

## Congress Gives Major Win To Carbon Capture, Advanced Nuclear

Spending deal fixes critical tax incentives to boost pioneering clean energy tech

WASHINGTON, Feb. 9, 2018 -- Congress delivered a game-changing clean energy victory by fixing two critical carbon capture and advanced nuclear tax incentives as part of the broader budget deal signed into law today.

"This is a stunning one-two punch for the future of U.S.-led clean and reliable energy," ClearPath Action Executive Director Rich Powell said.

"This is not only a massively important win for two of our most important clean energy prospects but also a product of tremendous bipartisan teamwork," ClearPath Action Founder Jay Faison said. "This can serve as a template both for the commercialization of technologies preventing an enormously consequential amount of CO2 from going into the atmosphere as well as future collaboration in Congress to continue to give the U.S. a much-needed innovation edge over China."

The budget deal includes the FUTURE Act (<u>S. 1535</u>), which would extend and expand the Section 45Q tax credit for carbon capture projects.

The budget deal also includes a bill (<u>H.R. 1551</u>) led by Reps. Tom Rice (R-S.C.) and Earl Blumenauer (D-Ore.) that eliminates the 2020 placed-in-service deadline in the 45J nuclear production credit. That frees up the credit to be used not just to help complete Georgia Power's Plant Vogtle AP1000 reactor project but also the advanced technologies that represent the future of the nuclear sector, such as NuScale Power's small modular reactor design. Sens. Tim Scott (R-S.C.) and Johnny Isakson (R-Ga.) previously introduced a companion measure to the Rice-Blumenauer bill.

Led by Sens. Heidi Heitkamp (D-N.D.), Shelley Moore Capito (R-W.Va.), John Barrasso (R-Wyo.) and Sheldon Whitehouse (D-R.I.), the 45Q fix gives a boost to pioneering efforts such as NET Power that could capture and use all the carbon emitted from facilities powered by both coal and natural gas. House lawmakers pursued a similar bill sponsored by Rep. Mike Conaway (R-Texas) and - especially Rep. David McKinley (R-W.Va.) - were hugely instrumental in getting language included in the final budget deal.

The 45Q incentive has the potential to dramatically boost commercial carbon capture deployment in the U.S., which can lead to significant increases in enhanced oil recovery and other economic benefits

The deal approved today also establishes a budget framework that clears the way for broader domestic investments. As Congress finalizes its package for fiscal year 2018 and starts the FY19 process, ClearPath stands ready to work collaboratively on energy innovation investments that accelerate the research, development and demonstration of breakthrough clean energy technologies such as advanced nuclear reactors and transformational clean fossil generation.

ClearPath Action is a 501(c)(4) working to create and influence conservative clean energy solutions. Find out more at <u>clearpath.org</u> and <u>clearpathaction.org</u>. Also follow us on Twitter: <u>@JayFaison1</u>, <u>@powellrich</u> and <u>@ClearPathAction</u>.