

1 A RESOLUTION urging Congress and the President to extend tax incentives
2 supporting carbon capture research and deployment.

3 WHEREAS, fossil fuels—coal, natural gas, and oil—currently provide approximately
4 80% of global and United States. primary energy demand, and will continue to do so,
5 according to the International Energy Agency (IEA), for the next quarter-century or more,
6 under current energy and environmental policies; and

7 WHEREAS, fossil fuels are currently responsible for two-thirds of global and
8 United States electricity generation, and are projected by the IEA, under current policies,
9 to provide 64% of global and United States generation in 2040; and

10 WHEREAS, even assuming adoption, across the world, of policies consistent with
11 the IEA's "climate-stabilizing" 450 Scenario, 60% of total global energy demand and
12 58% of United States energy demand will still be met by fossil fuels in 2040; and

13 WHEREAS, fossil fuels' projected share of global electricity generation falls to
14 29% globally and 33% in the United States in 2040 under the IEA's 450 Scenario, they
15 nonetheless remain the single-largest source of global and United States electricity
16 generation; and

17 WHEREAS, according to the United States Department of Energy, "A diverse
18 portfolio of energy resources is critical to United States energy and national security"; and

19 WHEREAS, recognition of the value and enduring role of fossil fuels as an
20 essential source of energy around the world and in the United States for decades to come
21 has led environmental advocates to support the accelerated development and broad
22 deployment of carbon capture technologies for fossil fuels as part of a sustainable energy
23 future; and

24 WHEREAS, recognition of the role carbon capture can play in creating new
25 opportunities for fossil fuels has led fossil energy advocates to similarly support the
26 development and deployment of carbon capture technologies for fossil fuels; and

27 WHEREAS, according to the United States. Department of Energy, "Carbon

1 capture, utilization, and storage (CCUS) technologies provide a key pathway to address
2 the urgent United States and global need for affordable, secure, resilient, and reliable
3 sources of clean energy"; and

4 WHEREAS, the United States and Kentucky have abundant supplies of fossil
5 energy that provide important economic, energy, and national security benefits to our
6 nation and the Commonwealth; and

7 WHEREAS, Kentucky is the nation's third-largest producer of coal, second-largest
8 producer of bituminous coal, fourth-largest net exporter of coal to other states, and has
9 the sixth-largest recoverable reserves of coal; and

10 WHEREAS, Kentucky is the nation's fifth-largest generator of electricity from coal,
11 and a net exporter of electricity to other states; and

12 WHEREAS, reliable and affordable electricity is vital to economic growth and job
13 creation in Kentucky, and the overall welfare of our citizens; and

14 WHEREAS, 95% of the electricity generated in Kentucky is produced from the use
15 of fossil fuels; and

16 WHEREAS, Kentucky has long been a leader in the research and development of
17 technologies that provide clean, safe, and reliable power generation; and

18 WHEREAS, continued research and development of carbon reduction strategies for
19 fossil fuels, including existing and emerging CCUS technologies such as geological
20 sequestration, mineral carbonation, and the beneficial use of captured carbon dioxide, is a
21 key element of a forward-looking sustainable energy strategy for Kentucky that will
22 simultaneously maximize environmental benefits and economic opportunities; and

23 WHEREAS, the Center for Applied Energy Research at the University of Kentucky
24 and others within our Commonwealth are engaged in efforts to address environmental,
25 health, and economic impacts of energy production and use through collaborations on
26 applied carbon dioxide research, practical applications, workforce development, and
27 public education; and

1 WHEREAS, legislation was introduced in the 114th Congress, and is under
2 consideration again this year, to enhance and extend current federal tax incentives, under
3 26 U.S.C. Section 45Q of the Internal Revenue Code, that serve to sustain and promote
4 such collaborations and to encourage private industry in energy generation,
5 manufacturing, and agriculture to adopt and deploy existing and emerging technologies
6 that increase carbon capture, utilization, and storage; and

7 WHEREAS, the coming together of environmental and energy advocates in support
8 of carbon capture is reflected in the ground-breaking coalition of environmental advocacy
9 groups, labor unions, and energy producers, from the coal, oil, natural gas, ethanol, and
10 algae-biomass industries, working together in support of this federal legislation; and

11 WHEREAS, last year's legislation received strong bipartisan support, broadly
12 spanning the conservative-progressive spectrum, in both the United States Senate and
13 United States House of Representatives; and

14 WHEREAS, the Congress and the President are currently considering enactment of
15 a large-scale federal infrastructure initiative to strengthen our nation's transportation,
16 public works, and energy infrastructure that could also serve as a vehicle for advancing
17 "jobs-ready" carbon capture projects;

18 NOW, THEREFORE,

19 ***Be it resolved by the Senate of the General Assembly of the Commonwealth of***
20 ***Kentucky:***

21 ➔Section 1. The Kentucky Senate urges Congress and the President of the United
22 States to enact legislation to extend and expand the current federal tax credit for carbon
23 capture, utilization, and storage under 26 U.S.C. Section 45Q of the Internal Revenue
24 Code; to support the inclusion of economically and environmentally beneficial carbon
25 capture projects in any forthcoming federal infrastructure initiative; to support policies to
26 increase the operational efficiency, and thereby the environmental performance, of
27 existing electric generating units in the United States; and to support the preservation of a

1 fuel-diverse electric generation portfolio critical to our domestic economic, energy, and
2 national security.

3 ➔Section 2. The Clerk is directed to send a copy of this Resolution to the
4 President of the United States; the Speaker of the United States House of Representatives;
5 the United States Senate Majority Leader; and the members of the Kentucky
6 congressional delegation.