chevron supports policy to advance innovation and lower carbon solutions

Chevron supports energy policies that incentivize the investment in projects and products that promote new technologies. We believe carbon pricing should be the primary policy tool to achieve greenhouse gas emissions reduction goals. In regions lacking sufficient carbon markets, government incentives and grants can be useful tools in encouraging a lower carbon future.

If designed properly, incentives, research and innovation, grants, and public partnerships can be effective policy tools to enable lower carbon operations and products. Chevron supports:

- **A focus on emissions:** Public research, development, demonstration and deployment should be based on opportunity for scalable emissions reduction, supporting the most promising pre-commercial opportunities, irrespective of energy source.
- **Balanced and transparent government policies:** Policy should be balanced to enable research, development and demonstration of promising technologies while minimizing market distortions. Policy should be open to participation and competition from across sectors and transparent in order to build public trust and communicate benefits, costs and trade-offs to the public.
- **Pre-commercial support:** To maximize limited public resources and minimize harmful market distortions, innovation policy should focus on advancing emerging technologies so they become commercially scalable without subsidy within a carbon-pricing program. Incentive-oriented programs should be designed with the goal of ultimately enabling technologies and products to compete without government support.
- **Scalable solutions:** Innovation policy should leverage scientific research to advance promising technologies that can offer scalable economic solutions to climate change. Policy should aim to drive down costs so these opportunities are commercially scalable and reduce the need for incentives over time.

incentives

We acknowledge and support incentives for nascent technologies and regions lacking a viable carbon market. Incentives should be designed with the intent to create cost competitiveness and scalability for lower carbon businesses and reduce the need for incentives over time.

research and innovation

We support policies that promote research, development and deployment of technologies to enable scalable solutions, drive down costs and improve performance. Investments in pre-commercial technologies can lead to commercially viable businesses and ultimately reduce the need for incentives over time.

grants and public partnerships

We believe competitive grant programs, public-private partnerships or co-investments in lower carbon technologies can be useful tools if designed to be competitive, results-oriented, transparent and inclusive of appropriate investment terms. Innovation policy grants should focus on advancing emerging and pre-commercial technologies. Grants for existing commercial opportunities that distort markets and create unfair competition should be avoided.

chevron.com