

2025 Regular Session

HOUSE BILL NO. 601

BY REPRESENTATIVE GEYMANN

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

ENERGY: Provides relative to carbon dioxide sequestration

1 AN ACT

2 To amend and reenact R.S. 19:2(10) and (11) and R.S. 30:1107(B) and 1108(A)(1) and (3)
3 and to enact R.S. 30:1108(A)(4), relative to carbon dioxide sequestration; to provide
4 for expropriating authority for carbon dioxide sequestration; to prohibit expropriation
5 by transporters of carbon dioxide for geologic storage; to provide relative to
6 certificates of public convenience and necessity for transporters of carbon dioxide
7 for geologic storage; to provide notice requirements; and to provide for related
8 matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 19:2(10) and (11) are hereby amended and reenacted and R.S. 19:2.3
11 is hereby enacted to read as follows:

12 §2. Expropriation by state or certain corporations, limited liability companies, or
13 other legal entities

14 Prior to filing an expropriation suit, an expropriating authority shall attempt
15 in good faith to reach an agreement as to compensation with the owner of the
16 property sought to be taken and comply with all of the requirements of R.S. 19:2.2.

17 If unable to reach an agreement with the owner as to compensation, any of the
18 following may expropriate needed property:

19 * * *

1 (10) Any domestic or foreign corporation, limited liability company, or other
2 legal entity created for the purpose of, or engaged in, the piping or marketing of
3 carbon dioxide for use in connection with a secondary or tertiary recovery project for
4 the enhanced recovery of liquid or gaseous hydrocarbons approved by the
5 commissioner of conservation, ~~or created for the purpose of, or engaged in, the~~
6 ~~transportation of carbon dioxide by pipeline for underground storage, including but~~
7 ~~not limited to through connecting to an existing pipeline transporting carbon dioxide~~
8 ~~for underground storage, whether owned or operated by the same entity, and which~~
9 ~~has received a certificate of public convenience and necessity pursuant to the~~
10 ~~provisions of R.S. 30:1107(B). Property located in Louisiana may be so~~
11 ~~expropriated for the transportation of carbon dioxide for underground injection in~~
12 ~~connection with such projects located in Louisiana or in other states or jurisdictions.~~

13 (11)(a) Any domestic or foreign corporation, limited liability company, or
14 other legal entity created for the purpose of, or engaged in, the injection of carbon
15 dioxide for the underground storage of carbon dioxide and that has received a
16 certificate of public convenience and necessity pursuant to the provisions of R.S.
17 30:1107(A). Property located in Louisiana may be so expropriated for the
18 underground storage of carbon dioxide in connection with such storage facility
19 projects located in Louisiana, including but not limited to surface and subsurface
20 rights, mineral rights, and other property interests necessary or useful for the purpose
21 of constructing, operating, or modifying a carbon dioxide storage facility. This
22 Paragraph shall not allow for the expropriation of reservoir storage rights for
23 geologic storage of carbon dioxide, except in connection with any project as to which
24 R.S. 30:1108(B)(2) is applicable. This Paragraph shall have no effect on nor does
25 it grant expropriation of the mineral rights or other property rights associated with
26 the approvals required for injection of carbon dioxide into enhanced recovery
27 projects approved by the commissioner under R.S. 30:4.

28 (b) For the purposes of this Paragraph, "foreign" entities shall be construed
29 to mean those entities incorporated, registered, or otherwise organized under the laws

1 of a state of the United States other than Louisiana. A legal entity owned by, or with
2 a controlling interest held by, a country other than the United States or persons who
3 are not American citizens or permanent legal residents of the United States do not
4 have the authority to expropriate property located in Louisiana and shall not be
5 considered an expropriating authority pursuant to this Paragraph.

6 * * *

7 Section 2. R.S. 30:1107(B) and 1108(A)(1) and (3) are hereby amended and
8 reenacted and R.S. 30:1108(A)(4) is hereby enacted to read as follows:

9 §1107. Certificates of public convenience and necessity; certificate of completion
10 of injection operations

11 * * *

12 B.(1) A transporter is not authorized to construct a pipeline for the
13 transportation of carbon dioxide for geologic storage unless a certificate of public
14 convenience and necessity is issued for the pipeline pursuant to this Subsection. A
15 certificate issued pursuant to this Subsection may only authorize the construction of
16 a pipeline. Nothing in this Section shall be construed to authorize the use of eminent
17 domain for a pipeline used to transport carbon dioxide for geologic storage.

18 (2) The commissioner shall issue a certificate of public convenience and
19 necessity to each transporter of carbon dioxide applying therefor, whether or not
20 such transporter is also the storage operator for the laying, maintaining, and
21 operating of a pipeline for the transportation of carbon dioxide to a storage facility,
22 ~~and such rights necessary and incidental thereto~~ if, after a public hearing pursuant
23 to the provisions of R.S. 30:6, the commissioner determines that it is or will be in the
24 present or future public interest to do so and that the applicant has complied with this
25 Subsection.

