

2025 Regular Session

HOUSE BILL NO. 696 (Substitute for House Bill No. 353 by Representative Mack)

BY REPRESENTATIVE MACK

ENERGY: Provides relative to carbon dioxide sequestration

1 AN ACT

2 To amend and reenact R.S. 30:1107.2(A) and (C) and 1114 and to enact R.S. 30:1103(17)
3 and (18) and 1115(C), relative to carbon dioxide sequestration; to provide
4 definitions; to provide for emergency preparedness; to provide for ground water
5 quality monitoring; to require remediation plans for ground water contamination by
6 carbon dioxide; to require financial security related to possible contamination of
7 public water systems by carbon dioxide; to require notice of the construction of
8 pipelines; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 30:1107.2(A) and (C) and 1114 are hereby amended and reenacted
11 and R.S. 30:1103(17) and (18) and 1115(C) are hereby enacted to read as follows:

12 §1103. Definitions

13 Unless the context otherwise requires, the words defined in this Section have
14 the following meaning when found in this Chapter:

15 * * *

16 (17) "Public water system" means a system for the provision to the public
17 of piped water for human consumption, if such system has at least fifteen service
18 connections or regularly serves at least twenty-five individuals and includes any
19 collection, pretreatment, treatment, storage, and distribution facilities used primarily
20 in connection with the system.

1 (18) "Transmission pipeline" means a pipeline used to transport carbon
2 dioxide for the purpose of geologic storage or sequestration.

3 * * *

4 §1107.2. Emergency preparedness

5 A.(1) Prior to the commencement of carbon dioxide injection, an owner or
6 operator of a storage facility shall have in place an emergency and remedial response
7 plan as required by this Section and the administrative rules regarding Class VI
8 injection wells and shall provide a copy of the plan to the ~~parish president, police~~
9 ~~jury president, or mayor-president, depending on the form of parish government, for~~
10 governing authority of each parish within the area of review for dissemination to the
11 office of homeland security, local emergency preparedness committee, or other
12 appropriate emergency preparedness or response agencies.

13 (2) Prior to the commencement of carbon dioxide transportation, the owner
14 or operator of a transmission pipeline shall have in place an emergency and remedial
15 response plan, as required by this Section and the administrative rules regarding
16 carbon dioxide transmission pipelines, and shall provide a copy of the plan to the
17 governing authority of each parish in which the transmission pipeline will operate
18 for dissemination to the office of homeland security, local emergency preparedness
19 committee, or other appropriate emergency preparedness or response agencies.

20 * * *

21 C.(1) The owner or operator of each storage facility and transmission
22 pipeline shall also conduct at least one tabletop or field training exercise for each
23 ~~storage facility~~ prior to the commencement of injection to simulate emergency
24 situations and responses thereto in coordination with the appropriate emergency
25 preparedness and response agencies, ~~as designated by the parish president, police~~
26 ~~jury president, or mayor-president, depending on the form of parish government, for~~
27 each parish within the area of review. In addition, operators shall offer training
28 exercises once a year thereafter for the duration of injection operations.

1 (2) The equipment and supplies necessary for effective emergency response
 2 to a storage facility loss of containment or an unauthorized release from a
 3 transmission pipeline shall be identified during the pre-injection training exercise.
 4 Before injection operations commence, at least one fire department in each parish
 5 with a transmission pipeline or an injection well shall have all equipment and
 6 supplies deemed necessary during the pre-injection training exercise in their
 7 possession or readily available for their use, and operators shall, at a minimum,
 8 provide each department with all necessary personal protective equipment.

9 (3) Subsequent training exercises conducted pursuant to this Subsection shall
 10 include consideration of whether the equipment and supplies identified as necessary
 11 at the pre-injection training should be updated and whether the fire departments
 12 remain properly equipped.

13 * * *

14 §1114. ~~Groundwater~~ Ground water quality monitoring; remediation; financial
 15 security

16 ~~The owner or operator of a storage facility shall conduct periodic testing and~~
 17 ~~monitoring of ground water quality above the confining zone and shall report the~~
 18 ~~testing and monitoring conducted to the commissioner semiannually.~~

19 A. Prior to commencement of injection operations, the storage operator shall
 20 have in place a remediation plan for ground water contamination. The plan shall
 21 include procedures the operator will employ to remediate contamination caused by
 22 a loss of containment and return an underground source of drinking water to its
 23 previous condition.

24 B. The storage operator shall monitor the water quality of any underground
 25 sources of drinking water within the area of review of the facility and shall provide
 26 quarterly reports of the results of this monitoring in a manner prescribed by the
 27 department.

28 C. Upon request of a public water system within the area of review, the
 29 storage operator shall cause routine sampling and testing of the public water system

1 water supply to be performed by a third party at the expense of the operator. The
2 results of any testing performed pursuant to this Subsection shall be provided to the
3 public water system and to the department.

