

AOGCC Carbon Storage Class VI Primacy Update



Topics

- **Timeline**
- **Budget**
- **Public Outreach**
- **Steps to Primacy**

Timeline

- **EPA Engagement & Draft Regulations** January 2024
- **Public Scoping Hearing** November 2024
- **Final Draft Regulations** February 2025
- **Legal Review (1 month)** March 2025
- **Public Comment (2 months)** April 2025
- **Submit EPA Primacy Application** May 2025
- **Primacy** 12 to 24 Months

Carbon Storage – Funding and Grants

State Funding:

HB50 (2024)

- FY2025 \$388,000 personnel, \$500,000 contractual services, and \$20,000 commodities
- FY2026 \$388,000 personnel, \$350,000 contractual services

US EPA Class VI Grant:

- **\$1,930,000 grant award**
- **Award Date:** November 18, 2024
- **Grant Period:** October 1, 2024 – September 30, 2029.
- **Total Amount:** \$1,930,000 (over five years).
 - **Annual Breakdown (\$386,000/year):**

Personnel: \$196,852.80	Fringe Benefits: \$97,377.60
Supplies: \$1,769.60	Contractual: \$90,000.00

Carbon Storage – Outreach and Engagement

Public Notice of Scoping – Hearing held November 7, 2024

- Received 6 comments – Available on our website

CCUS Outreach Program

- Series of townhalls conducted in collaboration with DNR and partners
- Locations visited: Fairbanks, Anchorage and Kenai
- Final event planned for Utqiagvik March 3, 2025

Other Activities

- UAF CCUS Workgroup participation
- PCOR and EERC Engagement
- Supporting DNR in CCUS Database Development

More information available on our website: <https://www.commerce.alaska.gov/web/aogcc/ccus.aspx>

Steps to Primacy

EPA has a 4 Phase Process:

Phase I: Pre-Application Activities

- EPA assists states in identifying necessary resources and reviewing draft regulations.

Phase II: Completeness Review

- EPA assesses application materials for completeness and ensures all required information is included.

Phase III: Application Evaluation (12 to 24 months)

- EPA evaluates the state's regulations and other relevant application components.

Phase IV: Rulemaking and Codification

- EPA drafts and finalizes a rule to approve or disapprove the application

Class VI Primacy Team

Technical

- Chris Wallace – UIC Program Manager, Petroleum Engineer
- Jack Lau – Petroleum/Carbon Engineer

Project Manager

- Kayla Junke -- Carbon Engineering Assistant

Legal Consultant and Attorney

- Susan Pollard – Consultant, former Division of Law
- Pat Sherry – Division of Law Attorney

Subject matter experts as needed

- AOGCC Geologists
- Cement Evaluation/Mechanical Integrity Consultant
- Other Primacy States

Key Components of the application

Governor's Letter and Attorney General Statement

- Official endorsements and legal confirmations.

Memorandum of Agreement with EPA

- Collaborative framework outlining roles and responsibilities.

Regulation Crosswalk

- Comparative analysis of state and federal regulations.

Program Description

- Comprehensive plan for Class VI implementation, including:
 - ❑ Organizational structure.
 - ❑ Modeling and simulations.
 - ❑ Consultant involvement.
 - ❑ Community Engagement
 - ❑ Public notice and participation processes.

Form Examples