

The Honorable Jennifer Granholm  
Secretary, U.S. Department of Energy  
1000 Independence Ave SW  
Washington, DC 20585  
Via Email: [the.secretary@hq.doe.gov](mailto:the.secretary@hq.doe.gov)

September 13, 2023

Dear Secretary Granholm,

The Direct Air Capture (DAC) Hubs program, which saw \$3.5 billion allocated in the Bipartisan Infrastructure Law (BIL), marks the world's first large-scale government investment in the burgeoning DAC industry. While carbon dioxide removal (CDR) strategies like DAC are now an integral part of projections by the Intergovernmental Panel on Climate Change (IPCC) stabilizing the global climate at or below 1.5 degrees Celsius of warming, CDR has well-documented risks — notably, mitigation deterrence and community harms. For this reason, [environmental justice \(EJ\) groups around the country](#) have made it clear that CO<sub>2</sub> sequestration projects that pose risks to local air or water quality, rapid fossil fuel phase-out, climate targets, or resident well-being are not acceptable.

There may be paths forward for [equitable, climate-positive](#) DAC, but they do not look like the one we're on now: corporations able to buy offsets to emissions they could easily prevent, little to no data transparency on projects (current and prospective), and most importantly, capture of the industry by fossil fuel giants. Vicki Hollub, CEO of Occidental Petroleum, [described](#) DAC as a lifeline for the future of oil and gas development: "We believe that our direct capture technology is going to be the technology that helps to preserve our industry over time. This gives our industry a license to continue to operate for the 60, 70, 80 years that I think it's going to be very much needed." Such a vision for DAC flies in the face of scientific evidence demonstrating the need to phase out fossil fuel production and use.

If the Biden Administration wants DAC to serve as a climate solution rather than a threat to hard-won climate victories, DAC cannot be allowed to become a greenwashing tool for fossil fuel companies seeking to perpetuate their interests and evade necessary emissions reductions. Committing to the principles laid out by the Justice40 Initiative also means that DOE must take concrete actions to safeguard the emerging DAC industry from fossil fuel capture and environmental racism. **Many of the projects included in [DOE's announcement](#) of intended recipients for first-round funding clearly do not meet these objectives. We urge the agency to take the following three steps in award negotiations toward a more equitable roll-out of the DAC Hubs program.**

First, **DOE should not give funding to any fossil fuel companies or their subsidiaries, and so must use the award negotiation period to rescind those funding offers. The agency is well**

**within its right to do so prior to entering into contractual agreements with prospective grant recipients.** Any funds awarded to fossil fuel companies act as a fossil fuel subsidy, as these companies have publicly stated their plans to use DAC to prop up the continued extraction of fossil fuels. The American public is tired of the flagrant abuse of public funds and of communities by fossil fuel companies. When thinking about siting new projects, [65% of likely voters](#) believe that policymakers should listen to the needs of impacted communities rather than fossil fuel interests (22%). More than half want to prioritize clean energy over fossil fuel projects, indicative of broader growing mistrust of and opposition to the fossil fuel industry. [Taxpayers are also tired](#) of propping up the industry, which costs Americans [\\$20 billion per year](#) in subsidies to the industry.

Second, **DOE should negotiate project offers in areas overburdened by extractive industries to make them premised on community co-creation and ownership (partial or full), community pollution reduction, rigorous data transparency, and the right to refuse projects.** Without new governance structures, an emerging industry like DAC faces a high risk of industry capture. Anything short of community (co-)ownership and operation with full transparency of all data is unacceptable for hubs in regions already overburdened by fossil fuel infrastructure. A [majority of voters](#) want infrastructure projects like DAC to come with robust community engagement and benefits, including labor benefits: [72% of likely voters](#) go so far as to agree that “developers should consult with a community and then together find the most suitable site for a project,” and 80% think that communities should play an equal or greater role in defining community benefits of projects as compared with developers. DOE should ensure that any project sited in communities that are already impacted by disproportionate air pollution (especially by criteria pollutants) and water pollution meaningfully reduces these pollutants. Especially if DOE insists on ignoring hub applicants’ ongoing harms to climate and communities by allowing fossil fuel companies to be recipients of grants, then it must at the very least require all grant recipients to shut down fossil fuel production within a 50-mile radius of the proposed DAC sites.

Third, **DOE should make all community benefit plans (CBPs) public in full before contract negotiations begin and allow community organizations to comment and make edits to be negotiated by DOE. DOE must make CBPs legally binding as part of the award, and, if companies fail to comply with the agreed-upon CBP, communities should be compensated with a reward level three times that of the original CBP value.** Transparency will be essential to hold developers accountable for commitments made during the application process: [77% of likely voters](#) agree that communities should have the right to refuse proposed project benefits like those described in CBPs, and 75% think plans and agreements should be adapted to local community needs. It will be impossible for either to occur if CBPs are not made fully transparent and available for comment from community members and organizations.

In summary, as DOE prepares to make announcements that will set the tone for DAC — not only in the U.S., but around the world — the agency must reject applications from fossil fuel companies and their subsidiaries; reject applications in environmental justice communities that do not include rigorous community co-creation and ownership, data transparency, and right of refusal;

and publish CBPs from all accepted applications in full and with opportunities for community members and organizations to comment. Without these measures, the DAC Hubs program risks further entrenching environmental injustices and contributing to industry greenwashing.

In the coming months of award negotiations, DOE has the opportunity to avoid making mistakes of the past and chart a new path for DAC. We strongly urge that the agency take the steps recommended in this letter to advance meaningful climate action and align with the Justice40 Initiative.

Sincerely,

Data for Progress  
National

Science and Community Action Network  
National

WE ACT for Environmental Justice  
National

Alaska Community Action on Toxics  
Alaska

Central California Asthma Collaborative  
California

Center on Race, Poverty & the Environment  
California

Tallahassee Food Network, Inc  
Florida

CleanAirNow\_EJ  
Kansas City, Kansas

Arbor Hill, EJ  
Albany, New York

South Bronx Unite  
Bronx, New York

NC Climate Justice Collective  
North Carolina

West End Revitalization Association (WERA)  
Mebane, North Carolina

Air Alliance Houston  
Texas

Coalition for Environment, Equity, and Resilience (CEER)  
Texas

Commission Shift  
Texas

Port Arthur Community Action Network  
Texas

Texas Campaign for the Environment  
Texas