



Ohio Oil and Gas Association
Proponent Testimony
House Bill 358

House Energy and Natural Resources Committee
Representative Thomas Hall, Chairman

Mr. Chairman and members of the committee, my name is Stephanie Kromer, and I am the Director of Legislative & Regulatory Affairs of the Ohio Oil and Gas Association (OOGA). OOGA is a 77-year-old statewide trade association. Our association includes members that represent all aspects of Ohio's oil and gas industry - upstream, midstream, and downstream, with a heavy focus on both small conventional operators and large horizontal shale operators.

Thank you for the opportunity to offer proponent testimony in support of Substitute House Bill 358, which establishes a regulatory framework and much needed guardrails for carbon capture and sequestration in the state of Ohio.

Carbon capture and sequestration (CCS) is a technology that captures carbon before it is emitted into the atmosphere and then is injected deep underground into appropriate geological formations, where it can be safely stored. Sub. House Bill 358 establishes state standards for a variety of issues including but not limited to pore space, notice and liability.

The U.S. Department of Energy established the Office of Clean Energy Demonstrations (OCED) to help scale emerging technologies such as carbon capture and sequestration. Part of OCED's mission was to launch and fund several hydrogen hubs through its Regional Clean Hydrogen Hubs program.

Ohio, being centrally located and blessed with manufacturing, established infrastructure, and abundant natural gas reserves, became an obvious leader to land one of these regional hubs. Through working with partners in Pennsylvania and West Virginia, Ohio was granted one of these ferociously competitive and highly coveted projects - the Appalachian Regional Clean Hydrogen Hub, or otherwise known as ARCH2.¹

Only four states - North Dakota, Wyoming, Louisiana, and recently granted West Virginia - have primacy to operate their own Class VI injection well programs. Ohio does not have primacy for carbon capture wells. The U.S. EPA directly regulates any carbon capture and sequestration program any individual or company may want to establish in Ohio. Ohio is among several other states that have either applied to the federal government for primacy or are evaluating the application for primacy. States that receive primacy will have a leg up on the competition for projects and investment.

Regardless of whether Ohio establishes CCS regulations, development of the technology can take place under a U.S. EPA permit process. However, it is important that Ohio establishes state-specific regulations to not only ensure the safety of Ohioans and our state's geology, but to also protect current production assets and to ensure that CCS has an economical and viable path forward in the state.

With new technology and increased innovation, it is crucial that Ohio maintains a presence and leads on issues like carbon capture. As ARCH 2, builds out, Ohio and the

¹ <https://www.energy.gov/oced/regional-clean-hydrogen-hubs-selections-award-negotiations>

surrounding region will play a crucial role in viability of carbon capture and sequestration for the region and country.

Mr. Chairman and members of the committee, thank you for the opportunity to offer proponent testimony today. I would be happy to try and answer questions from the committee.