

2024 Regular Session

HOUSE BILL NO. 516

BY REPRESENTATIVE MACK

ENERGY/CONSERVATION: Provides relative to carbon dioxide sequestration

1 AN ACT

2 To amend and reenact R.S. 30:1112 and to enact R.S. 30:1107.2, 1113, and 1114, relative
3 to geologic sequestration of carbon dioxide; to require emergency response plans;
4 to require community notification systems; to require recordation of maps; to require
5 notice of recordation; to establish certain siting prohibitions for storage facilities; to
6 require compliance with land use planning and zoning ordinances; to provide for the
7 industrial use classification; to provide for groundwater testing and monitoring; to
8 provide for reporting; to provide for public records; to provide for an effective date;
9 and to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 30:1112 is hereby amended and reenacted and R.S. 30:1107.2, 1113,
12 and 1114 are hereby enacted to read as follows:

13 §1107.2. Emergency preparedness

14 A. In addition to any other requirements imposed by administrative rules,
15 prior to the commencement of carbon dioxide injection, an owner or operator shall
16 have in place an emergency response plan and a community notification system that,
17 at a minimum, comply with the provisions of this Section and have been approved
18 by the parish office of homeland security and emergency preparedness director for
19 each parish within the area of review.

1 B. Emergency response plans shall be developed in liaison with law
2 enforcement agencies, fire departments, 911 communications directors, parish
3 offices of homeland security and emergency preparedness, and other appropriate
4 agencies and officials having jurisdiction in or servicing any part of the area of
5 review. Each plan shall, at a minimum, provide for the following:

6 (1) Risk scenarios and associated emergency response actions.

7 (2) Assets, resources, equipment, training, infrastructure improvements, and
8 any other provisions necessary for effective emergency response and how those
9 needs will be met.

10 (3) Procedures for communicating with and coordinating responses with
11 appropriate governmental agencies, officials, and first responders.

12 (4) Procedures for use of the community notification system and evacuation
13 and shelter-in-place plans.

14 (5) Continuing training programs for operating and maintenance personnel
15 regarding potential hazards, risk scenarios, identification of carbon dioxide release,
16 and response actions.

17 (6) Continuing outreach and educational programming for the public,
18 governmental agencies, and officials to learn about the community notification
19 system, evacuation and shelter-in-place plans, identification of carbon dioxide
20 release, and how to report emergencies.

21 C. The community notification system shall function to alert all persons
22 within an affected area of incidents that pose an immediate threat to public health,
23 safety, or welfare. The operator shall test the community notification system
24 monthly.

25 * * *

26 §1112. Notice of geologic storage agreements; maps; recordation

27 A. Notice of geologic storage agreement.

28 (1) In lieu of recording an agreement for the geologic storage of carbon
29 dioxide or any amendment or modification thereof, as provided by Civil Code

1 Article 3338, a party may record a notice of geologic storage agreement signed by
2 the grantor who executed the agreement.

3 (2) Recordation of a notice shall make the geologic storage agreement and
4 any subsequent amendment or modification effective as to third persons to the same
5 extent as recordation of the instrument.

6 (3) The notice of geologic storage agreement shall contain the following:

7 (a) A declaration that the property is subject to the geologic storage
8 agreement and the names and addresses of the parties who executed the agreement.

9 (b) A description of the surface and depths covered by the geologic storage
10 agreement.

11 (c) The effective date of the geologic storage agreement, its term, and the
12 provisions of any other extensions and renewals of the term provided for in the
13 agreement.

14 (d) A description of any restrictions on drilling through or otherwise
15 penetrating the carbon dioxide storage reservoir for purposes of exploring,
16 developing, or producing minerals from or below the reservoir.

17 ~~B. (1)~~ (4)(a) A change in a geologic storage agreement with respect to any
18 matter that is required to be included in a notice of geologic storage agreement
19 pursuant to ~~Subsection A of this Section~~ Paragraph (3) of this Subsection is not
20 effective as to third persons unless the parties record a signed amendment to the
21 notice that describes the change.

22 ~~(2)~~ (b) Notwithstanding ~~Paragraph (1) of this Subsection~~ Subparagraph (a)
23 of this Paragraph, if the change is a transfer of a party's rights, the parties may do
24 either of the following:

25 ~~(a)~~ (i) Record an amendment to the notice signed by the transferor and
26 transferee evidencing the transfer.

27 ~~(b)~~ (ii) Record the instrument transferring the party's rights.

28 ~~C. (5)~~ The effect of recordation of a notice of geologic storage agreement
29 ceases on occurrence of either of the following:

1 ~~(1)~~ (a) Upon recordation of an instrument signed by the parties to the
2 agreement or their successors declaring that the geologic storage agreement has
3 terminated.

4 ~~(2)~~ (b) On the date that the geologic storage agreement may finally terminate
5 as set forth in the notice of geologic storage agreement.

6 ~~D. (6)~~ (6) The provisions of this ~~Section~~ Subsection authorizing the filing of a
7 notice of geologic storage agreement are remedial and shall be applied retroactively
8 to any notice of geologic storage agreement ~~theretofore~~ filed for record prior to June
9 16, 2023 which is in substantial compliance with the provisions of this Subsection
10 ~~A of this Section~~, and such a notice shall affect third persons as of the date of
11 recordation.

