



Policy and Regulatory Landscape for CO₂ and Hydrogen Transport and Storage

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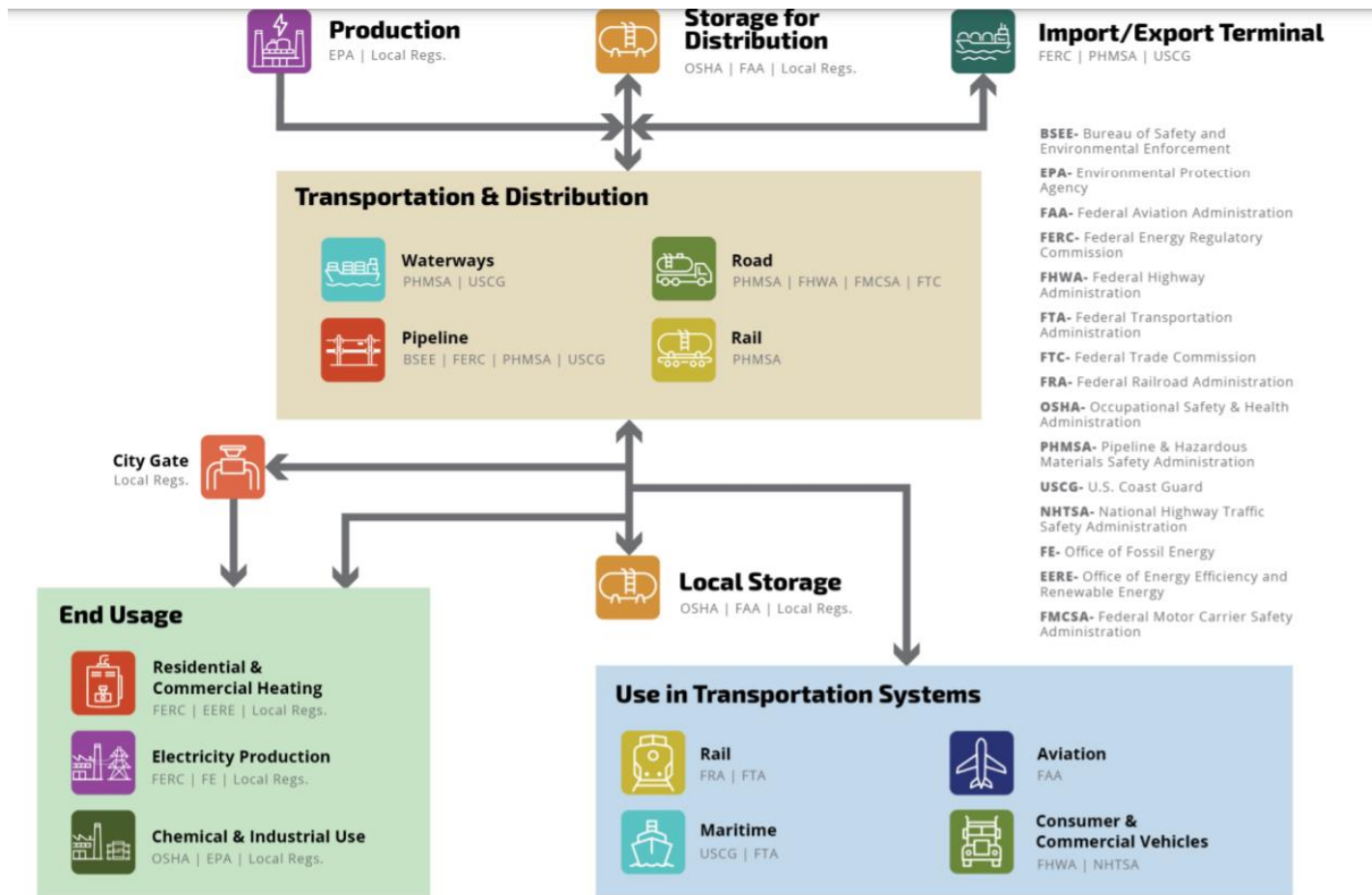
Regulatory framework for oil, gas, and CO₂ Pipelines

Element	Oil Pipelines	Gas Pipelines	CO ₂ Pipelines
Rates Regulation Authority (Interstate)	FERC	FERC	None (Possibly STB)
Regulatory Regime	Common Carriage	Common Carriage / Contract Carriage	Private, Contract, or Common Carriage
Ownership of Commodity	Mostly third-party ownership	Mandated that interstate pipelines only transports gas owned by others.	Common for CO ₂ owned by pipeline owner / third-party
Tariffs / On-going regulatory oversight	Yes - rates are approved by FERC and increase indexed to PPI +/- an increment	Yes - Rates are periodically set by rate cases before FERC	No - STB would only look at rates if a dispute is brought before it.
Rate disputes	Every five years the increment to PPI is modified.	Rare for disputes outside of rate cases. However they can be brought before FERC	Uncommon due to ownership relationships and prearranged deals
Siting	State and local governments	FERC	State and local governments
Safety	PHMSA	PHMSA	PHMSA
Market Entry and Exit	Unregulated entry and exit	Need approval for both entry (construction) and exit (abandonment)	Unregulated entry and exit
Product Quality	"Batch" modes transport different products at different times. Not	Specifications individually set in tariff approved by FERC	No Federal Regulations*
Posting information	Tariff information is available on-line	Daily operational and tariff information is available on-line	None Required
Eminent Domain	Yes - Varies by state. More often if pipeline is a common carrier.	Yes	Varies by State Law

- Regulatory framework for oil, gas, and CO₂ pipelines is relatively established.
- The need for CO₂ transport and storage to enable rapid decarbonization of industry and to support negative CO₂ emissions (DAC, BECCS) is key.
- Proper communication around new pipeline infrastructure is essential.

Source: INGAA/ICF, 2009

Hydrogen Federal Regulatory Map



- Operators, policymakers, etc. must initiate dialogue on addressing regulatory barriers facing first-of-a-kind hydrogen projects in the US.
- Question of whether interstate pipelines carrying hydrogen are common carriers subject to regulation by the Surface Transportation Board under authority closely related to the Federal Energy Regulatory Commission's parallel authority over other pipeline types.
- What's the role of the States? Localities?

Source: <https://www.energy.gov/sites/default/files/2021-05/042921-h2iqhour.pdf>



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