

SENATE BILL No. 247

DIGEST OF INTRODUCED BILL

Citations Affected: IC 14-39.

Synopsis: Carbon sequestration. Provides that a carbon sequestration project may not be undertaken unless the project is approved by the county legislative body (for a project located in the unincorporated area of a county) or the city or town legislative body (for a project located in a city or town).

Effective: July 1, 2023.

Niemeyer

January 11, 2023, read first time and referred to Committee on Environmental Affairs.



First Regular Session of the 123rd General Assembly (2023)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2022 Regular Session of the General Assembly.

SENATE BILL No. 247

A BILL FOR AN ACT to amend the Indiana Code concerning natural and cultural resources.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 14-39-1-2.7 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2023]: **Sec. 2.7. As used in this chapter, "legislative body" means**
4 **the following:**

- 5 (1) **The board of county commissioners, for a county not**
- 6 **subject to IC 36-2-3.5 or IC 36-3-1.**
- 7 (2) **The county council, for a county subject to IC 36-2-3.5.**
- 8 (3) **The city-county council, for a consolidated city or county**
- 9 **having a consolidated city.**
- 10 (4) **The common council, for a city other than a consolidated**
- 11 **city.**
- 12 (5) **The town council, for a town.**

13 SECTION 2. IC 14-39-1-4, AS AMENDED BY P.L.163-2022,
14 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 JULY 1, 2023]: Sec. 4. (a) A carbon dioxide transmission pipeline
16 company may apply to the department for issuance of a carbon dioxide
17 transmission pipeline certificate of authority. The department shall



1 prescribe the form of the application, which must:

2 (1) include a filing fee of one thousand dollars (\$1,000);

3 **(2) include a certified copy of an ordinance adopted by the**
 4 **legislative body of the county or municipality that approves**
 5 **the project;**

6 ~~(2)~~ (3) be signed by a responsible officer of the company;

7 ~~(3)~~ (4) include a statement verifying that the information
 8 submitted is true, accurate, and complete to the best of that
 9 responsible officer's knowledge and belief; and

10 ~~(4)~~ (5) include all information necessary for the department to
 11 find the following:

12 (A) That the applicant or the contractor or subcontractor of the
 13 applicant has the financial, managerial, and technical ability
 14 to construct, operate, and maintain a carbon dioxide
 15 transmission pipeline in Indiana.

16 (B) That the applicant has the requisite experience
 17 constructing, operating, and maintaining a transmission
 18 pipeline.

19 (C) That the applicant has entered into a contract to transport
 20 carbon dioxide by pipeline in Indiana with:

21 (i) at least one (1) producer of carbon dioxide located in
 22 Indiana; and

23 (ii) unless all of the carbon dioxide to be transported in the
 24 proposed carbon dioxide transmission pipeline is for the
 25 applicant's own use or account, at least one (1) end user or
 26 storer of carbon dioxide.

27 (D) That the applicant has provided documentation to the
 28 department showing the proposed length, diameter, and
 29 location of the proposed carbon dioxide transmission pipeline
 30 in Indiana.

31 (E) That the applicant will construct, operate, and maintain the
 32 proposed carbon dioxide transmission pipeline in accordance
 33 with applicable local, state, and federal law, including federal
 34 and state safety regulations and rules governing the
 35 construction, operation, and maintenance of carbon dioxide
 36 transmission pipelines, and related facilities and equipment, to
 37 ensure the safety of pipeline employees and the public.

38 (F) That the applicant has:

39 (i) entered into an agreement with the Indiana utility
 40 regulatory commission concerning the mitigation of
 41 agricultural impacts associated with the construction of the
 42 proposed carbon dioxide transmission pipeline; or



- 1 (ii) signed a statement indicating that the applicant agrees to
 2 use, in connection with the construction of the proposed
 3 carbon dioxide transmission pipeline, the guidelines adopted
 4 under IC 8-1-22.6-8 by the pipeline safety division of the
 5 Indiana utility regulatory commission.
- 6 (b) The department shall review an application filed under
 7 subsection (a). Subject to subsection (f), if the department determines
 8 that the application is incomplete or inaccurate, or both, the department
 9 shall return the application to the applicant, informing the applicant in
 10 writing of the applicant's right to file a corrected application with the
 11 department. If the department determines that the application is
 12 complete and accurate, the department shall provide notice to the
 13 applicant of:
- 14 (1) that determination; and
 15 (2) the date, time, and location of the public information meeting
 16 to be held under subsection (d).
- 17 (c) The applicant shall:
- 18 (1) upon receipt of a notice under subsection (b):
 19 (A) place for public inspection a copy of the application in a
 20 public library located in each county in which the carbon
 21 dioxide transmission pipeline is proposed to be located; and
 22 (B) publish notice, in the same manner that would be required
 23 if the applicant were subject to IC 5-3-1, in each county in
 24 which the carbon dioxide transmission pipeline is proposed to
 25 be located, of:
 26 (i) the name and address of each library in which a copy of
 27 the application is placed under clause (A); and
 28 (ii) the date, time, and location of the public information
 29 meeting to be held under subsection (d);
 30 (2) provide to the department proof of publication of notice under
 31 subdivision (1)(B); and
 32 (3) have a representative present at the public information
 33 meeting held under subsection (d).
- 34 (d) The department shall:
 35 (1) conduct a public information meeting in the county seat of one
 36 (1) of the counties, as determined by the department, in which the
 37 proposed carbon dioxide transmission pipeline will be located;
 38 and
 39 (2) provide an opportunity at the meeting for members of the
 40 public to be briefed and to ask questions about the proposed
 41 carbon dioxide transmission pipeline.
- 42 (e) Not later than ninety (90) days after the public information



1 meeting held under subsection (d), the department shall notify the
2 applicant in writing that:

3 (1) the department:

4 (A) has made the findings described in subsection ~~(a)(4)~~;

5 **(a)(5)**; and

6 (B) has approved the application; or

7 (2) the department:

8 (A) has determined that the department is unable to make the
9 findings described in subsection ~~(a)(4)~~; **(a)(5)**; and

10 (B) has disapproved the application.

