HOUSE COMMITTEE AMENDMENTS

2025 Regular Session

Substitute for Original House Bill No. 353 by Representative Mack as proposed by the House Committee on Natural Resources and Environment

This document reflects the content of a substitute bill but is not in a bill form; page numbers in this document DO NOT correspond to page numbers in the substitute bill itself.

To amend and reenact R.S. 30:1107.2(A) and (C) and 1114 and to enact R.S. 30:1103(17) and (18) and 1115(C), relative to carbon dioxide sequestration; to provide definitions; to provide for ground water quality monitoring; to require remediation plans for ground water contamination by carbon dioxide; to require financial security related to possible contamination of public water systems by carbon dioxide; to require notice of the construction of pipelines; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 30:1107.2(A) and (C) and 1114 are hereby amended and reenacted and R.S. 30:1103(17) and (18) and 1115(C) are hereby enacted to read as follows:

§1103. Definitions

Unless the context otherwise requires, the words defined in this Section have the following meaning when found in this Chapter:

* * *

- (17) "Public water system" means a system for the provision to the public of piped water for human consumption, if such system has at least fifteen service connections or regularly serves at least twenty-five individuals and includes any collection, pretreatment, treatment, storage, and distribution facilities used primarily in connection with the system.
- (18) "Transmission pipeline" means a pipeline used to transport carbon dioxide for the purpose of geologic storage or sequestration.

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§1107.2. Emergency preparedness

A.(1) Prior to the commencement of carbon dioxide injection, an owner or operator of a storage facility shall have in place an emergency and remedial response

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plan as required by this Section and the administrative rules regarding Class VI injection wells and shall provide a copy of the plan to the parish president, police jury president, or mayor-president, depending on the form of parish government, for governing authority of each parish within the area of review for dissemination to the office of homeland security, local emergency preparedness committee, or other appropriate emergency preparedness or response agencies.

(2) Prior to the commencement of carbon dioxide transportation, the owner or operator of a transmission pipeline shall have in place an emergency and remedial response plan, as required by this Section and the administrative rules regarding carbon dioxide transmission pipelines, and shall provide a copy of the plan to the governing authority of each parish in which the transmission pipeline will operate for dissemination to the office of homeland security, local emergency preparedness committee, or other appropriate emergency preparedness or response agencies.

* * *

C.(1) The owner or operator of each storage facility and transmission pipeline shall also conduct at least one tabletop or field training exercise for each storage facility prior to the commencement of injection to simulate emergency situations and responses thereto in coordination with the appropriate emergency preparedness and response agencies, as designated by the parish president, police jury president, or mayor-president, depending on the form of parish government, for each parish within the area of review. In addition, operators shall offer training exercises once a year thereafter for the duration of injection operations.

(2) The equipment and supplies necessary for effective emergency response to a storage facility loss of containment or an unauthorized release from a transmission pipeline shall be identified during the pre-injection training exercise. Before injection operations commence, all fire departments that may have to respond to a loss of containment or unauthorized release shall have all equipment and supplies deemed necessary during the pre-injection training exercise in their possession or readily available for their use, and operators shall, at a minimum, provide each department with all necessary personal protective equipment.

(3) Subsequent training exercises conducted pursuant to this Subsection shall include consideration of whether the equipment and supplies identified as necessary at the pre-injection training should be updated and whether the fire departments remain properly equipped.

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§1114. Groundwater Ground water quality monitoring; remediation; financial security

The owner or operator of a storage facility shall conduct periodic testing and monitoring of ground water quality above the confining zone and shall report the testing and monitoring conducted to the commissioner semiannually.

A. Prior to commencement of injection operations, the storage operator shall have in place a remediation plan for ground water contamination. The plan shall include procedures the operator will employ to remediate contamination caused by a loss of containment and return an underground source of drinking water to its previous condition.

B. The storage operator shall monitor the water quality of any underground sources of drinking water within the area of review of the facility and shall provide quarterly reports of the results of this monitoring in a manner prescribed by the department.

C. Upon request of a public water system within the area of review, the storage operator shall cause routine sampling and testing of the public water system water supply to be performed by a third party at the expense of the operator. The results of any testing performed pursuant to this Subsection shall be provided to the public water system and to the department.

