

## Carbon Capture and Storage

As more companies seek pathways to decarbonize, the interest in Carbon Capture and Storage (CCUS) continues to grow. Arnold & Porter's cutting edge climate change and energy transition team is dedicated to helping its clients articulate and meet their climate goals and is intimately aware of the important role that CCUS plays in decarbonization efforts. Our cross-disciplinary team advises a diverse client base on all aspects of CCUS over the entire lifecycle of a CCUS project, including Class VI permitting, joint venture formation, tax and finance considerations, drafting and negotiating storage leases, transportation, emitter and other operational agreements, identifying carbon market issues and opportunities, risk management, and spearheading regulatory and legislative efforts to facilitate CCUS projects.



## Our Capabilities



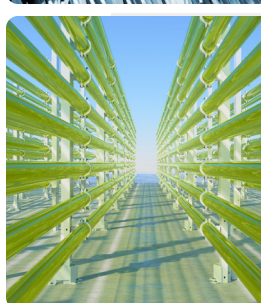
### Environmental / Permitting

- Comparative assessment of state regulatory frameworks and liability regimes
- Class VI permitting for underground CO2 injection wells
- NEPA, Clean Water Act, and Endangered Species Act compliance
- Assessment and management of potential environmental risks and liabilities
- Identifying market opportunities, including generation of carbon credits and incorporation of environmental, social, and governance (ESG) strategies



### Transactional / Finance / Tax

- Drafting and negotiation of agreements throughout the lifecycle of a CCUS project relating to acquisition, formation, financing, operations, and liability
- Structuring CCUS projects and related joint ventures, including tax and partner structuring
- Maximizing federal and state tax incentives for CCUS, including the section 45Q federal income tax credit and low carbon fuel standard (LCFS) credits
- Financing for CCUS projects at various stages
- Advising on carbon credit regimes and transactions



### Operational

- Structuring, drafting, and negotiating of upstream (emitter) and midstream commercial contracts, including capacity reservation mechanisms, reciprocal take-or-pay concepts, value chain risk allocation, and emitter contracts
- Drafting and negotiating CCUS leases, easements and related conveyance documents, including acquisition of easements and pore space rights, royalty approaches, mineral development complications, and pooling considerations



### Legislative / Regulatory / Advocacy

- Development of CCUS legislative and regulatory proposals and government advocacy
- Public advocacy and outreach, including community relations strategies
- Legislative tracking of state and federal regulations regarding CCUS

## Representative Experience:

- *Major integrated energy company* in midstream transportation and emitter contracts for projects on the U.S. Gulf Coast.
- *Gulf coast developer's* industrial project to provide onsite CCUS services.
- *Biofuel company* in assessing 45Q and LCFS credit generation and compliance.
- *Multiple private funds groups* on biorefinery off-take and related facilities.
- *Major CCUS developer* in developing leasing program.
- *Carbon capture start-up* on corporate formation, financing, joint venture negotiations, offshore carbon capture storage lease, and midstream and carbon market considerations.
- *New venture* on commercialization of intellectual property assets to utilize carbon as an input of a broadly utilized commodity.
- *Multiple clients* in developing, tracking, drafting, and negotiating legislative and regulatory proposals.
- *Major investor-owned utility* in federal tax and legislative advocacy.
- *Major integrated energy company* in comprehensive evaluations of state regulatory and statutory frameworks for CCUS.

## Key Contacts



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## Key Recognitions

### *Chambers USA (2022)*

- Environment
- Climate Change
- Corporate/M&A

### *The Legal 500 US (2022)*

- Environment: Litigation and Regulatory
- M&A: Middle-Market and Private Equity Buyouts

### *U.S. News & World Report and Best Lawyers (2022)*

- “Best Law Firms” for Environmental
- “Best Law Firms” for Natural Resources Law
- “Best Law Firms” for Corporate Law and Public Finance



Arnold & Porter is at the forefront of reporting and commenting on developments related to CCUS. To learn more, please visit our [CCUS page](#) and subscribe to our [Environmental Edge blog](#).