



**TO:** William J. L. Bates, P.G.  
Branch Chief  
Office of Ground Water & Drinking Water: Prevention Branch  
U.S. Environmental Protection Agency  
Washington, D.C.

**FROM:** Matt Fry  
State and Regional Policy Manager  
Great Plains Institute  
Minneapolis, MN

**DATE:** December 1, 2021

**RE:** Class VI Survey Results

Dear Mr. Bates:

Through the Regional Carbon Capture Deployment Initiative (RDI), the Great Plains Institute works with states across the country on carbon management initiatives, including a CO<sub>2</sub> transport infrastructure MOU and an associated [action plan](#) released this fall. As states work to facilitate deployment of carbon capture projects, several have expressed interest in the Class VI program generally and several are exploring whether to seek Class VI primacy from the EPA.

Eight states—Kansas, Louisiana, Maryland, Montana, North Dakota, Pennsylvania, Oklahoma, and Wyoming—entered into an MOU in October 2020 and committed to establishing and implementing a regional CO<sub>2</sub> transport infrastructure action plan. The MOU states addressed the Class VI program in the action plan, recommending that additional federal resources should be provided to assist as they pursue and implement primacy. While North Dakota and Wyoming have set precedent by achieving primacy, procedurally, the approval process could be improved. EPA should be allocated additional resources to complete states' applications in a timelier manner. EPA should consider providing states that have achieved primacy with greater levels of funding to implement their programs. Additionally, for states that do not pursue primacy, EPA should allocate additional resources to operators to ensure they complete their applications for Class VI permits correctly.

GPI recently surveyed states about the UIC Class VI program to better understand challenges with the primacy application process and gather foundational information about carbon capture projects at the state level. In the attached memo, we have compiled the survey results for your reference. We hope this information is helpful as you develop the Class VI Report for Congress, as required by the 2020 Omnibus legislation.

Achieving Class VI primacy will be critical for states to effectively support existing and future carbon capture projects. We look forward to the report's release and look forward to working with you as you begin to implement the new grant program for states and utilize the additional funding for the Class VI program as provided in the Infrastructure Investment and Jobs Act.

Sincerely,  
Matt Fry  
State & Regional Policy Manager



## State Class VI Survey:

Great Plains Institute (GPI) surveyed 12 states about their perspectives on the Class VI primacy program.<sup>1</sup> We received responses from 10 states – North Dakota, Illinois, Wyoming, Kansas, Oklahoma, Colorado, Texas, Pennsylvania, Michigan, and Louisiana – assessing their views on Class VI Primacy. While most states were limited to one respondent, we received two responses from three states.

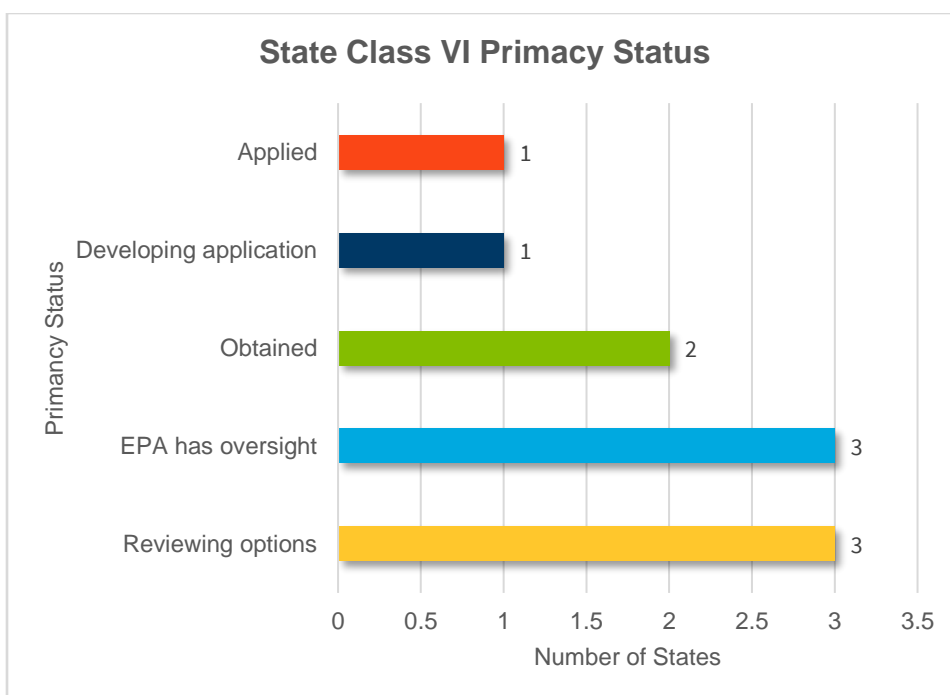
### Key Takeaways:

The survey results disclose that:

- Eight states have had projects submit Class VI permit applications.
- Most states see funding and processes to administer the Class VI program as a challenge to successful implementation in their state.
- Most respondents indicate that additional funding for state UIC programs is a top priority.