11 (f) The department shall process a corrected application that is filed
12 as permitted under subsection (b) in the same manner the department
13 processes an initially filed application under subsection (a).

14 (g) If the department fails to act under subsection (e) not later than
15 ninety (90) days after the public information meeting held under
16 subsection (d), the application is considered to be approved by the
17 department.

18 (h) If:

19 (1) the department approves the application under subsection
20 (e)(1); or

21 (2) the application is considered to be approved as described in
22 subsection (g);

23 the department shall issue to the applicant a carbon dioxide
24 transmission pipeline certificate of authority.

25 SECTION 3. IC 14-39-1-4.5 IS ADDED TO THE INDIANA CODE
26 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
27 1, 2023]: **Sec. 4.5. A carbon dioxide transmission pipeline project
28 may not be undertaken by a carbon dioxide transmission pipeline
29 company unless an ordinance approving the project has been
30 adopted by:**

31 **(1) the county legislative body, in the case of a project located
32 in the unincorporated area of a county; or**

33 **(2) the city or town legislative body, in the case of a project
34 located in a city or town.**

35 SECTION 4. IC 14-39-1-5, AS ADDED BY P.L.150-2011,
36 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
37 JULY 1, 2023]: Sec. 5. (a) Except as provided in subsection (b), if a
38 carbon dioxide transmission pipeline company files with the
39 department a verified certificate stating the reasons that the designation
40 of confidential information is necessary, the carbon dioxide
41 transmission pipeline company may designate information that it
42 submits in an application to the department, or in subsequent reports,



1 as trade secret or confidential and proprietary information.

2 (b) Subsection (a) does not apply to information referred to in
3 section ~~4(a)(4)(D)~~ **4(a)(5)(D)** of this chapter.

4 (c) The department shall exercise all necessary caution to avoid
5 public disclosure of confidential information designated under
6 subsection (a).

7 SECTION 5. IC 14-39-2-5, AS ADDED BY P.L.163-2022,
8 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 JULY 1, 2023]: Sec. 5. (a) Carbon sequestration projects are authorized
10 in Indiana for the purposes of:

11 (1) injecting carbon dioxide into the pore space of an underground
12 storage facility through at least one (1) carbon dioxide injection
13 well pursuant to a UIC Class VI permit; and

14 (2) employing the underground storage of carbon dioxide.

15 (b) A storage operator may not operate a carbon sequestration
16 project in Indiana without:

17 (1) a UIC Class VI permit; and

18 (2) a valid permit issued by the department.

19 (c) If a carbon sequestration project is owned by an entity other than
20 the storage operator, the storage operator shall be responsible for
21 obtaining a permit for a carbon sequestration project under subsection
22 (b). A permit for a carbon sequestration project may be transferred or
23 assigned from one (1) storage operator to another storage operator.

24 (d) An individual may apply to the department for a permit for a
25 carbon sequestration project in a form and manner prescribed by the
26 department.

27 (e) An application under subsection (d) must include the following:

28 (1) A filing fee of one thousand dollars (\$1,000).

29 (2) The signature of the applicant.

30 (3) A statement verifying that the information submitted is true,
31 accurate, and complete to the best of applicant's knowledge.

32 (4) Information illustrating that the applicant has the financial,
33 managerial, and technical ability to construct, operate, and
34 maintain a carbon sequestration project.

35 (5) Information illustrating that the applicant or the contractors or
36 subcontractors of the applicant have the requisite expertise in
37 constructing, operating, and maintaining a carbon sequestration
38 project.

39 (6) Documentation to the department describing the scope of the
40 proposed carbon sequestration project.

41 (7) A statement describing how the applicant will construct,
42 operate, and maintain the proposed carbon sequestration project



1 in accordance with applicable local, state, and federal law,
 2 including federal and state safety regulations and rules governing
 3 the construction, operation, and maintenance of the carbon
 4 sequestration project, and related facilities and equipment, to
 5 ensure the safety of the carbon sequestration project employees
 6 and the public.

7 (8) A statement that the interests of a mineral lessee or mineral
 8 owner will not be adversely affected. If a mineral owner or
 9 mineral lessee is adversely affected, the adversely affected
 10 mineral owner or mineral lessee and the applicant may enter into
 11 an agreement under section 4 of this chapter.

12 **(9) A certified copy of an ordinance adopted by the legislative**
 13 **body of the county or municipality that approves the project.**

14 SECTION 6. IC 14-39-2-5.5 IS ADDED TO THE INDIANA CODE
 15 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 16 1, 2023]: **Sec. 5.5. A carbon dioxide underground storage project**
 17 **may not be undertaken by a carbon dioxide transmission pipeline**
 18 **company unless an ordinance approving the project has been**
 19 **adopted by:**

- 20 **(1) the county legislative body, in the case of a project located**
 21 **in the unincorporated area of a county; or**
 22 **(2) the city or town legislative body, in the case of a project**
 23 **located in a city or town.**