4 D. If ground water monitoring indicates that a source of drinking water has
5 been rendered unsafe to drink or to provide to livestock due to contamination caused
6 by a loss of containment from the storage facility, the storage operator shall
7 immediately execute the ground water remediation plan and shall provide an
8 alternative supply of potable drinking water within twenty-four hours and an
9 alternative supply of water that is safe for other uses within thirty days. The supplies
10 of both potable water and water that is safe for other uses shall continue until
11 additional monitoring by the storage operator shows that the source of drinking water
12 is safe for drinking and other uses and such results are confirmed by independent
13 testing performed by the department.

14 E. In addition to any financial security required by the department pursuant
15 to administrative rules, prior to injection operations, the storage facility owner or
16 operator shall obtain financial security or insurance coverage in favor of, and payable
17 to, each public water system within the area of review of the facility. Financial
18 security required by the department for remediation may be reduced by the amounts
19 obtained in favor of public water systems as required by this Section. The financial
20 security obtained pursuant to this Section shall be sufficient to cover all of the
21 following:

22 (1) The cost to return the system's source of drinking water to its condition
23 prior to contamination.

24 (2) Damages to the system's equipment and facilities caused by
25 contamination or remediation thereof.

26 (3) Any expenses incurred by the system in response to or because of
27 contamination or remediation thereof.

28 §1115. Notifications regarding applications

29 * * *

1 C. The operator of a transmission pipeline shall cause notice of the
 2 construction of a transmission pipeline to be published in the official state journal
 3 and in each parish through which the pipeline will traverse the operator shall cause
 4 notice of the construction of the pipeline to be published in the official parish journal
 5 and shall provide notice to the governing authority at least thirty days prior to any
 6 public hearing on the permit application required for construction or thirty days prior
 7 to any public comment period on the permit application required for construction,
 8 whichever is earlier.

9 Section 2. The Louisiana State Law Institute is hereby authorized and directed to
 10 alphabetize and renumber the definitions contained in R.S. 30:1103 and to correct any cross-
 11 references to the renumbered Paragraphs if necessary, consistent with the provisions of this
 12 Act.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 696 Engrossed

2025 Regular Session

Mack

Abstract: Establishes requirements for carbon dioxide sequestration regarding emergency preparedness, notice of the construction of pipelines, and ground water quality, contamination, remediation, and financial security.

Present law establishes the La. Geologic Sequestration of Carbon Dioxide Act, which provides for definitions, authority of the commissioner of conservation, and requirements for the injection of carbon dioxide and for carbon dioxide storage facilities.

Proposed law retains present law and adds definitions for "public water system" and "transmission pipeline".

Present law requires storage facilities to have an emergency and remedial response plan in place prior to injection and requires storage facility owners and operators to provide parish governing authorities with a copy of the plan.

Proposed law retains present law and adds that transmission pipelines must also have emergency and remedial response plans that the pipeline operator must provide to parish governing authorities.

Present law requires that a tabletop exercise be conducted prior to injection operations.

Proposed law provides that the pre-injection exercise may also be field training and that training must also be offered by the operators once a year for the duration of injection operations.

Proposed law also requires that equipment and supplies necessary for local fire departments to effectively respond to an emergency stemming from a storage facility or pipeline must be identified during this pre-injection training.

Proposed law prohibits the commencement of injection operations until at least one fire department in each parish with a transmission pipeline or injection well has such equipment and supplies in their possession or readily available for their use and requires operators to at least provide these departments with necessary personal protective equipment.

Present law requires that storage facility owners and operators conduct periodic testing and monitoring of ground water quality above the confining zone and report semiannually to the office of conservation regarding such testing and monitoring.

Proposed law repeals present law and requires the following of storage facility owners and operators instead:

- (1) Remediation plans for ground water contamination by carbon dioxide.
- (2) Monitoring of underground sources of drinking water with quarterly reporting to the department.
- (3) Routine sampling of public water systems by a third party when requested by the system.
- (4) Provision of potable water and water safe for other uses when monitoring indicates that a source of drinking water is unsafe and for as long as that source of drinking water remains unsafe.

Proposed law requires storage facility's to obtain financial security or insurance to cover the costs of the following related to contamination of public water systems by carbon dioxide:

- (1) Remediation of the contamination.
- (2) Damages to system equipment and facilities caused by contamination or remediation.
- (3) Expenses incurred by the system due to contamination or remediation.

Directs the La. State Law Institute to alphabetize and renumber the definitions contained in proposed law and to correct any cross-references that may need to be changed as a result of the renumbering.

(Amends R.S. 30:1107.2(A) and (C) and 1114; Adds R.S. 30:1103(17) and (18) and 1115(C))