The information below is based on our findings across the surveyed states:

- **State oversight of Class VI wells varied.** The survey results indicate most states are considering submitting applications for primacy. Fewer states are in the process of developing their Class VI primacy application or have primacy.



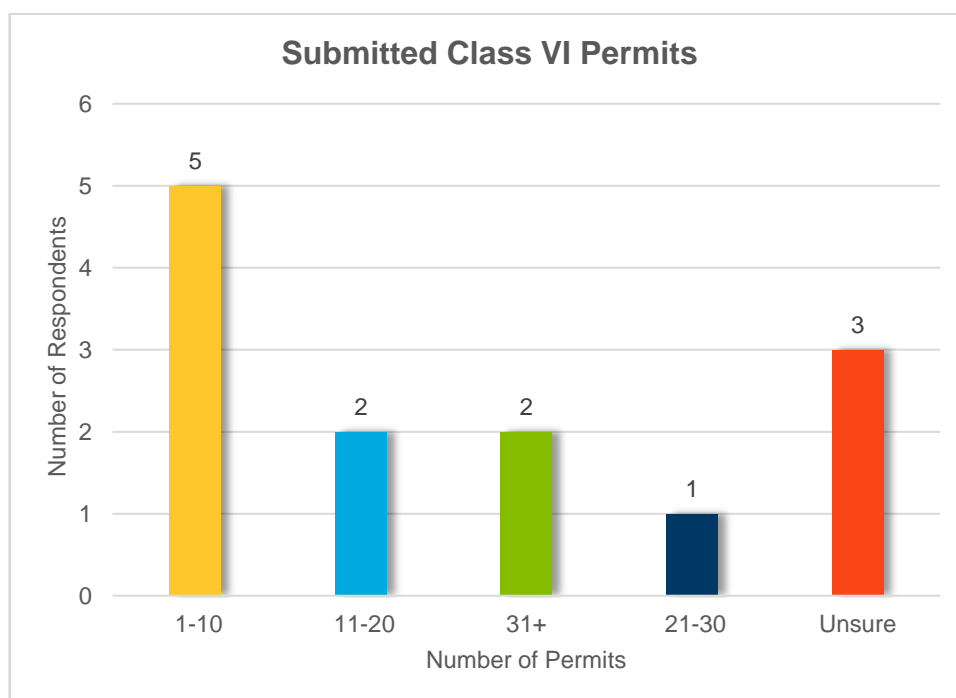
- **Funding and staffing needs are affecting most states' ability to apply for primacy.** We found that funding and staffing resources affected a state's decision whether to apply for

<sup>1</sup> Officials and academics had knowledge about carbon capture, use, and storage prior to completing the survey. All held some knowledge of Class VI primacy in their state.



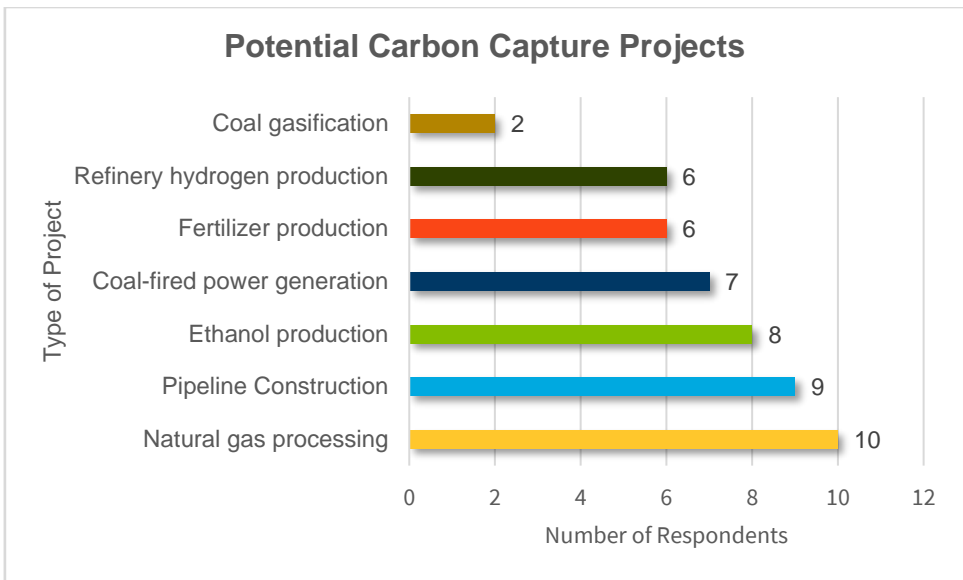
primacy. Other concerns stemmed from uncertainty about long-term liability, what the program would look like in practice, and which state agency would implement Class VI programs.

