



## Can U.S. Handle Massive Carbon Removal Effort?

By Mark Fogarty

The U.S. government got credit for greenlighting lots of carbon removal money, in recent legislation, at a conference on aligning federal policies to accelerate deployment, but some participants wondered if the bureaucracy is staffed up enough to handle the massive challenges ahead.

Others wondered if the whole government, or at least departments like the Department of Defense, should become carbon neutral to send a strong message to private interests.

Tribes heard of opportunities for them to co-locate CO<sub>2</sub> and to realize co-benefits like increased job opportunities in the new carbon arena and said the concerns of individual communities would drive decisions to participate.

Private sector interest in carbon removal is growing, attendees heard, with a PitchBook study identifying \$882 million in venture capital investment in carbon capture/removal during the second quarter of 2022.

Ben Rubin, executive director of the Carbon Business Council, noted the “explosion” of federal CDR policy, one that will extend to every stage of the industry’s development, including

research and development, demonstration projects, and deployment.

He noted the \$12 billion in carbon management in the infrastructure bill, the \$1 billion for carbon removal in the CHIPS Act, and the great expansion of the 45Q tax credit in the Inflation Reduction Act. The CHIPS Act money will double research and development (R&D), he said.

But the 45Q credit is “a work in progress,” he told the Carbon Dioxide Removal Law and Policy Conference, hosted by Northwestern University. He said there should be further improvements, such as including more forms of carbon removal, like biochar and ocean-based CDR.

Steve Oldham, chief executive of Captura, noted that 45Q is “a carrot, not a stick,” providing incentives for companies to come to the table.

And he noted many have, to the tune of “a new one announced every week.” He noted, in contrast, that as recently as 2019, there were fewer than 200 people in the world working on carbon removal.

The recent priority assigned to carbon removal represents “a clear signal to the voluntary market.”

“It’s night and day compared to 2018,” he said. “But there’s still a long way to go.”

Laurel Mills, chief of staff at Living Carbon, noted her firm favors nature-based solutions over engineered ones, although she said engineering can help optimize natural ones.

She worried there was less focus on natural solutions like forestry in the IRA.

Oldham posed the question of whether the government is staffed up enough to handle the challenges of implementing the new environmental laws.

Finding a way to accelerate permitting will be important, he said, though he gave ocean direct air capture less exposure to NIMBYism since it is often far from anyone’s backyard.

But he noted that carbon removal does enjoy considerable bipartisan support, with the political right interested in creating new business opportunities.

