February 11, 2025

The Honorable Lee Zeldin Administrator U.S. Environmental Protection Agency 1200 Pennsylvania Avenue NW Washington, DC 20460

Subject: Unleashing American Energy with Carbon Capture and Storage in Texas

Dear Administrator Zeldin,

We represent the vital businesses and hard-working men and women of Texas. As the nation's largest energy producer, Texas has long been a leader in developing innovative energy solutions. Today, Texas stands ready to continue its role as a leader in the energy industry by deploying Carbon Capture and Storage (CCS) technology to create jobs, improve our infrastructure, and contribute to American energy dominance.

We are encouraged by your stated support for carbon capture during your tenure in the U.S. Congress and during your recent confirmation hearing. As you know, CCS has been well studied and proven to be a complementary technology to many critical industries. The first successful CCS deployment occurred at a natural gas processing facility in Texas over 50 years ago. Today, the need for this technology has never been greater. Manufacturers in Texas are investing in CCS, as are multiple liquefied natural gas (LNG) export facilities, which are looking to sell their product to customers around the world who are increasingly demanding lower-carbon energy.

Research has shown that the CCS opportunity in Texas is larger than anywhere else on earth. We have the right geological formations for CO₂ storage, a world-class, highly skilled workforce, and robust infrastructure primed for the deployment of CCS. However, federal permitting delays are stalling billions of dollars of private sector investment.

The U.S. Environmental Protection Agency plays a critical role with CCS through its permitting for CO₂ storage wells, also known as Class VI wells. Unfortunately, many projects are stalled because of inaction at EPA. There are currently 161 <u>applications</u> under review, one-third of which are located in Texas, with most applications surpassing the EPA's target review period of 24 months. This creates uncertainty for developers, investors, and keeps thousands of potential jobs out of reach.

Here is what's at stake:

- American Jobs: CCS projects in Texas would create approximately <u>7,500 full-time jobs</u> across multiple disciplines, including engineering, construction, and manufacturing.
- American Infrastructure: CCS projects could contribute up to \$1.8 billion to the Texas economy, materialized in the construction of pipeline networks, storage facilities, and monitoring technologies—critical infrastructure that will support America's industrial competitiveness.
- American Energy Security: The United States has the most robust carbon capture network on the planet. It's a technology that has been successfully used in American oilfields for decades to enhance domestic energy production. Put simply, advancing CCS would strengthen American leadership in global energy markets.

Notably, under President Trump's first administration, the EPA granted primacy to North Dakota and Wyoming for regulating Class VI wells. Whereas applications to the EPA take years to get approved, these states have been able to issue permits in a manner of months. Texas is currently pursuing primacy, a process that began over two years ago. We request that the EPA expedite – and approve – Texas' primacy application.

By clearing out the massive backlog of Class VI applications and accelerating primacy for the states, the EPA can give industry the clear and predictable framework to do what it does best: invest in America.

We stand ready to work with the EPA and other federal agencies to make this vision a reality. Together, we can deliver economic prosperity and energy security for generations to come.

Thank you for your consideration of this matter.

Sincerely,

Todd Staples, President Texas Oil and Gas Association



Tony Bennett, President & CEO Texas Association of Manufacturers



Glenn Hamer, President & CEO Texas Association of Business



Chad Burke, President & CEO
Economic Alliance Houston Port Region



Steve Kean, President & CEO Greater Houston Partnership



Carlton Schwab, President & CEO
Texas Economic Development Council



Hector Rivero, President & CEO Texas Chemical Council

