

## **Department of Natural Resources**

DIVISION OF OIL & GAS

550 W 7th Avenue, Suite 1100 Anchorage, Alaska 99501-3560 Main: 907.269.8800 Fax: 907.269.8939

April 17, 2023 VIA ELECTRONIC MAIL

The Honorable Neal Foster, Co-Chair The Honorable Bryce Edgmon, Co-Chair The Honorable DeLena Johnson, Co-Chair House Finance Committee Alaska State Capitol Juneau, Alaska 99801

Re: HB 50 Response to Committee Member Questions on April 11, 2023

Dear Representatives Foster, Edgmon, and Johnson:

Representative Hannan asked if Safe Drinking Water Act (SDWA) Underground Injection Control (UIC) Class VI wells are the same as those used for fracking.

The Environmental Protection Agency (EPA) proposed the Underground Injection Control (UIC) Class VI Rule in 2008 and finalized it in 2010. Some states, including North Dakota, passed their comprehensive legislation on carbon storage in advance of the finalization of the rule based on the proposed rule.

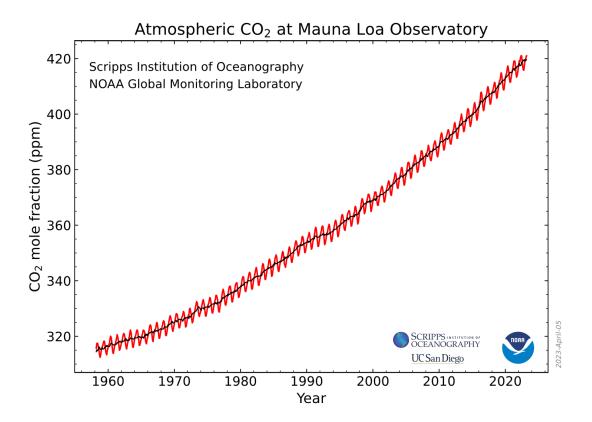
For a state to obtain Class VI well primacy, the state must demonstrate that their regulations are at least as stringent as those adopted in the federal code in 40 CFR 146.81 *et seq.*. One of the steps in the primacy application review is the regulatory cross walk, during which the EPA will confer with the designated state agency to review every component of their regulations for consistency with the federal code. Accordingly, for a state to pursue Class VI primacy it must designate legislatively 1) that an agency is legally authorized to seek primacy and 2) empowered to promulgate regulations for carbon storage. The EPA's website provides greater details on the Class VI well primacy process.

Class VI wells are not used for fracking. In fact, a key component of the Class VI well program is that the injection pressure must not be high enough to create fractures within the subsurface. The objective of Class VI well storage is to utilize the existing pore space and permeability of the subsurface and not create additional pathways or fractures that may increase the ability of CO<sub>2</sub> to migrate. Fracking operations are permitted under Class II wells.

Regarding the State of Arizona, through Arizona Senate Bill 1494, the Arizona Department of Environmental Quality was directed to pursue primacy enforcement authority for all well classes of the EPA UIC program. The Arizona UIC program rules became effective in the Arizona Administrative Code on Sept. 7, 2022. Arizona's Class VI well primacy application is a subpart of their greater primacy efforts and may explain why the state has yet to move forward with broader CCUS enabling legislation.

Representative Tomaszewski asked about the amount of carbon dioxide is in the atmosphere and asked about overall trends.

The US National Oceanic & Atmospheric Administration (NOAA) has been measuring atmospheric CO<sub>2</sub> levels since 1974 at the Mauna Loa observatory, building on data collection that began in 1958. Their data is <u>published here</u>, and a graph of their data is below.



Sincerely,

Joe Byrnes

Legislative Liaison

Department of Natural Resources