

GREEN SHEET REDIGEST

HB 516

2024 Regular Session

Mack

ENERGY/CONSERVATION: Provides relative to carbon dioxide sequestration.

DIGEST

Proposed law provides definitions for "area of review" and "geologic sequestration project".

Present law provides for the recordation of a notice of geologic storage agreement and includes specific requirements for recording such notices.

Proposed law retains present law.

Proposed law requires owners and operators of permitted storage facilities to record with the clerk of court for any parish included in the area of review for the facility:

- (1) Notice of Class VI permit.
- (2) Maps of the area of review identifying certain features, but only to the extent such information is already required by administrative rules.

Proposed law requires this information for injection, monitoring, producing, orphan, plugged, and water wells. Specifies it is also required for faults, certain bodies of water, aquifers, structures for human occupancy, roads, and state boundaries.

Proposed law further provides that the party recording the maps must notify appropriate local governing authorities within 30 days of recordation.

Proposed law prohibits the commissioner of conservation from permitting a Class VI injection wellhead within 500 feet of any school, health care facility, or inhabited dwelling not owned by the operator or an owner in interest under a contract that allows for location of the wellhead within 500 feet.

Proposed law requires storage facilities to have emergency and remedial response plans in place prior to injection as required by administrative rule and requires storage facility owners and operators to provide parish governing authorities with a copy of the plan.

Proposed law further requires that emergency and remedial response plans include continuing training programs for operating and maintenance personnel regarding potential hazards, risk scenarios, and response actions.

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

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 30:1112; Adds R.S. 30:1103(14) and (15), 1107.2, 1113, and 1114)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Natural Resources and Environment to the original bill:

1. Change the setback of storage facilities from municipalities, residences, schools, and health care facilities from two miles to 500 feet.

The House Floor Amendments to the engrossed bill:

1. Add definitions for "area of review" and "geologic sequestration project"
2. Remove the requirement that storage facility owners and operators provide a community notification system for emergencies.
3. Remove the requirement that local office of homeland security and emergency preparedness directors approve storage operators' emergency response plans.
4. Remove minimum requirements of emergency response plans, except for continuing training on hazards, risk scenarios, and response actions for facility personnel and maintenance.
5. Require storage facility owners and operators to provide copies of a facility emergency response plan to parish governing authorities within the area of review for the facility.
6. Require one tabletop exercise with local emergency response agencies for each storage facility to simulate emergency situations and responses.
7. Require storage facility operators to record a notice that a Class VI permit has been issued with the clerk of court of any parish within the area of review for the facility.
8. Remove the requirement that Class VI permit applicants record maps of the area of review with the parish clerk of court in any parish included in the area of review.
9. Limit the requirement that storage owners and operators record maps of the area of review with the parish clerk of court by only requiring the recordation of information also already required by administrative rule.
10. Remove a provision that only public information had to be included in the maps required to be recorded with the clerk of court.
11. Remove requirement that recorded maps be updated at least every five years and for changes in circumstances.
12. Remove the prohibition against storage facilities being located within 500 feet of municipalities.
13. Change the 500 foot setback for residential structures, schools, and health care facilities from prohibiting a storage facility within 500 feet of these structures to prohibiting a Class VI injection wellhead within 500 feet of these structures of residential property, inhabited dwellings, and healthcare facilities.
14. Remove requirement that Class VI wells and storage facilities comply with local land use planning and zoning ordinances.
15. Remove the classification of Class VI wells and storage facilities as industrial uses unless provided otherwise by local zoning ordinances.
16. Remove requirements that storage facility testing and monitoring plans include annual testing of samples from the same wells used for baseline sampling during the Class VI permitting process and comparison of the results to the baseline data for changes that may indicate an underground carbon dioxide leak.
17. Require that storage facility owners and operators conduct periodic testing and monitoring of ground water quality above the confining zone and report semi-annually to the office of conservation regarding such testing and monitoring.

18. Authorize the La. State Law Institute to alphabetize and renumber the definitions contained in R.S. 30:1103 and to correct any cross-references to the renumbered paragraphs if necessary.
19. Make technical changes.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Natural Resources to the reengrossed bill

1. Prohibit location of a Class VI injection wellhead within 500 feet of a school or an inhabited dwelling not owned by the operator or an owner in interest under a contract that allows for location of the wellhead within 500 feet.
2. Remove residential property from 500 foot wellhead proximity limitation.