- **States considering applying for Class VI primacy need more information to decide.** We found that states are still evaluating the number of potential projects, state policy, and need for Class VI primacy. Several states are also trying to obtain Class II Primacy before exploring Class VI primacy. States are looking for additional guidance on effective regulations regarding pore space ownership, long term liability, CO<sub>2</sub> transport, and costs related to implementing the program. States want to know that requirements would not be unduly burdensome for applicants or regulators, while still maintaining sufficient compliance. Other states are awaiting the findings of their independent State Task Forces before proceeding further and are seeking information about stakeholder support.
- **Most respondents estimate that 1-10 Class VI permits may be submitted by projects located in their state.** Most respondents from states that hold Class VI primacy estimated that 30 + permit applications were likely to be submitted, while one respondent estimated that 1-10 permits were likely to be submitted



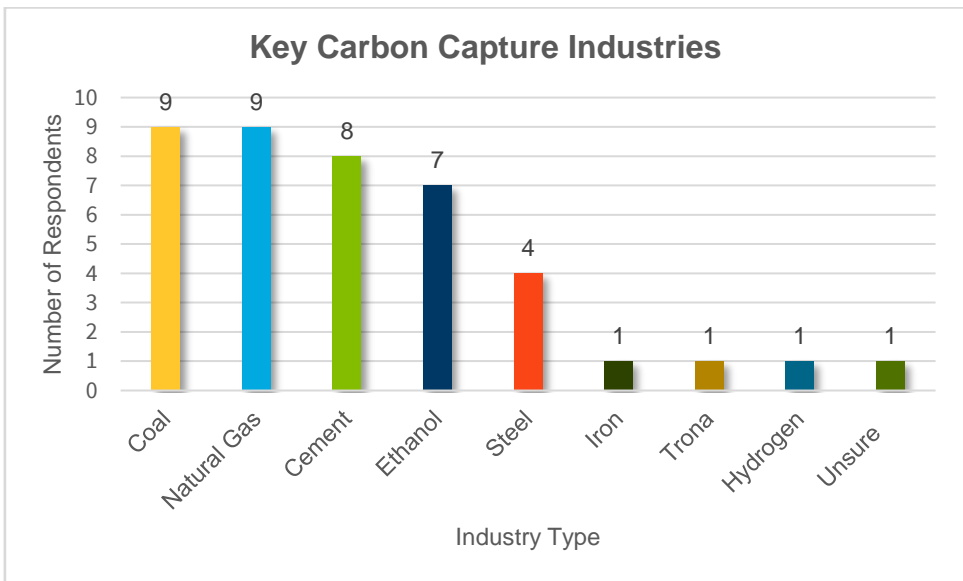
- **There are carbon capture projects under consideration across multiple industries.** Natural gas and pipeline construction projects are most prevalent across states. Other major industries include ethanol, fertilizer, hydrogen, and coal-fired power generation. States indicated that many projects are still in the feasibility phase and that state and federal policy will have an impact. Respondents selected any industries that they viewed as “major” in their state.





**Responses for other industries (under 10 percent) include:**

- Direct air capture
  - Industrial minerals (trona and bentonite)
  - PFBC using coal waste and biomass
  - Hydrogen
  - Bio-sources,
  - Cement
  - Other industrial sources
- **Coal, natural gas, cement, and ethanol are key industries for carbon capture projects across states.** Over 50 percent of respondents indicated that coal, natural gas, cement, and ethanol are key carbon capture industries.



- **Many Companies in key industries are likely to be interested in carbon capture projects.** Respondents named over 20 companies that may be interested in carbon capture projects.
- **Federal funding needs to be directed to state UIC programs.** When asked what is most needed to bolster the federal UIC program and related state regulated UIC programs to ensure adequate and timely review of Class VI permits, 77 percent of respondents indicate that state UIC programs need additional funding. Other needs include additional funding for federal staffing, state staffing, training, education, and EPA regional staff, with many respondents indicating that funding was needed across these items.

