



INTERSTATE
Oil & Gas
COMPACT COMMISSION

RESOLUTION 09.107 STATE REGULATION OF CO₂ STORAGE

OCTOBER, 2009

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SUPPORTING STATE REGULATION OF ALL FORMS OF CO₂ GEOLOGICAL STORAGE

WHEREAS, the Interstate Oil and Gas Compact Commission (IOGCC) in December 2002 established a Geological Sequestration Task Force and in October 2004 created the IOGCC Carbon Capture and Storage Task Force to examine the technical, policy, and regulatory issues related to safe and effective CO₂ storage in the subsurface, whether for enhanced hydrocarbon recovery or for storage, and to prepare model regulatory guidelines concerning geologic storage to assist member states in regulating the injection and underground storage of CO₂; and

WHEREAS, the IOGCC Carbon Capture and Storage Task Force will continue to develop safe and environmentally sound regulatory frameworks for all forms of geologic storage of CO₂; and

WHEREAS, the Interstate Oil and Gas Compact Commission (IOGCC) has published recommended regulatory and statutory guidelines on geologic storage of carbon dioxide; and

WHEREAS, the U.S. Environmental Protection Agency (EPA), in consultation with IOGCC, the Ground Water Protection Council, and others, has proposed draft rules for geologic storage of carbon under the Underground Injection Control (UIC) program; and

WHEREAS, IOGCC member states are actively engaged in legislative and rule making activities that would recognize the concurrent storage of CO₂ that occurs during the conduct of enhanced recovery projects utilizing CO₂, with ultimate conversion to permanent geologic storage, and

WHEREAS, many potentially forthcoming federal regulatory frameworks addressing transportation, operation and long term liability of geologic storage of carbon dioxide, will in many cases, involve state-federal partnerships; and

WHEREAS, the private sector needs State assistance and support to develop Carbon Capture and Geologic Storage (CCGS) projects and having a framework for regulating all forms of geologic storage of CO₂ is necessary for project development and financing; and

WHEREAS, given the regulatory and site specific geologic complexities of underground storage of carbon dioxide, associated property rights issues and the economic benefit to the states, regulation of the underground storage of CO₂ will be most efficient at the state or multi-state level;

BE IT RESOLVED, that enhanced oil recovery with associated storage, geologic storage with incidental hydrocarbon production and geologic storage in non-hydrocarbon productive reservoirs, all constitute forms of geologic storage of carbon dioxide; and

BE IT FURTHER RESOLVED, that to provide industry and financial markets with a roadmap and facilitate project development in the States, the IOGCC encourages States, in conjunction with federal initiatives, to develop and adopt safe and environmentally sound regulatory frameworks for all forms of geologic storage of CO₂ as a catalyst for industry to move forward with associated infrastructure and project development; and

BE IT FURTHER RESOLVED, that to ensure the States have the necessary flexibility in the implementation of future federal regulations, that those regulatory frameworks provide a mechanism for states to apply separately for primacy, allowing States discretion in determining which State agencies are most appropriate to administer any federal storage regulations.

Submitted by Lynn Helms, North Dakota, and Victor Carrillo, Texas, October 2nd. Approved October 2009