of dollars that could be better used to support American families, modernize infrastructure, and invest in proven energy solutions.

We urge you to act decisively in the upcoming reconciliation package by repealing 45Q and other CCS subsidies. The American people deserve a government that prioritizes their well-being and financial security. Let us move forward together toward a future that reflects our shared values of fiscal responsibility and public safety.

Sincerely,

National Original Signatories

Bold Alliance
Food & Water Watch
Indigenous Environmental Network
Institute for Policy Studies Climate Policy Program

North American Climate, Conservation and Environment (NACCE)
Oil Change International
Public Goods Institute
Science and Environmental Health Network
350.org

State and Regional Original Signatories

Better Path Coalition
Concerned Health Professionals of Pennsylvania
Dakota Rural Action
Dogwood Alliance
Eco-Justice Collaborative

Illinois Water Authority Association
Ní Btháska Stand Collective
Turtle Island Restoration Network
350 Seattle
350 Bay Area Action

Signatories

Accelerate Neighborhood Climate Action
Alaska Community Action on Toxics
All Our Energy

Allegheny County Clean Air Now
Alliance for Affordable Energy
Alliance for Democracy

Alliance For Just Money
Animals are Sentient Beings
Bayou City Waterkeeper
Benicians for a Safe and Healthy Community
Better Path Coalition
Between the Waters
Beyond Plastics
Biofuelwatch
Bold Alliance
Breathe Project
Buckeye Environmental Network
Businesses for a Livable Climate
Call to Action Colorado
CASA
CatholicNetwork US
Center for Coalfield Justice
Central Illinois Healthy Community Alliance
Centre for Citizens Consering Environment &
Management (CECIC)
Cherokee Concerned Citizens
Citizens Action Coalition of IN
Citizens Against Heartland Greenwashing
Projects
Citizens Against Predatory Pipelines
Clean Energy Action
Climate Conversation Brazoria County
Climate Hawks Vote
Climate Justice Alliance
Climate Organizing Hub
Climate Reality NEPA
Climate Reality Project: Chicago Metro
Chapter
Coalition to Ban Unsafe Oil Trains
Coalition to Stop CO2 Pipelines
Coastal Watch Association
Color Brighton Green
CO Small Business Alliance
Colorado Businesses for a Livable Climate
Colorado Farm & Food Alliance
Commission Shift
Communities for a Healthy Bay
Community for Sustainable Energy

Concerned Health Professionals of New York
Concerned Health Professionals of
Pennsylvania
Concerned Ohio River Residents
CURE
Dakota Resource Council
Dakota Rural Action
Davenport FFF
Defend Our Health
Delaware Riverkeeper Network
Divest NJ
Dogwood Alliance
Don't Gas the Meadowlands Coalition
Don't Waste Arizona
Earth Ethics, inc.
Earthworks
Eco-Justice Collaborative
Economic Justice Action Group/1st Unitarian
Church - Portland OR
Elders Climate Action
Empower NJ
Empower our Future
Family Farm Defenders
Food & Water Watch
For a Better Bayou
Fort Bend County Environmental Movement
Fossil Free Tompkins
Fox Valley Citizens for Peace & Justice
FracTracker Alliance
FreshWater Accountability Project
Fridays For Future NYC
Fridays For Future USA
Friends of the Earth
Good Neighbor Steering Committee of Benicia
Grassroots Environmental Education
Great Plains Action Society
Greater New Orleans Housing Alliance
Green House Connection Center
Gulf Fossil Finance Hub
Gulf South Fossil Finance Hub
Healthy Gulf
Hearwood

Hoboken RESIST
Illinois People's Action
Illinois Water Authority Association
Imagine Water Works
Indigenous Environmental Network
Indivisible Ambassadors
Indivisible CA Green Team
Indivisible East Bay
Institute for Policy Studies Climate Policy Program
Interstate 70 Citizens Advisory Group
Intertwined faith community
JCAN: Jewish Climate Action Network NYC
John Muir Project
Junior Philanthropists Foundation
Just Transition Northwest Indiana
JUJustice Washington
Larimer Alliance for Health, Safety, & Environment
Lebanon Pipeline Awareness
Linnton Neighborhood Association, Tank the Tanks
Littleton Business Alliance
Long Island Progressive Coalition
Louisiana People Against Carbon Capture
M-W & Associates, Environmental Policy
Mayfair Park Neighborhood Association
Mental Health & Inclusion Ministries
Metro East Green Alliance
Mi Familia en Accion
Micah Six Eight Mission
Mid-Ohio Valley Climate Action
Milwaukee Riverkeeper
Mind's Eye Productions
Montana Environmental Information Center
Montbello Neighborhood Improvement Association
Move Past Plastic (MPP)
Movement Rights
NEPA Green Coalition
New Energy Economy
New Jersey Tenants Organization

New Mexico Climate Justice
Ní Btháska Stand Collective
No False Climate Solutions PA
North American Climate, Conservation and Environment(NACCE)
North Braddock Residents For Our Future
North Country Earth Action
North Range Concerned Citizens
Northern Plains Resource Council
Nuclear Information and Resource Service
NY Climate Advocacy Project
NYPAN environmental committee
Ocean Conservation Research
Oil and Gas Action Network
Oil Change International
Oregon Alliance for Democracy
Our Sacred Earth
Partnership for Policy Integrity
Partnership for Southern Equity
Physicians for Social Responsibility
Physicians for Social Responsibility - Los Angeles
Physicians for Social Responsibility Pennsylvania
Plastic Pollution Coalition
Prairie Rivers Network
Progressive Democrats of America - Central New Mexico
Progressives for Climate
Protect PT
Public Goods Institute
RapidShift Network
RISE St. James Louisiana
Rise to Thrive
Rivers & Mountains GreenFaith
San Francisco Bay Physicians for Social Responsibility
Save Ohio Parks
Save Our Illinois Land
Save the Environmental Protection Agency
Schuylkill Pipeline Awareness
Science and Environmental Health Network

Seven Circles Foundation
Solarize Albany
Southwest Organization for Sustainability
Spirit of the Sun
Sunflower Alliance
Sunrise Movement Houston
Sunrise Movement Pittsburgh
Susan Adams Family Farm
System Change Not Climate Change
Tank the Tanks
Texas Campaign for the Environment
Texas Permian Future Generations
The Center on Race, Poverty, and the Environment
The Enviro Show
The Last Plastic Straw
The Science Roundtable on Carbon Capture and Storage
Third Act NYC
Third Act Richmond
Third Act Virginia
TIAA-Divest!
Tompkins County Climate Protection Initiative
Turtle Island Restoration Network
Unitarian Universalist Advocacy Network of Illinois
Unitarian Universalists for a Just Economic Community
Unitarian Universalists for Social Justice

Unite North Metro Denver
UNM Leaders for Environmental Action and Foresight
Valley Improvement Projects (VIP)
Vessel Project of Louisiana
Wall of Women
Washington Physicians for Social Responsibility
Waterspirit
WE ACT for Environmental Justice
Western Organization of Resource Councils
Western Slope Businesses for a Livable Climate
Womxn from the Mountain
Working for Racial Equity
Youth United for Climate Crisis Action
Zero Hour
198 methods
350.org
350 Bay Area Action
350 Colorado
350 Conejo / San Fernando Valley
350 Seattle
350 Silicon Valley
350 Tacoma
350 Triangle
350 Brooklyn
350 Corvallis
350 Hawaii
350NYC