



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Natural Resources

DIVISION OF OIL & GAS

550 W 7th Avenue, Suite 1100
Anchorage, Alaska 99501-3560
Main: 907.269.8800
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January 27, 2025

Liz Clark
Senate Secretary
Alaska State Legislature
State Capitol, Room 211
Juneau, AK 99801-1182

Crys Jones
Chief Clerk of the House of Representatives
Alaska State Legislature
Thomas Stewart, Room 202
Juneau, AK 99801-1182

Dear Secretary Clark and Chief Clerk Jones:

The Alaska Department of Natural Resources (DNR), Division of Oil and Gas (DO&G) is pleased to provide the 2024 Annual Report on the Carbon Storage Licensing and Leasing Program (Carbon Storage Program).

Alaska Statute (AS) 38.05.735 provides “The commissioner shall prepare an annual report that includes an accounting of the carbon storage closure trust fund established under AS 37.14.850 and information on carbon storage licensing applications and decisions and the issuance of carbon storage leases. The commissioner shall submit the report to the senate secretary and the chief clerk of the house of representatives on or before February 1 of each year and notify the legislature that the report is available.” This letter fulfills that statutory requirement.

Carbon Storage Closure Trust Fund

In 2024, House Bill 50 (SCS CSHB 50(FIN) am S, signed by the Governor July 31, 2024, amended AS 37.14 and added AS 37.14.850 establishing the carbon storage closure fund, which provides for future appropriations from the principal and earnings of the fund for the purpose of protecting the public interest in maintaining and closing carbon storage facilities in the state. The carbon storage closure fund consists of payments received under AS 41.06.175 and earnings on the fund. There are currently no carbon storage facilities authorized, and no payments were received in 2024 for deposit into the carbon storage closure fund.

Carbon Storage Licensing Applications and Issuance of Carbon Storage Leases

House Bill 50 (SCS CSHB 50(FIN) am S further amended AS 38.05 and added AS 38.05.700 – AS 38.05.795 to create a new carbon storage exploration license and leasing program. The DO&G worked expeditiously to establish the regulatory framework to manage this program and

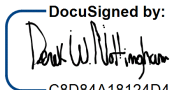
is pleased to report the final regulations were filed with the Lieutenant Governor on January 17, 2025. The following timeline summarizes the key milestones along this public processes.

- June 21, 2024 – Scoping notice published to gather public input on regulations
- July 23, 2024 – Comment period closed; four comments received
- July 31, 2024 – HB 50 signed by Governor Dunleavy
- October 23, 2024 – Public notice of draft regulations published
- December 2, 2024 – Public comment period closed; 21 comments received
- January 17, 2025 – Revised regulations transmitted to Lieutenant Governor
- February 16, 2025 – Regulations for carbon storage on state lands take effect.

The DO&G is prepared to receive carbon storage license applications when the regulations take effect on February 16, 2025. A carbon storage page is available on the DO&G website at <https://dog.dnr.alaska.gov/Information/CarbonStorage>, and will continue to be updated with resources for the public and potential applicants. For the purposes of the 2024 reporting period, there were no new applications submitted for carbon storage exploration licenses or carbon storage leases issued.

Please contact Rena Miller, acting legislative liaison, with questions or for more information. She may be reached at rena.miller@alaska.gov or (907)317-6887. Thank you for your continued interest in the carbon storage exploration licensing and leasing program.

Sincerely,

DocuSigned by:

C8D84A18124D46E
Derek Nottingham
Director

Certificate Of Completion

Envelope Id: C9BFB0E2-3110-4BE0-A6B0-053719BBAD21
 Subject: Complete with Docusign: 2025-01-27_Report__Carbon Storage Program.pdf
 Source Envelope:
 Document Pages: 2
 Certificate Pages: 4
 AutoNav: Enabled
 Envelopeld Stamping: Disabled
 Time Zone: (UTC-09:00) Alaska

Status: Completed
 Envelope Originator:
 Sean Clifton
 PO Box 110206
 Juneau, AK 99811
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 IP Address: 72.42.153.26

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Storage Appliance Status: Connected	Pool: State of Alaska	Location: DocuSign

