

MEJC Written Testimony - Senate Bills 394-396 (CCUS)

The Michigan Environmental Justice Coalition wishes to express our continued opposition to the passage of Senate Bills 394-396 in their current forms. We recognize and appreciate that there has been significant, good-faith progress in the contents of the bills on numerous major points; however, several of our major concerns remain insufficiently addressed. At present, we do not believe that these bills will be a net benefit to Michigan's environmentally marginalized communities or a net positive step towards clean and affordable energy for working families in Michigan.

In particular, MEJC sees the following as the most important issues remaining in the bills:

- **Long-term liability:** While we believe that the current bill drafts are now significantly better than both the initial draft from the previous term and the implementation passed in Indiana, there are still major pathways to state assumption of liability for privately generated pollution and stranded assets. We believe that the goal of CCUS regulation should be to close loopholes related to long-term infrastructural liability, not to facilitate the transfer of those liabilities to the public. The bills should at least set a clear floor of 50 years prior to any transfers without a built-in loophole allowing for earlier transfer of liability, and ideally the bills should not include pathways to state liability whatsoever, as is the case in implementations seen e.g. in Illinois and Colorado.
- **Tonnage fees:** We support the call for higher tonnage fees, on the basis that some costs will inevitably fall upon the public. The tonnage fee should be a tool both to make companies injecting CO₂ pollution pay their fair share in the long run, and to make CCUS a net positive by tying it directly to meaningful investments in protecting our environmental resources in Michigan.
- **Labor protections:** we believe that a just transition to affordable clean energy requires real protections for the workers who make that clean energy future possible, both in terms of workplace safety and in terms of ensuring the unimpeded right to organize and collectively bargain.
- **Progress on a companion air permitting bill:** We believe that these bills can and should be tied to regulations around air quality permitting, especially relating to the polluters that will be generating CO₂ for injection in the first place. Such a bill would address both present and future concerns around ambient air quality and community

safety in places where CCUS is implemented, helping to ensure that the external costs of CCUS do not fall disproportionately on already-overburdened communities in our state.

For these reasons, MEJC remains opposed to the passage of Senate Bills 394-396. We urge the Senate Energy and Environment Committee to continue pushing for improvements to these bills, as outlined above and as requested by numerous other environmental groups in our state, and we further urge all senators to reconsider whether we should be prioritizing Carbon Capture over just solutions like community solar, utility accountability, and the other energy policies we need to make clean and affordable energy a reality for every Michigander.