

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

MARTIN DURBIN
PRESIDENT,
GLOBAL ENERGY INSTITUTE
SENIOR VICE PRESIDENT,
POLICY DIVISION

1615 H STREET, NW
WASHINGTON, DC 20062
(202) 463-5399
MDURBIN@USCHAMBER.COM

April 9, 2021

The Honorable Patrick Leahy
Chairman
Committee on Appropriations
U.S. Senate
Washington, DC 20510

The Honorable Rosa DeLauro
Chair
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

The Honorable Richard Shelby
Vice Chairman
Committee on Appropriations
U.S. Senate
Washington, DC 20510

The Honorable Kay Granger
Ranking Member
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Leahy, Chair DeLauro, Vice Chairman Shelby, and Ranking Member Granger:

As your Committees begin work on Fiscal Year (FY) 2022 appropriations legislation and the Energy and Water Appropriations bill in particular, the U.S. Chamber of Commerce Global Energy Institute (GEI) urges you to ensure the Energy Act of 2020 is sufficiently funded.

Enacted in December 2020, this historic and overwhelmingly bipartisan legislation is the first energy bill in 13 years, and arguably represents the most significant action Congress has ever taken to address climate change. The bill garnered strong support from a broad cross-section of the business community, as well as environmental and labor interests, proving that there is common ground on which all sides of the debate can come together to address climate change while advancing American technological leadership and continued economic growth.

Funding this legislation is a top priority for the business community because the pace of technology development and commercialization is the single most important factor that will determine how quickly and at what cost greenhouse gas emissions can be reduced around the world. Simply put, global emissions goals and degree targets will not be attainable unless and until the technologies essential to meet them—many of which currently do not exist—are developed and deployed around the world (particularly in developing countries where emissions continue to grow rapidly).

While the American business community has already committed billions to these efforts, funding from the federal government for pre-competitive research and development is necessary to push these efforts to the next level. This includes expanded support not just for near-term R&D, but also “moonshot” projects that are more difficult for the private sector to launch.

The Energy Act puts this foundation in place through its expanded authorization of activities necessary to realize the promise of low-carbon technologies such as carbon capture and sequestration, advanced nuclear, energy storage, industrial technologies, and much more. Equally important, with the U.S. public and private sectors leading the world in pursuit of climate change solutions, opportunities abound to grow exports of American technologies, products, and services to the rest of the world.

In particular, GEI supports funding for large demonstration projects authorized in the Energy Act. These projects are needed to de-risk and prove the technical viability of priority carbon-reducing technologies, and early seed resources are critical to placing them on a track for success by the second half of the 2020s. These demonstration projects and other priority research and development activities include:

- **Implementation of Nuclear Energy Leadership Act (NELA).** Funding is necessary to accelerate the development of improved, clean, and scalable advanced nuclear reactors, including the fuel needed for initial advanced reactors. In particular, we recommend \$405 million for Advanced Reactor Demonstration Program (ARDP) and \$33 million for high-assay, low-enriched uranium (HALEU) development.
- **Carbon capture utilization and storage.** GEI strongly supports \$200 million to initiate funding opportunities for up to six carbon capture demonstration programs for coal, natural gas, and industrial applications, and \$130 million for carbon storage research.
- **Implementation of the Better Energy Storage Act (BEST),** which is key to advancing generation from renewable resources, can increase grid resiliency, and reduce the need for additional transmission. Specifically, \$50 million for the storage demonstration program, and \$100 million for additional storage work at EERE, of which \$50 million should be directed to the Advanced Manufacturing Office and Vehicle Technologies Office to address critical supply chain matters, including enhancement of recycling and reuse capabilities.
- **Implementation of Clean Industrial Technologies Act (CITA).** \$50 million to start a new multi-year intra-agency effort of research, development, demonstration, and technical assistance aimed at reducing emissions from the industrial sector, which accounts for nearly 30% of national emissions but is considered the most difficult sector to address from a technology perspective.
- **Critical minerals research and development,** which is necessary to enhance supply chain security and improve the affordability of key inputs to a broad suite of clean energy technologies. GEI supports full funding for these efforts under sections 7001 and 7002 of the FY2021 Omnibus Appropriations Act, including \$23 million for DOE research on recovery of rare earth elements and critical materials from coal and coal byproducts, as well as \$125 million for research on recycling, innovation, efficiency, and alternatives, including establishment of an innovation hub to coordinate and integrate crosscutting activities.
- **Advanced Research Projects Agency – Energy (ARPA-E).** GEI supports \$500 million to continue to expand funding for ARPA-E, a well-managed program that pursues high-risk, high-reward clean energy technologies.

- **Energy Efficiency and Renewable Energy:** Additionally, GEI supports full funding for research, development, demonstration, and commercial application activities related to hydropower, geothermal, wind and solar energies (sections 3001-3004 of the Energy Act, respectively), as well as energy efficiency and grid modernization programs authorized by Titles I and VIII of the Energy Act, respectively.

Thank you for your attention to these important priorities. We look forward to working with you as you consider the FY 2022 appropriations legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Marty Durbin". The signature is written in a cursive, flowing style.

Marty Durbin
President and CEO, Global Energy Institute