



JOHN BEL EDWARDS
GOVERNOR

State of Louisiana
DEPARTMENT OF NATURAL RESOURCES
OFFICE OF CONSERVATION

THOMAS F. HARRIS
SECRETARY

RICHARD P. IEYOUB
COMMISSIONER OF CONSERVATION

December 5, 2016

Senator John A. Alario, Jr., President
Senator Norbert Chabert, Natural Resource Committee Chairman
Representative Taylor Barras, Speaker
Representative Stuart Bishop, Natural Resources and Environment Committee Chairman

Via Statutorily Prescribed E-mail

Re: Report of Proposed Amendment to
Office of Conservation Rules and Regulations
LAC 43:XIX.Chapter 5 (Statewide Order No. 29-B)
For Compliance with Act 634 of 2016

Dear Oversight Authorities:

The Commissioner of Conservation proposes to amend LAC 43:XIX.Chapter 5 in accordance with the provisions of the Administrative Procedure Act R.S. 49:950 et seq., and pursuant to the power delegated under the laws of the state of Louisiana. The proposed amendment is made to implement requirements for E and P Waste Transfer Pipeline Systems.

I. Copy of the rule as it is proposed for amendment per La R.S. 49:968.C(1):

See the attached Notice of Intent.

II. Statement of the proposed action per La R.S. 49:968.C(2):

The Louisiana Office of Conservation proposes to amend LAC 43:XIX.Chapter 5. The proposed amendment is made to implement requirements for E and P Waste Transfer Pipeline Systems.

III. The specific citation of the enabling legislation purporting to authorize amendment of the rule per La R.S. 49:968.C(3):

La R.S 30:4et seq.

IV. Statement of the circumstances requiring amendment of the rule per La R.S. 49:968.C(4):

As a result of natural gas shale production activities in North Louisiana, the first and only off-site exploration and production (E and P) waste fluids pipeline system for waste transportation to a

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permitted out-of-state disposal facility was installed in Louisiana. There was previously no state regulation of governing policy for notification, design, operation, maintenance, waste manifesting and reporting. Requirements for E and P Waste transfer pipeline systems (waste pipeline) currently exist by order of the Commissioner of Conservation. The proposed rule seeks to codify the existing agency policy into rule.

V. Statement of the fiscal and economic impact of the proposed rule amendment per La R.S. 49:968.C(5):

The fiscal and economic impact statement is attached to this report.

A notice of intent to initiate rule-making will be published in the Louisiana Register on December 20 2016, with a public comment period on the proposal scheduled to remain open until January 12, 2016 at 4:00 PM.

Please contact me at 225-342-7889 if there are any questions.

Yours very truly,



John W. Adams
Attorney, Office of Conservation

JWA:smd

Attachments