26 (3) Prior to executing any agreement for the use of private property for the
27 construction of a pipeline used to transport carbon dioxide for geologic storage, the
28 transporter of the proposed pipeline shall provide the following notice, printed using

1 restoration to be and subject also to the supervision and approval of the proper local
2 authorities.

3 * * *

(3) In the exercise of the privilege conferred by this Section, owners or operators of ~~such~~ storage facilities ~~and pipelines~~ shall compensate the parish, municipality, or road district, respectively, for any damage done to a public road; in the construction of storage facilities; and the laying of ~~pipelines~~, utility, telegraph, or telephone lines; along, under, over, or across the road. ~~Nothing in this Chapter shall be construed to grant any transporter the right to use any public street or alley of any parish, incorporated city, town, or village, except by express permission from the parish, city, or other governing authority.~~

(4) The exercise of eminent domain or expropriation powers under this Section shall not apply to pipelines used exclusively for the transportation of carbon dioxide for the purpose for underground storage, including those connecting to an existing pipeline transporting carbon dioxide for underground storage.

16 * * *

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 601 Engrossed

2025 Regular Session

Geymann

Abstract: Clarifies commissioner of conservation's authority and duties regarding the issuance of certificates of public convenience and necessity for transporters of carbon dioxide (CO₂) for geologic storage; requires a certificate of public convenience and necessity for the construction of a CO₂ storage pipeline; removes expropriating authority for CO₂ storage pipelines; and prohibits foreign owned legal entities from using expropriation for carbon dioxide sequestration.

Present law authorizes expropriation by public entities and certain corporations, limited liability companies, or other legal entities, including carbon dioxide sequestration operators and CO2 storage pipeline companies.

Proposed law removes all expropriating authority for CO2 storage pipeline companies.

Proposed law prohibits carbon dioxide sequestration operators owned by, or with a controlling interest held by, countries other than the U.S. or persons who aren't American citizens or permanent U.S. residents from being considered expropriating authorities under present law.

Present law requires the commissioner to issue a certificate of public convenience and necessity to each transporter of CO2 applying for one, and such rights necessary and incidental thereto, if after a public hearing the commissioner determines that it is or will be in the public interest to do so. Additionally, present law authorizes a transporter of CO2 to use eminent domain only after it has been issued a certificate of public convenience and necessity.

Proposed law modifies present law by requiring a transporter to obtain a certificate prior to constructing a CO2 storage pipeline and removing the commissioner's authority to authorize.

Proposed law also limits the authority granted by a certificate to the construction of a pipelines and adds provision that issuance of a certificate does not authorize a transporter to use eminent domain.

Proposed law further requires specified notice be provided to property owners by CO2 storage pipeline companies prior to the execution of any agreement for the use of the landowner's property for construction of a CO2 storage pipeline and requires such notice prior to the issuance of a certificate of public convenience and necessity.

(Amends R.S. 19:2(10) and (11) and R.S. 30:1107(B) and 1108(A)(1) and (3); Adds R.S. 30:1108(A)(4))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Natural Resources and Environment to the original bill:

1. Make technical changes.
2. Remove the 95% consent threshold required in proposed law for CO2 storage pipelines to use expropriation.
3. Remove the limitation on certificates of public convenience and necessity for CO2 storage pipelines to no more than 5% of the total length of the proposed pipeline.
4. Remove process provided by proposed law for the issuance of a certificate of public convenience and necessity for CO2 storage pipelines, including required findings, evidence of alternative routes, and consideration of landowner concerns.
5. Remove the notice required to be given to landowners by transporters prior to the use of expropriation for CO2 storage pipelines.
6. Remove proposed definition of "foreign entity" applicable to CO2 storage pipeline entities with expropriating authority.
7. Remove all expropriating authority in present law for CO2 storage pipelines.
8. Remove provision that specifies the commissioner of conservation is authorized, rather than required, to issue a certificate of public convenience and necessity upon application by a CO2 storage pipeline.
9. Add a provision requiring a certificate of public convenience and necessity for the construction of a CO2 storage pipeline.
10. Limit the authority granted by the issuance of a certificate of public convenience and necessity for a CO2 storage pipeline to construction of the pipeline only and

add a statement that such certificates do not authorize a CO2 pipeline operator to use eminent domain.

11. Add a provision that requires transporters to provide notice to landowners prior to executing any agreement for the use of private property for construction of a CO2 storage pipeline that transporters are not authorized to use eminent domain to take the property.
12. Remove all references to pipelines within present law authorizing eminent domain for CO2 sequestration.