Signer Events

Derek Nottingham
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 Director - Division of Oil and Gas
 State of Alaska
 Security Level: Email, Account Authentication
 (None)

Signature

DocuSigned by:

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 Company Name: State of Alaska

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Editor Delivery Events

Status

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Agent Delivery Events

Status

Timestamp

Intermediary Delivery Events

Status

Timestamp

Certified Delivery Events

Status

Timestamp

Carbon Copy Events

Status

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Rena Miller
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 Security Level: Email, Account Authentication
 (None)

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Electronic Record and Signature Disclosure:

Not Offered via DocuSign

Sean Clifton
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 Policy & Program Specialist
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 (None)

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 Company Name: State of Alaska

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Notary Events	Signature	Timestamp
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Completed	Security Checked	1/25/2025 3:17:42 PM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

Please read this Electronic Records and Signature Disclosure (ERSD). It concerns your rights regarding electronically undertaking, and the conditions under which you and the State of Alaska agree to electronically undertake, the transaction to which it relates (the “TRANSACTION”).

Consent to Electronically Undertake the TRANSACTION

You can electronically undertake the TRANSACTION only if you confirm that you meet the following requirements by selecting the box next to “I agree to use electronic records and signature” (the “AGREE BOX”):

1. you can fully access and have read this ERSD;
2. you can fully access all of the information in the other TRANSACTION records;
3. you can retain all of the TRANSACTION records in a form that you will be able to fully access for later reference;
4. you consent to undertake the TRANSACTION electronically; and
5. you are authorized to undertake the TRANSACTION. (Please note that falsely undertaking the TRANSACTION may subject you to civil liabilities and penalties and/or to criminal penalties.)

If you cannot or are not willing to confirm each of these five things, do not select the AGREE BOX.

Withdrawing Consent

If you select the AGREE BOX, you can withdraw your consent to electronically undertake the TRANSACTION at any time before you complete the TRANSACTION: simply do not finalize it. The only consequence of withdrawing your consent is that you will not finalize the TRANSACTION.

If you select the AGREE BOX, your consent will apply only to this TRANSACTION. You must separately consent to electronically undertake any other transaction with the State of Alaska.

Paper Option for Undertaking the TRANSACTION

You may undertake the TRANSACTION with the State of Alaska using paper records. (State of Alaska employees who want to undertake the TRANSACTION in paper should contact the agency responsible for the TRANSACTION.) Print the paper records on the website of the State of Alaska agency responsible for the TRANSACTION, or request them from the agency. The State of Alaska homepage is at <http://alaska.gov/>.

Copies of TRANSACTION Records

After completing the TRANSACTION but before closing your web browser, you should download the TRANSACTION records. Or you can download the records within 30 days after

completing the TRANSACTION using the link in the DocuSign email sent to the email address you used to complete the TRANSACTION. The State of Alaska will not provide a paper copy of the TRANSACTION records as part of the TRANSACTION. Under the Alaska Public Records Act (APRA), AS 40.25.100–.295, you can request a copy from the agency responsible for the TRANSACTION, but if too much time has passed, the agency may no longer have the records when you make your request. If required under the APRA, the agency will charge a fee.

Required Hardware and Software

For the minimum system requirements to electronically undertake the TRANSACTION, including accessing and thereby retaining the TRANSACTION records, visit <https://support.docusign.com/guides/signer-guide-signing-system-requirements>. These requirements may change. In addition, you need access to an email account.

How to Contact the State of Alaska

To ask a question on this ERSD or the DocuSign document generated after you complete the TRANSACTION or on using DocuSign to electronically undertake the TRANSACTION, contact the Alaska Department of Administration at either of the following addresses:

State of Alaska
Department of Administration
550 West 7th Avenue
Suite 1970
Anchorage, AK 99501
Reference: DocuSign

doa.commissioner@alaska.gov
Subject: DocuSign

To ask any other question on the TRANSACTION records or to update the information for contacting you electronically, contact the State of Alaska agency responsible for the TRANSACTION using the contact information in the TRANSACTION records or, if those records contain no contact information, using the contact information on the agency's website. Again, the State of Alaska homepage is at <http://alaska.gov/>.