

SENATE COMMITTEE AMENDMENTS

2024 Regular Session

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

AMENDMENT NO. 1

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

~~"approved hereunder.~~

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§1104.2. Unitization

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

AMENDMENT NO. 2

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

AMENDMENT NO. 3

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

AMENDMENT NO. 4

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

AMENDMENT NO. 5

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

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

D. Judicial review of orders, rules, and regulations issued by the commissioner pursuant to this Section shall be conducted pursuant to the provisions and requirements of R.S. 30:12. Additionally, subject to timely filing for court 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."