HLS 23RS-3586 **ORIGINAL**

2023 Regular Session

HOUSE RESOLUTION NO. 229

BY REPRESENTATIVE COUSSAN

ENVIRONMENT/PERMITS: Memorializes the United States Environmental Protection Agency to timely grant the state of Louisiana's application for primacy in the administration of Class VI injection well permitting

A RESOLUTION

To memorialize the United States Environmental Protection Agency to take such actions as are necessary to timely review and grant the State of Louisiana's application for primacy in the administration of Class VI injection well permitting and to express this body's support in furtherance thereof to maintain and extend Louisiana's global leadership in transformative energy innovation.

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

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

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

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

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

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

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

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

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

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

WHEREAS, there are currently twenty administratively complete Class VI permit applications pending at the federal agency representing tens of billions of dollars in potential capital investment, tens of millions in metric tons of captured carbon dioxide emissions, and untold thousands of Louisiana jobs; and

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

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

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

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

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

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

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

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby memorialize the United States Environmental Protection Agency to take such actions as are necessary to timely review and grant the state of Louisiana's application for primacy in the

administration of Class VI injection well permitting and to express support in furtherance thereof to maintain and extend Louisiana's global leadership in transformative energy innovation.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the Administrator of the United States Environmental Protection Agency, the presiding officers of the Senate and the House of Representatives of the Congress of the United States of America, to each member of the Louisiana congressional delegation, and submitted for inclusion in the comments for Docket Number EPA-HQ-OW-2023-0073.

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)]

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