



CIBO – Government Affairs: Update and Overview

December 7, 2021

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Congressional Overview

- Bipartisan Infrastructure Investment and Jobs Act signed into law - November 15, 2021.
- Continuing Resolution – extended to February 18, 2022.
- Debt Ceiling - approval for raising or suspending needs to be done before December 15, 2021.
- Build Back Better – approved in the House but Senate not expected to vote on until very end of year or early next year.

Potential Funding Opportunities

Bipartisan Infrastructure Investment and Jobs Act

Tackling Climate Change:

- **Carbon Capture** - \$7.5 billion represents the biggest effort to date for scaling up projects that capture
- **Clean Hydrogen** - \$9.5 billion to establish programs to demonstrate the production, processing, delivery, storage and end use of clean hydrogen.
- **Energy Deployment** - creates the new Office of Clean Energy Demonstrations to bring new energy technologies to market faster and keep the U.S. the technology

Build Back Better

Provides the Department of Energy (DOE) with \$4 billion to provide grants and loans for energy intensive manufacturing facilities - Grants and loans could cover up to 50% of the cost of a project. Advanced industrial technology includes:

- Energy efficiency
- Equipment to electrify industrial processes
- Equipment to utilize low- or zero-carbon fuels feedstocks, and energy sources (not defined)
- Low- or zero-carbon process heat systems
- Carbon capture and storage

Potential Funding Opportunities

Build back Better Continued

- **Climate Tax Incentives:** Offers more than \$320 billion in renewable energy, energy efficiency, biofuels, carbon capture and other advanced energy tax incentives. However, most extensions and credits include rigorous new requirements to access full incentives.
- **Renewables Production Tax Credit (PTC):** cut by 80%; from 2.5 cents down to 0.5 cents/kwh and **Investment Tax Credit (ITC)** cut by 80%; from 30% down to 6%, unless new prevailing wage, apprenticeship and content requirements are met.
- **45Q:** cut to \$12 per ton for carbon capture, utilization and storage, \$17 per ton for sequestration and \$26 to \$36 for direct air capture. If additional requirements are met, a bonus rate is available.
- **Fuels:** Extension, expansion and creation of biofuel, alternative, clean fuel and sustainable aviation fuel credits up to \$1.75 a gallon.
- **Clean hydrogen:** PTC at a base rate of \$0.6 per/kg, with potential of \$3.00 per/kg if prevailing wage, apprenticeship and life-cycle carbon requirements are met.
- **Special Provisions:** Certain renewable incentives allow taxpayers make a one-time irrevocable election to treat the credit as a tax payment, rather than carry forward. Content provisions apply at 100%.

Advocacy

- Meet with key DOE offices to discuss potential grants and loan guarantees for emission reduction technologies such as CCUS
- Meet with congressional legislative staffs to discuss needed legislative tweaks to Bipartisan Infrastructure Investment and Jobs Act and Build Back Better
- PM - Meet with EPA staff to discuss scientific uncertainties, modeling differences and study quality
- PFAS - Continue to work with the Chamber and industry specific trade associations in helping to educate EPA on the best modeling approach