
DIGEST

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HB 601 Engrossed

2025 Regular Session

Geymann

Abstract: Clarifies commissioner of conservation's authority and duties regarding the issuance of certificates of public convenience and necessity for transporters of carbon dioxide (CO₂) for geologic storage; requires a certificate of public convenience and necessity for the construction of a CO₂ storage pipeline; removes expropriating authority for CO₂ storage pipelines; and prohibits foreign owned legal entities from using expropriation for carbon dioxide sequestration.

Present law authorizes expropriation by public entities and certain corporations, limited liability companies, or other legal entities, including carbon dioxide sequestration operators and CO₂ storage pipeline companies.

Proposed law removes all expropriating authority for CO₂ storage pipeline companies.

Proposed law prohibits carbon dioxide sequestration operators owned by, or with a controlling interest held by, countries other than the U.S. or persons who aren't American citizens or permanent U.S. residents from being considered expropriating authorities under present law.

Present law requires the commissioner to issue a certificate of public convenience and necessity to each transporter of CO₂ applying for one, and such rights necessary and incidental thereto, if after a public hearing the commissioner determines that it is or will be in the public interest to do so. Additionally, present law authorizes a transporter of CO₂ to use eminent domain only after it has been issued a certificate of public convenience and necessity.

Proposed law modifies present law by requiring a transporter to obtain a certificate prior to constructing a CO₂ storage pipeline and removing the commissioner's authority to authorize.

Proposed law also limits the authority granted by a certificate to the construction of a pipelines and adds provision that issuance of a certificate does not authorize a transporter to use eminent domain.

Proposed law further requires specified notice be provided to property owners by CO₂ storage pipeline companies prior to the execution of any agreement for the use of the landowner's property for construction of a CO₂ storage pipeline and requires such notice prior to the issuance of a certificate of public convenience and necessity.

(Amends R.S. 19:2(10) and (11) and R.S. 30:1107(B) and 1108(A)(1) and (3); Adds R.S. 30:1108(A)(4))

Summary of Amendments Adopted by House

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

1. Make technical changes.
2. Remove the 95% consent threshold required in proposed law for CO2 storage pipelines to use expropriation.
3. Remove the limitation on certificates of public convenience and necessity for CO2 storage pipelines to no more than 5% of the total length of the proposed pipeline.
4. Remove process provided by proposed law for the issuance of a certificate of public convenience and necessity for CO2 storage pipelines, including required findings, evidence of alternative routes, and consideration of landowner concerns.
5. Remove the notice required to be given to landowners by transporters prior to the use of expropriation for CO2 storage pipelines.
6. Remove proposed definition of "foreign entity" applicable to CO2 storage pipeline entities with expropriating authority.
7. Remove all expropriating authority in present law for CO2 storage pipelines.
8. Remove provision that specifies the commissioner of conservation is authorized, rather than required, to issue a certificate of public convenience and necessity upon application by a CO2 storage pipeline.
9. Add a provision requiring a certificate of public convenience and necessity for the construction of a CO2 storage pipeline.
10. Limit the authority granted by the issuance of a certificate of public convenience and necessity for a CO2 storage pipeline to construction of the pipeline only and add a statement that such certificates do not authorize a CO2 pipeline operator to use eminent domain.
11. Add a provision that requires transporters to provide notice to landowners prior to executing any agreement for the use of private property for construction of a CO2 storage pipeline that transporters are not authorized to use eminent domain to take the property.
12. Remove all references to pipelines within present law authorizing eminent domain for CO2 sequestration.