



JOHN BEL EDWARDS
GOVERNOR

State of Louisiana
DEPARTMENT OF NATURAL RESOURCES
OFFICE OF CONSERVATION

THOMAS F. HARRIS
SECRETARY

RICHARD P. IEYOUB
COMMISSIONER OF CONSERVATION

February 9, 2023

Senator Patrick Page Cortez, President
Senator Bob Hensgens, Natural Resource Committee Chairman
Senator Eddie Lambert, Environmental Quality Chairman
Representative Clay Schexnayder, Speaker
Representative Jean-Paul Coussan, Natural Resources and Environment Committee Chairman

Via Statutorily Prescribed E-mail

Re: Report of Proposed Amendment to
Office of Conservation Rules and Regulations
LAC 43:XI:Chapters 1-47 and LAC 33:V.Chapter 301-303
For Compliance with Act 634 of 2016

Dear Oversight Authorities:

The Commissioner of Conservation proposes to amend LAC 43:XI:Chapters 1-47 and LAC 33:Part V.Chapter 301-303 in accordance with the provisions of the Administrative Procedure Act R.S. 49:950 et seq., and pursuant to the power delegated under the laws of the state of Louisiana.

I. Copy of the rule as it is proposed for amendment per La R.S. 49:968.C(1):

See the attached Notice of Intent.

II. Statement of the proposed action per La R.S. 49:968.C(2):

The Louisiana Office of Conservation proposes to amend LAC 43:XI:Chapters 1-47 and LAC 33:Part V.Chapter 301-303 in accordance with the provisions of the Administrative Procedure Act R.S. 49:950 et seq. Subpart 1 changes will remove the length limitation, increase the pipe size limitation and streamline the hearing process for acquisition of gas supplies in a "Gas Supply Acquisition Area or Gas Supply Transportation Service Area". Subpart 4 changes allow for CO₂ pipelines to service geologic sequestration projects and streamline pipeline safety regulations for CO₂. Subpart 6 changes address multiple changes to the State's "Dig Law" and bring the current regulation into alignment with the law. Title 33 changes are to streamline the pipeline safety regulations for CO₂.

III. The specific citation of the enabling legislation purporting to authorize amendment of the rule per La R.S. 49:968.C(3):

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Act 54 of the 2022 regular legislative session, Act 9 & Act 46 of the 2021 regular legislative session, and Act 61 of 2020 regular legislative session in addition to the Commissioner's authority under La R.S 30:4et seq, R.S. 40:1749.27, and R.S. 30:546.

IV. Statement of the circumstances requiring amendment of the rule per La R.S. 49:968.C(4):

Amendments to Subpart 1 are the results of the work done by the natural gas ad hoc committee and reflect a desire to streamline certain processes. Subpart 4 changes for the transportation of CO2 were the result of past legislative Act's to allow for CO2 pipeline serving carbon sequestration. The pipeline safety changes are to update standards and streamline the safety regulations currently on gaseous or non-supercritical CO2 and supercritical CO2 which is regulated in Title 33. Amendments to Subpart 6 address multiple changes to the State's "Dig Law" to align with current law. Amendments to Title 33 are to streamline the pipeline safety regulations for CO2.

V. Statement of the fiscal and economic impact of the proposed rule amendment per La R.S. 49:968.C(5):

The fiscal and economic impact statement is attached to this report.

A notice of intent to initiate rule-making will be published in the Louisiana Register on February 20, 2023, with a public comment period on the proposal scheduled to remain open until April 6, 2023 at 4:00 PM.

Please contact me at 225-219-3799 if there are any questions.

Yours very truly,

Michael Peikert
Assistant Director, Pipeline Division
Office of Conservation

MDP:mdp

Attachments