THIRD WAY

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How to Talk About DAC

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Direct Air Capture (DAC) technologies are a critical and innovative component of our climate and clean energy investment strategy. By pulling carbon dioxide directly from the atmosphere, DAC can target decades of accumulated emissions, with the potential to significantly negate historical carbon pollution. When scaled up properly, these facilities hold the potential to remove carbon dioxide at the million-ton level. That would represent significant mitigation of existing emissions and start to rapidly remove historical carbon emissions.

But the impact of DAC extends beyond our climate. This technology is poised to unlock substantial economic benefits for communities. Third Way's analysis highlights that the US is strategically positioned to capture a significant share of the over $2.4 trillion global DAC market through 2050 and generate thousands of new jobs each year through 2050. And with strong bipartisan support, federal policies in the US are positioning the country to take a leading role in the global DAC market.

Below, we provide an overview of the current state of the Direct Air Capture market in the United States, its economic benefits, and effective strategies to communicate the benefits of this technology to voters.

Status Update

The US is making significant strides in supporting DAC technologies. Since the Inflation Reduction Act, investment in DAC has surged twelvefold from previous levels, a major shift in momentum.

In 2023, the Department of Energy announced up to $1.2 billion in funding to advance the development of two major DAC hubs in Texas and Louisiana. These upcoming projects will be the first commercial-scale DAC plants in the US, expected to remove more than 2 million metric tons of carbon dioxide annually and create 4,800 high-quality, well-paying jobs in these states.

In September, DOE issued a notice of intent to fund up to $1.8 billion for the development and scaling of mid- and large-scale commercial DAC facilities and drive the creation of additional DAC hubs, potentially extending these significant economic benefits to other communities throughout the US.

The Potential for DAC

Our analysis estimates that continued investments in DAC could create up to 16,000 jobs annually for the next 30 years, primarily in Middle America, in communities currently reliant on oil and gas jobs. Skills from these industries transfer well to DAC plant construction, operations, and maintenance.

Recognizing this potential, major companies have made significant project announcements and investments in the research, development, and deployment (RD&D) of DAC technologies in the US.

Scaling DAC also means tackling persistent challenges, including high costs, energy demands, and limited CO2 transport and storage infrastructure. For DAC to succeed, we need increased policy support and RD&D funding. Strengthening demand-side policies and establishing standardized protocols for carbon removal are also essential to growing the voluntary carbon market.

Creating a strong demand for carbon removal, through government procurement programs, will spur investment and growth for this nascent industry. Because the US lacks a carbon market or carbon pricing, clear standards for monitoring and verification are key to helping US companies compete globally. Europe is currently leading in DAC deployment, thanks to robust R&D investments and EU policies tied to their carbon market.

How to sell it

DO: Show how DAC can create high-quality jobs across America, particularly in regions that have a strong oil and gas economy.

- Workers from the oil and gas sector already have many of the skills needed to transition into DAC plant construction, operations, and maintenance. As DAC investments flow to current and former oil and gas communities, they present a major opportunity for local economies through high-quality, future-oriented jobs.

DO: Reinforce the broad appeal of DAC. This isn't just about environmentalism—it's about economic security, job creation, and maintaining American leadership on the world stage.

- Third Way's polling shows that Americans overwhelmingly support a diverse mix of energy sources, including both clean energy and fossil fuels. DAC fits perfectly into this philosophy, offering a forward-thinking solution that complements existing energy strategies and addresses the climate challenge head-on. Highlighting DAC as part of this balanced energy approach resonates with voters who want to see pragmatic, multi-faceted solutions to energy and climate issues.

DO: Use clear terminology. Distinguish capture from removal, specifically Carbon Capture, Utilization, and Storage (CCUS) from Direct Air Capture (DAC).

- It's important to clarify the difference between capturing emissions at the source (CCUS) and removing carbon directly from the air (DAC). While both are critical tools in the climate toolkit, DAC offers a unique opportunity to directly reduce atmospheric carbon levels, addressing the legacy of emissions already in the atmosphere. This distinction reinforces the long-term value and necessity of investing in DAC as a complement to other carbon management strategies.

Bottom Line: DAC has bipartisan support and real promise as one of the tools to address the climate crisis. But we can't scale DAC without a groundswell of support from the public, which, in turn, will drive the policy change and funding needed to commercialize DAC. Clear and compelling communications on DAC can help more Americans understand what these technologies can do for our climate and for their communities.

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