

Briana Mordick 18-3-3

Mary D. Nichols, Chair
California Air Resources Board
1001 I Street
P.O. Box 2815
Sacramento, CA 95812

April 27th, 2018

Re: Proposed Amendments to the Low Carbon Fuel Standard Regulation and to the Regulation on Commercialization of Alternative Diesel Fuels: Carbon Capture and Sequestration Protocol Under the Low Carbon Fuel Standard (Appendix B) - ADDENDUM

<https://www.arb.ca.gov/lispub/comm/bccommlog.php?listname=lcfs18>

Dear Chair Nichols and Members of the Board:

Please find below an additional comment that was inadvertently excluded from our extensive joint comments submitted electronically on April 23rd, 2018.

Recorded deed notation

Section C.5.2(f) provides that within 30 days each CCS Project Operator must record a notation on the deed to the CCS project property or any other document that is normally examined during title search that will in perpetuity provide any potential purchaser of the property notice that the property has been used to sequester CO₂, and the volume of fluid injected, the sequestration zone and the period over which injection occurred.

We acknowledge the importance of ensuring that notice to a prospective property owner that there is a CO₂ storage complex below the surface is critical to maintaining the long term integrity of the CCS Project. Satisfying this provision will likely require a project operator to negotiate or acquire the surface in fee. In some cases, there may be several private surface owners for a given CCS Project, and possibly public land involved as well. 30-days is likely insufficient time to negotiate and complete the deed notations or, in the alternative, to acquire the surface in fee. We suggest a one-year period instead. However, during this one-year period, all other protocol requirements to monitor and report on the project will remain fully in-place to ensure the integrity of the storage complex.

We also suggest clarifying language to specify when the deed notice must be perfected. It appears clear from the information that Section C.5.2(f) requires in the notation recorded on the deed, that it is a post-closure requirement that cannot be demonstrated until injection ceases (e.g., the volume of fluid injected will not be known until after injection ceases). We suggest the following revision to Section C.5.2(f):

"Within ~~30 days~~ one year after completion of injection, each CCS Project Operator must record a notation on the deed to the CCS project property or any other document that is normally examined during title search that will in perpetuity provide any potential purchaser of the property the following information [...]"

Respectfully submitted,

Al Collins, Sr. Director – Regulatory Affairs, Occidental Petroleum Corporation

Paul J. Deiro, Vice President, Government Affairs, California Resources Corporation

Tim Ebben, Principal Carbon Relations Advisor, Shell

S. Julio Friedmann, CEO, Carbon Wrangler, LLC

Susan D. Hovorka, University of Texas at Austin

Ralph J. Moran, Sr. Director, Government & Public Affairs, BP America

Eric Mork, EBR Development, LLC

Deepika Nagabhushan, Energy Policy Associate, Clean Air Task Force

Brad Page, Chief Executive Officer, Global Carbon Capture and Storage Institute

Bob Perciasepe, President, Center for Climate and Energy Solutions

Henry T Perea, Manager, CA/OR/WA Government Affairs, Chevron Corporation

George Peridas, Senior Scientist, Natural Resources Defense Council

Rich Powell, Executive Director, ClearPath Foundation

Greg Thompson, CEO, White Energy

Tom Willis, CEO, Conestoga Energy Partners, LLC