

SENATE COMMITTEE AMENDMENTS

2024 Regular Session

Amendments proposed by Senate Committee on Natural Resources to Reengrossed House Bill No. 966 by Representative Geymann

1 AMENDMENT NO. 1

2 On page 3, delete line 13 through 22, and insert:

3 ~~"approved hereunder.~~

4 \* \* \*

5 §1104.2. Unitization

6 A. In order to promote the orderly development of the state's geologic storage  
7 resources, to ensure that these resources are developed in an efficient, fair, and  
8 equitable manner, and to prevent waste thereof, upon the application of a storage  
9 operator, the commissioner is authorized and empowered to enter an order requiring  
10 the unit operation of a storage unit, as that term is defined in this Section, in addition  
11 to any reasonable and necessary areal buffer and subsurface monitoring zones, and  
12 in connection with such an order of unit operation, the"

13 AMENDMENT NO. 2

14 On page 3, line 24, change "such" to "a"

15 AMENDMENT NO. 3

16 On page 3, line 27, after "commissioner" insert "that it is for a public and necessary purpose.  
17 In order to consider a unit application, the commissioner shall find"

18 AMENDMENT NO. 4

19 On page 3, line 28, after "within the" insert "proposed"

20 AMENDMENT NO. 5

21 On page 4, delete lines 6 through 18, and insert:

22 "sharing of the benefits generated from use of such tracts for geologic storage, and  
23 shall provide for just and equitable compensation to all owners in interest, including  
24 the storage operator, other owners in interest who consented in writing to geologic  
25 storage, and owners in interest who did not consent in writing to geologic storage,  
26 except that the order shall not vary, alter, or otherwise apply a standard of benefit  
27 sharing or compensation to, the terms of any contracts between the storage operator  
28 and any owner in interest. The order shall set forth the method, formula, or other  
29 basis by which the just and equitable sharing of the benefits shall be determined,  
30 including the timing of payments thereof. In determining the method, formula, or  
31 other basis, the commissioner may take into consideration such factors that include  
32 but are not limited to the computational modeling submitted by an existing or  
33 proposed storage operator, whether there is an impact to a tract, the extent of any  
34 impact to a tract, each separately owned tract's proportionate share of the total  
35 surface acreage contributed to the storage unit, the costs required to perform the unit  
36 operation, and the viability of any third-party geologic storage projects within the  
37 storage unit and any associated third-party contracts executed by an owner in  
38 interest.

39 D. Judicial review of orders, rules, and regulations issued by the  
40 commissioner pursuant to this Section shall be conducted pursuant to the provisions  
41 and requirements of R.S. 30:12. Additionally, subject to timely filing for court  
42 review pursuant to R.S. 30:12, the proposed storage unit operator or any owner in

1 interest who has not entered into an agreement for geologic storage with the  
2 proposed storage unit operator shall have the right to have the reviewing court  
3 determine whether the purpose for the storage unit is public and necessary, whether  
4 the compensation provided for is just, and, if not, the amount of just compensation  
5 due. As to any owner in interest having the right to have a reviewing court determine  
6 whether the compensation is just under this Subsection, the court's review in those  
7 instances shall be limited to the compensation affecting that specific owner in  
8 interest. The review of whether the compensation is just may be heard through a trial  
9 by jury if timely requested by any party. Judicial reviews conducted under this  
10 Subsection shall be tried by preference and shall be conducted with the greatest  
11 possible dispatch."

12 AMENDMENT NO. 6

13 On page 4, delete line 26 through 29 and on page 5, delete lines 1 through 4 and insert:

14 "shall provide for just and equitable compensation to all owners in interest as to any  
15 acreage added to the storage unit and may also provide for adjustments to  
16 compensation and the sharing of benefits as are just and equitable for all owners in  
17 interest as to the area encompassed by the enlarged or reduced storage unit. In any  
18 order issued pursuant to this Subsection providing for compensation, the  
19 commissioner shall use the same method, formula, or other basis used to determine  
20 the just and equitable share pursuant to Subsection C of this Section. However, no  
21 order issued pursuant to this Subsection shall vary, alter, or otherwise apply a  
22 standard of benefit sharing or compensation to, the terms of any contracts between  
23 the storage operator and any owner in interest."

24 AMENDMENT NO. 7

25 On page 5, line 14, after "reduced." delete the remainder of the line and delete lines 15 and  
26 16, and insert:

27 "However, no order, rule, or regulation issued pursuant to this Subsection shall vary,  
28 alter, or otherwise apply a standard of benefit sharing or compensation to, the terms  
29 of any contracts between the storage operator and any owner in interest. The same  
30 requirements and procedures to challenge such an order, rule, or regulation that are  
31 stated in Subsection D of this Section shall also apply to this Subsection."

32 AMENDMENT NO. 8

33 On page 5, delete lines 23 through 26, and insert:

34 "(2) "Storage unit" shall mean the area encompassing the underground  
35 reservoir or portion thereof, and all associated top and bottom seals, which comprise  
36 the carbon dioxide plume, as that term is defined in administrative rules and  
37 regulations providing for Class VI injection wells, based on computational modeling  
38 submitted in the unit application by the existing or proposed storage operator, as  
39 approved by the commissioner."

40 AMENDMENT NO. 9

41 On page 6, line 3, change "well" to "wellhead"

42 AMENDMENT NO. 10

43 On page 6, delete line 4 and insert:

44 "inhabited dwelling not owned by the storage operator or any owner in interest  
45 bound by a contract with the storage operator that allows for the location of a Class  
46 VI injection wellhead within five hundred feet of an inhabited dwelling."

1           K. If this Section, or the application thereof to any person or circumstance,  
2           is finally determined by a court of law to be unconstitutional or otherwise invalid,  
3           the right to exercise the power of eminent domain and expropriate reservoir storage  
4           rights for geologic storage shall be reinstated, subject to the storage operator  
5           obtaining a certificate of public convenience and necessity from the commissioner  
6           pursuant to R.S. 30:1107(A)"

7           AMENDMENT NO. 11

8           On page 6, line 7, after "Within" delete the remainder of the line and at the beginning of line  
9           8, delete "VI injection well" and insert "thirty days of receiving notice of an application for  
10           a Class VI injection well being deemed administratively complete"

11           AMENDMENT NO. 12

12           On page 6, delete line 16 and insert "or others within the predicted or modeled carbon  
13           dioxide plume, as that term is defined in administrative rules and regulations providing for  
14           Class VI injection wells."