

2023 Regular Session

SENATE RESOLUTION NO. 123

BY SENATOR CORTEZ

ENERGY DEVELOPMENT. Requests the U.S. Environmental Protection Agency to take actions necessary to timely review and grant the state of Louisiana's application for primacy in the administration of Class VI injection well permitting.

1 A RESOLUTION

2 To urge and request the United States Environmental Protection Agency to take such actions
3 necessary to timely review and grant the state of Louisiana's application for primacy
4 in the administration of Class VI injection well permitting and to express support in
5 furtherance thereof to maintain and extend Louisiana's global leadership in
6 transformative energy innovation.

7 WHEREAS, for well over a century the people of Louisiana, through their elected
8 representatives in the Louisiana Legislature and executive branch regulatory agencies, have
9 capably and conscientiously overseen the state's oil and gas industry, including enactment
10 of the first conservation laws in 1906 and the establishment of the office of conservation in
11 1921; and

12 WHEREAS, since the state's first successful oil well was completed in a Jennings
13 rice field more than one hundred twenty years ago, Louisiana has been a leader in exploring
14 the next energy frontier and pioneering the necessary technologies and capabilities,
15 including: the first over-the-water oil well in Caddo Lake, the first long-distance pipeline
16 from Shreveport to a Baton Rouge refinery, the first fluid catalytic cracker unit critical to
17 boost fuel production and octane during World War II, and the first offshore drilling rig and
18 producing well out of sight of land in the Gulf of Mexico; and

1 WHEREAS, in 2009 the members of the Louisiana Legislature had the foresight to
2 enact the Louisiana Geologic Sequestration and Carbon Dioxide Act and thus create the
3 statutory and regulatory framework enabling the Department of Natural Resources to request
4 that the United States Environmental Protection Agency (EPA) allow the state of Louisiana
5 to administer and enforce the Class VI injection well permitting program; and

6 WHEREAS, the Department of Natural Resources, office of conservation, submitted
7 its primacy request in the fall of 2021, after more than two years of preparation and
8 coordination with EPA Region 6 as well as two public comment periods; and

9 WHEREAS, the EPA published a proposed rule to grant Louisiana primacy in the
10 Federal Register in early May 2023; and

11 WHEREAS, for decades Louisiana state government agencies have been effectively
12 administering a number of federal regulatory programs to which the EPA has either
13 delegated authority or granted primacy to the state of Louisiana; and

14 WHEREAS, in 1982, the office of conservation Underground Injection Control
15 Section was granted primacy by the EPA to administer the approved regulatory and
16 permitting program for Class I, Class II, Class III, Class IV, and Class V wells; and

17 WHEREAS, for more than forty years it has been a core duty of state agency leaders
18 and employees to protect underground sources of drinking water, surface waters, and the
19 land from endangerment by regulating the subsurface injection of hazardous and
20 nonhazardous waste fluids; subsurface storage of liquid, liquefied, and gaseous fluids;
21 mineral solution mining; and injection for enhanced oil recovery; and

22 WHEREAS, Louisiana citizens employed at the appropriate state government
23 agencies are best qualified to evaluate Class VI permit applications in light of Safe Drinking
24 Water Act requirements due to decades-long experience and knowledge of Louisiana's
25 subsurface geology; and

26 WHEREAS, Louisiana's Class VI primacy application incorporates a memorandum
27 of agreement with EPA Region 6 reaffirming the state's commitment to inclusive
28 participation during the permitting process with a sensitivity to potential impacts on
29 susceptible sub-populations; and

30 WHEREAS, there are currently twenty administratively complete Class VI permit

1 applications pending at the federal agency representing tens of billions of dollars in potential
2 capital investment, tens of millions in metric tons of captured carbon dioxide emissions, and
3 untold thousands of Louisiana jobs; and

4 WHEREAS, EPA has yet to issue a single Class VI permit from a Louisiana
5 applicant; and

6 WHEREAS, Louisiana embraces an all-the-above approach to the nation's energy
7 supply as well as the ongoing energy transition, of which carbon capture and sequestration
8 plays an integral part; and

9 WHEREAS, Louisiana is committed to maintaining its position as a national leader
10 in energy production, job growth in the energy sector, and innovative climate technologies;
11 and

12 WHEREAS, a recent PricewaterhouseCoopers economic analysis showed that
13 Louisiana's natural gas and oil industry supported three hundred forty-six thousand jobs,
14 provided \$25.8 billion in labor income and contributed more than \$54 billion toward the
15 state's economy; and

16 WHEREAS, the anticipated carbon capture, utilization, and storage activity in
17 Louisiana, coupled with new infrastructure and retrofitting needs, is critical to retaining,
18 sustaining, and growing the state's oil, natural gas, pipeline, petrochemical, biofuel, liquefied
19 natural gas, and hydrogen economy as it transforms into an increasingly decarbonized future;
20 and

21 WHEREAS, Louisiana serves a national strategic purpose in protecting our country's
22 energy security as it produces sixteen per cent of domestic energy, and supports America's
23 allies across the world with energy exports; and

24 WHEREAS, Louisiana officials have been in an active, years-long collaboration with
25 the EPA to establish robust regulatory requirements and oversight of Class VI wells in order
26 to ensure the safe implementation carbon capture and sequestration projects in the state.

27 THEREFORE, BE IT RESOLVED that the Senate of the Legislature of Louisiana
28 does hereby urge and request the United States Environmental Protection Agency to take
29 such actions necessary to timely review and grant the state of Louisiana's application for
30 primacy in the administration of Class VI injection well permitting and to express support