D. If ground water monitoring indicates that a source of drinking water has been rendered unsafe to drink or to provide to livestock due to contamination caused by a loss of containment from the storage facility, the storage operator shall immediately execute the ground water remediation plan and shall provide an alternative supply of potable drinking water within twenty-four hours and an alternative supply of water that is safe for other uses within thirty days. The supplies

of both potable water and water that is safe for other uses shall continue until additional monitoring by the storage operator shows that the source of drinking water is safe for drinking and other uses and such results are confirmed by independent testing performed by the department.

E. In addition to any financial security required by the department pursuant to administrative rules, prior to injection operations, the storage facility owner or operator shall obtain financial security or insurance coverage in favor of, and payable to, each public water system within the area of review of the facility. Financial security required by the department for remediation may be reduced by the amounts obtained in favor of public water systems as required by this Section. The financial security obtained pursuant to this Section shall be sufficient to cover all of the following:

- (1) The cost to return the system's source of drinking water to its condition prior to contamination.
- (2) Damages to the system's equipment and facilities caused by contamination or remediation thereof.
- (3) Any expenses incurred by the system in response to or because of contamination or remediation thereof.
- §1115. Notifications regarding applications

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C. The operator of a transmission pipeline shall cause notice of the construction of a transmission pipeline to be published in the official state journal and in each parish through which the pipeline will traverse the operator shall cause notice of the construction of the pipeline to be published in the official parish journal and shall provide notice to the governing authority at least thirty days prior to any public hearing on the permit application required for construction or thirty days prior to any public comment period on the permit application required for construction, whichever is earlier.

Section 2. The Louisiana State Law Institute is hereby authorized and directed to alphabetize and renumber the definitions contained in R.S. 30:1103 and to correct any cross-

references to the renumbered Paragraphs if necessary, consistent with the provisions of this

Act.

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 Draft

2025 Regular Session

Abstract: Establishes requirements for carbon dioxide sequestration regarding emergency preparedness, notice of the construction of pipelines, and ground water quality, contamination, remediation, and financial security.

<u>Present law</u> establishes the La. Geologic Sequestration of Carbon Dioxide Act, which provides for definitions, authority of the commissioner of conservation, and requirements for the injection of carbon dioxide and for carbon dioxide storage facilities.

<u>Proposed law</u> retains <u>present law</u> and adds definitions for "public water system" and "transmission pipeline".

<u>Present law</u> requires storage facilities to have an emergency and remedial response plan in place prior to injection and requires storage facility owners and operators to provide parish governing authorities with a copy of the plan.

<u>Proposed law</u> retains <u>present law</u> and adds that transmission pipelines must also have emergency and remedial response plans that the pipeline operator must provide to parish governing authorities.

<u>Present law</u> requires that a tabletop exercise be conducted prior to injection operations.

<u>Proposed law</u> provides that the pre-injection exercise may also be field training and that training must also be offered by the operators once a year for the duration of injection operations.

<u>Proposed law</u> also requires that equipment and supplies necessary for local fire departments to effectively respond to an emergency stemming from a storage facility or pipeline must be identified during this pre-injection training.

<u>Proposed law</u> prohibits the commencement of injection operations until local fire departments have in their possession or readily available for their use and requires operators to at least provide theses departments with the necessary personal protective equipment.

<u>Present law</u> requires that storage facility owners and operators conduct periodic testing and monitoring of ground water quality above the confining zone and report semiannually to the office of conservation regarding such testing and monitoring.

<u>Proposed law</u> repeals <u>present law</u> and requires the following of storage facility owners and operators instead:

- (1) Remediation plans for ground water contamination by carbon dioxide.
- (2) Monitoring of underground sources of drinking water with quarterly reporting to the department.

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

- (3) Routine sampling of public water systems by a third party when requested by the system.
- (4) Provision of potable water and water safe for other uses when monitoring indicates that a source of drinking water is unsafe and for as long as that source of drinking water remains unsafe.

<u>Proposed law</u> requires storage facility's to obtain financial security or insurance to cover the costs of the following related to contamination of public water systems by carbon dioxide:

- (1) Remediation of the contamination.
- (2) Damages to system equipment and facilities caused by contamination or remediation.
- (3) Expenses incurred by the system due to contamination or remediation.

Directs the La. State Law Institute to alphabetize and renumber the definitions contained in <u>proposed law</u> and to correct any cross-references that may need to be changed as a result of the renumbering.

(Amends R.S. 30:1107.2(A) and (C) and 1114; Adds R.S. 30:1103(17) and (18) and 1115(C))