July 29, 2024

The Honorable John Curtis United States House of Representatives 2323 Rayburn House Office Building Washington, DC 20515 The Honorable Chris Coons United States Senate 218 Russell Senate Office Building Washington, DC 20510

Dear Representative Curtis and Senator Coons,

The Industrial Innovation Initiative (I³) is encouraged and pleased to see continued bipartisan support in the House of Representatives for the <u>Providing Reliable</u>, <u>Objective</u>, <u>Verifiable Emissions Intensity and Transparency (PROVE IT) Act of 2024</u>. We applaud the bipartisan legislation you both introduced on July 9 with the support of 19 of your colleagues as co-sponsors. This follows action in the Senate, where the PROVE IT Act has moved through the Senate Environment and Public Works Committee with bipartisan support.

The bill directs the Department of Energy, in coordination with other federal agencies, to study the carbon intensity of certain industrial goods produced in or imported into the United States (US). An initial report would be required within two years of the bill's passage, with updates at least every five years. Calculating the carbon intensity of goods demonstrates their emissions profiles and can increase American competitiveness in domestic and global markets.

As the European Union (EU) begins to implement its Carbon Border Adjustment Mechanism (CBAM) – one of the most extensive environmental trade policies enacted to date – continued US leadership as a global producer requires a transparent and robust methodology to documenting the low carbon intensity of a range of American-made products. The PROVE IT Act accomplishes these goals.

Both the House and Senate versions of the PROVE IT Act highlight Congress' bipartisan commitment to ensuring that US-made goods remain competitive in a global marketplace increasingly favoring lower carbon products. I³ welcomes the contribution these bills make to help America's industrial sector demonstrate its commitment to producing high-quality, low-carbon industrial products.

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The Industrial Innovation Initiative (I³) is an ambitious coalition that aims to drive emissions reductions through policy change, supporting quality jobs and investment in key US industrial sectors. I³ builds on years of stakeholder engagement and work with state officials in the Midcontinent region, as well as extensive work advancing decarbonization solutions important to the industrial sector.

Sincerely,

The Industrial Innovation Initiative (I³)