

***POLICY POSITION
OF THE
SOUTHERN LEGISLATIVE CONFERENCE***

REGARDING CARBON CAPTURE AND ENHANCED OIL RECOVERY

BACKGROUND

There is a great potential for enhanced oil recovery (EOR) using carbon dioxide to increase oil production. The use of carbon dioxide injection increases the recovery of original oil in place from specific oil fields by 5 percent to 20 percent over primary and secondary recovery methods alone with potential for as much as 60 percent. Estimates from the U.S. Energy Information Administration could translate into an additional 1.2 million barrels a day of oil that is not currently being recovered. Enhanced oil recovery with carbon dioxide helps support state economies and creates jobs. Electricity generated from plants burning coal and natural gas emits carbon dioxide that could be captured and used to further the goal of energy independence and reduction of greenhouse gases.

RECOMMENDATION

The Southern Legislative Conference of The Council of State Governments urges Congress to:

- Increase funding as quickly as possible, including, but not limited to, 100 percent grants to qualified applicants for developing carbon capture technologies at power plants with a sufficient number of demonstration projects at commercial scale to yield economical carbon dioxide for use by the oil and gas industry;
- To establish tax incentives for capturing and using anthropogenic CO₂ in order to accelerate the deployment of CO₂ capture technology and to accelerate the production of oil via CO₂-EOR; and
- To eliminate regulatory impediments.

This will increase the energy security of the United States so that the states are less dependent on unstable foreign oil sources, and states will be able to create high quality jobs.

The Southern Legislative Conference of The Council of State Governments requests that a copy of this policy position be forwarded to the Southern Congressional delegation, secretary of the U.S. Department of Energy, and president of the United States.