

Senator Heidi Heitkamp's Advanced Clean Coal Technology Investment in Our Nation (ACCTION) Bill

Coal is an essential part of our national energy mix. It is currently used to produce almost 40% of the electricity in the United States and the Energy Information Administration projects that it will continue to be the dominant source of energy until at least 2035. Coal provides reliable and affordable electricity, and is a major source of jobs in many areas of the country. However, to meet long-term environmental goals and make sure that coal remains a part of our energy mix, we must find ways to reduce the carbon footprint of coal-fired power. This can be accomplished by increasing the efficiency of the power plant, or using carbon capture and sequestration (CCS) technologies that remove CO₂ before it enters the atmosphere. CCS technologies have been demonstrated, but certain barriers still exist to wide-spread adoption.

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Senator Heitkamp's bill incentivizes utilities companies to invest in technologies that reduce the carbon footprint of coal-fired power. This is done through federal funding programs, federal support for private investment, and reports to Congress that provide recommendations on how best to support future CCS projects in the U.S. The bill supports the development and implementation of technologies that reduce the carbon footprint of coal-fired power plants through the following:

- **Developing large-scale carbon storage programs** to support the commercial-scale application of enhanced oil recovery and geologic storage of carbon dioxide.
- **Increasing the accessibility of funds in existing federal programs** by 1) directing 25% (\$2 billion) of the current U.S. Department of Energy (DOE) Loan Guarantee Program funding for fossil energy to go to coal projects, 2) enabling eligible projects to receive DOE loan guarantees even if they have received another source of federal assistance, and 3) streamlining the process for companies to receive federal funds for which they have qualified.
- **Revamping the existing R&D programs for advanced coal, and carbon capture and sequestration technologies** by including transformational coal-related technologies, a cost share program, and incremental funding levels consistent with technology goals until 2035.
- **Increasing the current tax credit for carbon sequestration from coal facilities** to 30% and including polygeneration facilities among the possible eligible projects.
- **Creating a variable price support for companies that capture CO₂** to provide long-term certainty to the utilities that sell CO₂ for enhanced oil and gas recovery, regardless of the price of oil.
- **Creating clean energy coal bonds** to provide tax credits for coal-powered facilities that sequester CO₂ or meet efficiency targets relative to the current coal fleet.
- **Requiring reports to Congress from the DOE on the economic and technical status of CCS research and projects**, including an evaluation of CCS projects online in Canada and a recommendation of how the U.S. could undertake similar projects with public-private collaboration.

The legislation is supported by key coal stakeholders. It is widely acknowledged on both sides of the aisle that CCS is essential for coal to maintain its place in our national energy mix. This bill facilitates the development of CCS technologies in order to provide a long-term solution for our energy future by making sure there is affordable and reliable electricity in a carbon-constrained world.