Appendix G:

Burden and Cost for Geologic Sequestration of Carbon Dioxide

(Subpart RR)

**Burden and Cost Estimate for Geologic Sequestration of Carbon Dioxide (Subpart RR)**

The objective of this appendix is to summarize estimated burden and cost estimates for subpart RR of the Greenhouse Gas Reporting Program (GHGRP). More detail on the methodology, assumptions, and estimated costs, including costs for potential alternative cost scenarios, are presented in the docket.[[1]](#footnote-1)

Subpart RR monitoring and reporting costs are estimated here based on two types of potentially reporting facilities:

* Projects permitted under Class II of EPA’s Underground Injection Control (UIC) program (for carbon dioxide enhanced oil recovery (“CO2-EOR”) wells).
* Projects permitted under Class VI of EPA’s UIC Program (assumed to be injecting into deep saline formations for purposes of the analysis).

The geologic and project characteristics of the “representative” facility for both the CO2-EOR case and the deep saline aquifer case are based on a typical CO2-EOR project in the Permian Basin of West Texas, where the majority of ongoing CO2-EOR operations in the U.S. exist. This “representative” facility is comparable to that used in previous EPA subpart RR analyses.

Table 1 summarizes the subpart RR unit burden and cost estimates for CO2-EOR projects. Similarly, Table 2 summarizes the subpart RR unit burden and cost estimates for deep saline formation projects.

For purposes of this analysis, it was assumed that one deep saline formation project would report under subpart RR. It was also assumed that 6 CO2-EOR projects would report under subpart RR, with 2 in year 1, 4 in year 2, and 6 in year 3.

Based on these estimated numbers of impacted facilities, estimates for the total burden and costs for subpart RR are presented in Table 3.

In summary, the major changes in the burden and cost estimates relative to previous estimates (i.e., EPA ICR No. 2300.10) are as follows:

* The number of projects assumed to hold Class VI well permits, and therefore which were also assumed to report under subpart RR, was updated.
* Costs were updated to account for more recent experience associated with CO2 storage projects sponsored by the U.S. Department of Energy.
* Additional CO2-EOR projects are assumed to report under subpart RR.

**Table 1. Unit Burden and Cost Estimates for CO2-EOR Projects**



**Table 2. Unit Burden and Cost Estimates for Deep Saline Formation Projects**



**Table 3. Total Burden and Cost Estimates for Subpart RR**



1. *Analysis of the Costs Associated with Subpart RR (Geologic Sequestration of Carbon Dioxide) Reporting under the EPA Greenhouse Gas Reporting Program*, paper prepared by Advanced Resources International, Inc., April 2016. [↑](#footnote-ref-1)