

# NEWS RELEASE

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**FOR IMMEDIATE RELEASE:**

**November 11, 2008**

## **PARTNERSHIP SUPPORTS PROPOSED RULES FOR CARBON DIOXIDE GEOLOGIC SEQUESTRATION WELLS**

HOUSTON – The Greater Houston Partnership unanimously voted at its November Board of Directors meeting to approve a resolution in support of the Environmental Protection Agency's (EPA) proposed rules for carbon dioxide (CO<sub>2</sub>) geologic sequestration wells. The EPA is presently considering how CO<sub>2</sub> sequestration should be regulated under the federal Underground Injection Control (UIC) Program.

Given public concern over climate change, pending legislative proposals to sharply curtail CO<sub>2</sub> emissions and estimates that energy companies based in Houston and elsewhere could use anthropogenic CO<sub>2</sub> to produce billions of barrels of oil that would otherwise not be produced, the Partnership believes it is important that carbon capture and storage (CCS) technologies become commercially available as soon as possible. In the near term, strategies employing CO<sub>2</sub> sequestration for Enhanced Oil Recovery (EOR) will help commercialize the carbon capture technology and will help demonstrate the technology necessary for long-term storage of CO<sub>2</sub> as a predicate to larger-scale CCS projects. The Partnership strongly supports regulatory efforts to strengthen incentives for EOR and other technologies focused on meeting the challenge of global warming while providing energy and enhancing our region's economic life.

Carbon capture technologies have been developed and there is reason to expect that CO<sub>2</sub> can be successfully stored on a long-term basis in properly selected and managed geologic formations. Full commercialization will require additional economic incentives and early demonstration projects at large scale. In addition, it is important for business planning purposes that the EPA soon adopt reasonable rules governing CO<sub>2</sub> storage in geologic formations.

The EPA has proposed new regulations under the Safe Water Drinking Act (SWDA) to regulate underground injection of CO<sub>2</sub> for the purpose of long-term underground storage, also known as geologic sequestration. The SWDA is designed to protect the quality of underground sources of drinking water and directs the EPA to develop minimum federal requirements for underground injection practices. Under this authority, the EPA has promulgated the UIC Program to protect underground sources of drinking water.

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Currently, there are five categories of injection wells under the EPA's existing UIC Program. In its proposed rulemaking, the EPA recommends creation of a new category of injection wells under its existing UIC Program with new federal requirements to allow for permitting of the injection of CO<sub>2</sub> for the purpose of geologic sequestration. The proposed class of wells will be used for long-term storage of CO<sub>2</sub>.

The Partnership encourages the EPA to develop rules that:

- Assure that sites are properly selected, managed and monitored in order to protect underground sources of drinking water, especially sole source aquifers;
- Establish a new Class VI well category tailored for large-scale CO<sub>2</sub> sequestration projects that builds on the existing UIC framework;
- Recognize and maintain the integrity of the existing Class II regulatory framework for CO<sub>2</sub> enhanced oil recovery projects;
- Support the development of innovative technologies for geologic carbon sequestration;
- Create and maintain a consistent national framework for geologic carbon sequestration, while continuing to enable states to apply for authority to administer the rules at the state level;
- Provide more flexibility than has been proposed for projects that transition from Class II to Class VI status;
- Revise the standard for determining site closure. Criteria should be performance based and a function of site-specific geologic and other risk criteria; and,
- Revise the proposed requirement that CO<sub>2</sub> storage must occur below the deepest underground sources of drinking water to allow site selection based upon more flexible, site-specific considerations.

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The Greater Houston Partnership is the primary advocate of the Houston-area business community and is dedicated to building regional economic prosperity. It represents 10 counties: Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, San Jacinto and Waller. With about 2,000 Member organizations, the Partnership represents approximately one-fourth of the region's work force. Visit the Greater Houston Partnership on the World Wide Web at [houston.org](http://houston.org).