12 ~~E. (7)~~ (7) The grantee of any recorded notice of geologic storage agreement shall
13 notify the governing authority of the parish in which the instrument is recorded
14 within thirty days after recordation. Notice may be made by electronic mail to the
15 parish president, police jury president, or mayor-president, depending on the form
16 of parish government.

17 B. Maps.

18 (1) An applicant for a Class VI permit or the owner or operator of a
19 permitted facility shall record with the clerk of court in any parish included in the
20 area of review a map or maps of the area of review that show the location or
21 projected location of the plume as well as the location or proposed location and name
22 or other identifying information for all of the following:

23 (a) Injection wells.

24 (b) Monitoring wells.

25 (c) Producing wells.

26 (d) Abandoned and orphan wells.

27 (e) Plugged wells and dry holes.

28 (f) Known and suspected faults.

29 (g) Water wells.

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 (h) Surface bodies of water.

2 (i) Natural springs.

3 (j) Aquifers.

4 (k) Structures intended for human occupancy.

5 (l) Roads.

6 (m) State and parish boundaries.

7 (2) Only information of public record is required to be included on the map.

8 (3) The maps required to be recorded by this Subsection shall be updated at
9 least every five years and any time there is a change in circumstances affecting the
10 accuracy of the maps previously recorded.

11 (4) The applicant, owner, or operator shall notify the governing authority of
12 each parish in which the maps are recorded within thirty days after recordation.
13 Notice may be made by electronic mail to the parish president, police jury president,
14 or mayor-president, depending on the form of parish government.

15 §1113. Siting requirements

16 A. The commissioner shall not issue any Class VI permit for a storage
17 facility located within five hundred feet of the following:

18 (1) The corporate limits of any municipality.

19 (2) Residential property.

20 (3) Schools.

21 (4) Health care facilities.

22 B. The commissioner shall not issue any Class VI permit for a storage
23 facility that does not comply with applicable local land use planning and zoning
24 ordinances.

25 C. Class VI wells and storage facilities shall be classified as industrial uses
26 unless applicable local land use planning or zoning ordinances provide otherwise.

27 §1114. Groundwater quality monitoring

28 A. In addition to any groundwater monitoring required by administrative
29 rules, a storage facility's testing and monitoring plan shall include ground water

1 sampling and testing to be performed at least once per year using the same wells that
 2 were sampled for baseline water quality and geochemistry during the permitting
 3 process. The owner or operator shall cause the test results to be compared against
 4 the baseline data for any physical or chemical changes that could represent a
 5 potential loss of containment.

6 B. Reports of all data collected and analyses performed pursuant to this
 7 Section shall be submitted to the office of conservation by the operator in a manner
 8 prescribed by the office and these reports shall be public records.

9 Section 2. This Act shall become effective upon signature by the governor or, if not
 10 signed by the governor, upon expiration of the time for bills to become law without signature
 11 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 12 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 13 effective on the day following such approval.

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 516 Engrossed

2024 Regular Session

Mack

Abstract: Establishes requirements for carbon dioxide sequestration regarding emergency preparedness, recordation of maps, local notice, siting restrictions, local zoning, ground water monitoring, and reporting.

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 Class VI permit applicants and owners and operators of permitted facilities to record maps of the area of review in any parish included in the area of review and the maps must identify the following features:

- (1) Plumes.
- (2) Injection wells.
- (3) Monitoring wells.
- (4) Producing wells.
- (5) Abandoned and orphan wells.

- (6) Plugged wells and dry holes.
- (7) Known and suspected faults.
- (8) Water wells.
- (9) Surface bodies of water.
- (10) Natural springs.
- (11) Aquifers.
- (12) Structures intended for human occupancy.
- (13) Roads.
- (14) State and parish boundaries.

Proposed law further provides that recorded maps need only include information that's public record, that the maps must be updated at least every five years and for changes in circumstances, and that the party recording the map must notify appropriate local governing authorities within 30 days of recording.

Proposed law prohibits the commissioner of conservation from permitting a storage facility within five hundred feet of any municipalities, residential property, schools, and health care facilities. Further requires that Class VI wells and storage facilities comply with local land use planning and zoning ordinances.

Proposed law declares that Class VI wells and storage facilities are industrial uses unless local zoning ordinances provide otherwise.

Proposed law requires storage facilities to have emergency response plans in place and that those plans be approved by the parish office of homeland security and emergency preparedness. Further establishes minimum requirements, including provisions for:

- (1) Risk scenarios and associated emergency response actions.
- (2) Assets, resources, equipment, training, infrastructure improvements, and any other provisions necessary for effective emergency response and how those needs will be met.
- (3) Procedures for communicating with and coordinating responses with appropriate governmental agencies, officials, and first responders.
- (4) Procedures for use of the community notification system and evacuation and shelter-in-place plans.
- (5) Continuing training programs for operating and maintenance personnel regarding potential hazards, risk scenarios, identification of carbon dioxide release, and response actions.
- (6) Continuing outreach and educational programming for the public and governmental agencies and officials to learn about the community notification system, evacuation and shelter-in-place plans, identification of carbon dioxide release, and how reporting emergencies.

Proposed law requires that storage facilities also have in place community notification systems to warn people of an imminent threat involving the storage facility and requires monthly testing of the system.

Proposed law requires that storage facilities' 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. Specifies that the test results and comparison must be reported to the office of conservation and they are declared to be public records.

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

(Amends R.S. 30:1112; Adds R.S. 30:1107.2, 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.