

Alaska Oil and Gas Conservation Commission

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May 16, 2025

Mr. David Knutson Sr. Director of Lands and Natural Resources ASRC 3900 C Street, Suite 801 Anchorage, AK, 99503

Re: Docket Number: R-24-002

Carbon Storage Facility Regulations Class VI Primacy Application

Dear Mr. Knutson:

Thank you for submitting your comments to the Alaska Oil and Gas Conservation Commission (AOGCC) in response to the Notice of Public Scoping and Notice of Public Hearing (Notice). The hearing was held on November 7, 2024. As was stated in the Notice, AOGCC is intending to apply for Class VI primary enforcement authority (Primacy) from the United States Environmental Protection Agency (EPA) as a new well Class within the Underground Injection Control (UIC) program, and to engage with surface and subsurface landowners, industry, and other interested or affected stakeholders for their ideas and suggestions before the AOGCC undertakes the task of drafting any specific proposed regulations for public review.

AOGCC is now developing draft regulations for carbon storage and Class VI wells in Alaska. When ready, these proposed regulations will be noticed for public comment and public hearing. We encourage you to continue to engage with AOGCC throughout this regulation development process.

AOGCC's responses to your comments are below:

A. There are unknown liabilities for surface and subsurface landowners

AOGCC proposes implementing Section AS 41.06.140 Amalgamating Property Interests by regulation 20 AAC 25.1085. ASRC as a surface and subsurface landowner will determine their own carbon leasing requirements similar to a DNR leasing program effective February 2025. If applicable, surface and subsurface owners and affected parties will receive notice and opportunity to comment during an AOGCC carbon storage facility permit public comment and review period.

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B. Delay implementation of Section 41.06.140

AOGCC proposes implementing Section AS 41.06.140 Amalgamating Property Interests by regulation 20 AAC 25.1085 which would become effective on Lt Governor signature along with the other carbon storage associated proposed regulations. AOGCC encourages all surface and subsurface owners and interested parties to participate in the upcoming regulations drafting process. There is no plan or discretion for AOGCC to delay implementing these regulations once final. However, as currently envisioned in state statute and draft regulations, a nonconsenting property owner would be heard at the leasing phase, and as AOGCC processes an application for a potential carbon storage facility permit.

Sincerely,

Jessie L. Chmielowski Date: 2025.05.14 11:50:48 - 08'00'

Digitally signed by Jessie L. Chmielowski

Digitally signed by Gregory C. Gregory C. Wilson Wilson Date: 2025.05.14 11:10:46 -08'00'

Jessie L. Chmielowski Commissioner

Gregory C. Wilson Commissioner