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June 7, 2023

U.S. Environmental Protection Agency
RE: State of Louisiana's Underground Injection Control Class VI Program Primacy

Dear EPA:

The Louisiana State University Center for Energy Studies (LSU-CES) was created by the Louisiana Legislature in 1982 with the goal of conducting, encouraging, and facilitating research and analysis to address energy-related problems or issues affecting Louisiana's economy, environment and citizenry. LSU-CES does not lobby or make policy recommendations, but we do provide information to stakeholders.

Over the past year, we have received numerous inquiries about the implications of decarbonization on Louisiana's economy and environment, with many of these questions specifically geared towards carbon capture, utilization and storage (CCUS).

As an economist, I cannot personally opine on the technical questions surrounding CCUS nor on the specific regulatory framework around primacy. But I can testify that companies from around the world that purchase products made in Louisiana are increasingly requesting an honest accounting of greenhouse gas emissions with the intention to prioritize lower carbon intensity products in the future. As a result, companies are competing to reduce emissions by meaningful quantities while remaining economically competitive. CCUS is one strategy companies are pursuing to achieve this goal.

Please see attached three documents with information regarding implications of decarbonization on the Louisiana and Gulf Coast economy and CCUS specifically.

First is a brief report titled, "What is Carbon Capture, Utilization and Storage (CCUS)?" prepared in conjunction with colleagues from the LSU Department of Environmental Sciences and the LSU Cain Department of Chemical Engineering. This short document is meant to provide the public with non-technical information on CCUS.

Second, is a report titled "The Economic Implications of Carbon Capture and Sequestration for the Gulf Coast Economy." In this report, we utilize the proposed Gulf Coast Sequestration (GCS) project in southwest Louisiana as a case study to quantify economic and

environmental implications of sequestration. This proposed hub would capture approximately 10 million tonnes per year, facilitating the decarbonization of approximately 6,500 jobs in the emissions-intensive petrochemical sectors in Louisiana and Texas. This research was financially supported by GCS.

Third, is our most recent Gulf Coast Energy Outlook (GCEO). The GCEO is produced by LSU-CES. We present this report to stakeholders across the state on a regular basis. A central theme of this year's GCEO is implications of decarbonization for the Louisiana and regional economy.

Thank you for the opportunity to provide these resources to be included in the docket.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gregory B. Upton, Jr.', with a long horizontal flourish extending to the right.

Gregory B. Upton, Jr.
Interim Executive Director &
Associate Research Professor
LSU Center for Energy Studies