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The River Region Chamber of Commerce Supports Carbon Capture and Sequestration

The River Region Chamber of Commerce strongly supports the advancement and deployment of carbon capture and sequestration (CCS) in Louisiana and the River Region. We believe CCS represents a game-changing opportunity to secure economic competitiveness and high-quality job growth for Louisiana's energy sector while supporting environmental sustainability goals.

Critical Role of CCS in Louisiana's Economic Future

According to the 2024-25 Louisiana Economic Forecast published by the Baton Rouge Business Report, Dr. Loren Scott documented "a remarkable \$154.4 billion in industrial projects either under construction or awaiting a Final Investment Decision (FID) in just three Metropolitan Statistical Areas (MSAs). Accommodating carbon capture and sequestration and sourcing electricity from renewables will play an outsized role in getting many announced plants to FID."

The River Region stands to gain tens of billions in investment that rely directly on CCS implementation. The profitability of many of these projects hinges on their ability to secure tax credits under the Inflation Reduction Act. These projects need reduce their carbon footprint to acquire low carbon designation.

Two factors play a major role in achieving these designations:

- 1. **Carbon Capture and Sequestration:** This involves capturing carbon at manufacturing sites and transporting it via pipeline to deep underground storage facilities where it can be permanently sequestered. Companies have already established systems to capture carbon and transport it through pipelines for sequestration or use in Enhanced Oil Recovery techniques.
- 2. **Renewable Electricity Sourcing:** Industrial facilities typically consume a large amount of electricity. To low carbon status, electricity must come from renewable sources. This need is driving utility companies to develop new sources of energy, such as solar and wind energy.

Successfully addressing these factors will be crucial in moving the billions of dollars in investment to construction.



Why Louisiana Leads in CCS Development

Louisiana possesses distinct advantages that position our state at the forefront of CCS development:

- **Ideal Geology:** Louisiana has the underground formations necessary for safe, permanent CO₂ storage
- Extensive Pipeline Infrastructure: Our state's existing pipeline networks can be leveraged for CO₂ transport
- Highly Skilled Workforce: Louisiana workers have the specialized expertise needed for CCS projects
- Established Industrial Base: We have industrial facilities already in place that can benefit from CCS technology

Economic Benefits for Louisiana

CCS development will provide substantial economic benefits for our state and region:

High-Quality Job Creation: With upstream oil and gas employment in Louisiana having lost over 20,000 jobs since 2015, CCS will generate new opportunities for this displaced workforce to employ their skills in engineering, welding, operations, and maintenance.

Manufacturing Sector Growth: Recent energy sector announcements and \$23 billion in private capital investments for CCS signal that Louisiana's manufacturing sector is poised to boom. Our state's decades of experience with enhanced oil recovery provides a strong foundation to leverage CCS for manufacturing expansion and energy innovation.

Global Competitiveness: Louisiana remains a leading export state due to our leadership in energy products, hydrogen and ammonia, petrochemical, and refining products. CCS will enable Louisiana companies to remain competitive in global markets that increasingly demand low-carbon goods, particularly in Japan, Korea, and the European Union.

Modernizing Energy Infrastructure



The River Region Chamber is playing a leading role in advocating to modernize energy infrastructure, including pipelines, transmission lines, and other facilities needed to meet growing energy demands. Rather than artificial policy constraints through canceled projects and mandates, the Chamber supports efforts to reduce the environmental footprint of energy production and partnered with other agencies in Louisiana to support solutions to ensure Louisiana maintain its competitive edge and utilize our abundant energy resources.

CCS technology represents a prime example of this balanced approach—maintaining our energy leadership while developing solutions that address environmental concerns.

Safe and Proven Technology

CCS technologies have been safely operating in the United States for more than 50 years. Since the 1972, more than 200 million tons of CO_2 have been captured and safely injected deep underground in areas in Texas. The same rock formations that have safely held crude oil and gas for millions of years can store CO_2 , typically a mile or more beneath the earth's surface.

CCS operations are conducted under robust regulatory frameworks that ensure environmentally safe and effective storage of CO₂. These include comprehensive processes for authorizing storage sites and provisions to measure, monitor, and verify the injected CO₂ over the entire storage lifecycle.

Strengthening Our Energy Security

By investing in innovative technologies like CCS, Louisiana can produce more energy domestically and reduce reliance on overseas sources. This advances an all-of-the-above energy strategy that strengthens American energy independence while creating economic opportunities for our citizens.

The River Region Chamber of Commerce strongly believes that carbon capture and sequestration represents a vital opportunity for Louisiana's economic future. We are committed to supporting policies and initiatives that advance CCS development in our state and position Louisiana as a national and global leader in this innovative technology.

For more information about carbon capture and sequestration in Louisiana, please contact the River Region Chamber of Commerce.

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About the River Region Chamber:

For over 20 years, the River Region Chamber has been the leading voice for the business community in St. James, St. John, and St. Charles Parishes. As a non-profit, membership-driven organization, the Chamber advocates for businesses of all sizes at the local, state, and federal levels.

The Chamber's mission is to grow, strengthen, and unify businesses by fostering relationships that create a pro-business environment. Serving as a catalyst for economic growth, the Chamber provides networking opportunities, business resources, and collaborative initiatives that drive growth and sustainability throughout the River Region.

For more information, visit <u>www.riverregionchamber.org</u> and follow the River Region Chamber on <u>LinkedIn</u>, <u>Facebook</u>, <u>Twitter</u>, and <u>Instagram</u>.

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