

## API Policy Principles on Advancement of Innovation

API supports the need for public-private partnership for the innovation needed to create a broad range of large-scale, low-cost GHG emissions reduction options across the economy – regardless of the approach on emissions-reduction policy. Government will need to continue its unique and historic role to encourage and support the early stages of pre-commercial development of basic science and technology. The private sector, and all industries in it – not just natural gas and oil – will need to take the lead in commercializing technologies. Many API member companies, and industry groups of which they are members, undertake such innovation of technologies to reduce GHG emissions.

API will engage policymakers to ensure that policies incentivizing innovation to reduce GHG emissions:

- Focus on all forms of GHG emissions reduction, including research, development and demonstration (RD&D) related to natural gas or oil that could reduce emissions.
- Set supportive policies that help enable global deployment to continue providing energy to citizens worldwide.
- Give priority for government resources to research organizations with a proven record of advancing technologies to reduce GHG emissions, such as U.S. national laboratories, U.S. government advanced research projects agencies and activities, and public and private institutions of higher education.
- Incentivize private-sector, early cycle RD&D for large-scale GHG emissions reduction that is available economy-wide.
- Consistently evaluate technologies that can provide the largest scale and most cost-efficient opportunities to reduce GHG emissions across the economy (on the basis of a lifecycle dollar per ton of GHG emissions abated).