



# Louisiana Governor Issues Executive Order Revising State Criteria for Class VI Carbon Sequestration Permitting

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On October 15, 2025, Louisiana Governor Jeff Landry issued an [executive order](#) establishing new criteria and policy guidance for the state’s Class VI underground injection control program for carbon sequestration. The order represents the most significant state-level policy development in Louisiana’s carbon management landscape since the U.S. Environmental Protection Agency (EPA) granted the state primacy over Class VI wells in January 2024.

[Van Ness Feldman](#) has played a central role in both Louisiana’s, and the federal government’s, carbon management policy, advising state and federal agencies, industry stakeholders, and communities throughout the Class VI primacy and rulemaking process. The firm is well-positioned to provide technical, legal, and policy guidance to companies, investors, and public entities in the Gulf Coast region on the recent Executive Order or on any topic discussed below.

The executive order and a concurrent guidance memorandum issued by the Louisiana Department of Conservation and Energy (LDCE) modify the state’s Class VI permitting framework, with an emphasis on public engagement, economic development, and local community investment. Together, the two documents mark a pivotal shift in how Louisiana intends to balance its role as an early leader in carbon capture and storage (CCS) with growing public and local government scrutiny of these projects.

The Louisiana executive order marks a significant evolution in the state’s carbon capture and storage (CCS) governance, formalizing expectations for local benefit-sharing, transparency, and community engagement that were previously informal or voluntary. The policy seeks to balance rapid project development with community input, reflecting national trends around “just transition” and local co-benefits.

For developers, the order creates both opportunities and obligations: projects demonstrating strong local partnerships and clear economic benefits may receive expedited review, while those lacking engagement or tangible local impacts could face delays or additional scrutiny. The LDCE’s commitment to periodically updating the guidance allows for an iterative approach, refining criteria as the state manages over 20 active Class VI permit applications.

## **BACKGROUND: LOUISIANA’S CLASS VI PRIMACY PROGRAM**

Louisiana obtained primacy over Class VI wells—those used for permanent geologic sequestration of carbon dioxide—through an EPA final rule signed on December 28, 2023. The rule, finalized just weeks before Governor Landry took office, made Louisiana the third state after North Dakota and Wyoming to secure regulatory authority over Class VI wells under the federal Underground Injection Control (UIC) program.

Class VI primacy allows the state to administer, permit, and enforce its own regulatory program for carbon sequestration wells, provided the state’s requirements are at least as stringent as federal standards under the Safe Drinking Water Act. Louisiana’s program, initially administered by the Department of Natural Resources (LDNR), was designed to

streamline permitting and provide greater regulatory certainty for project developers while maintaining rigorous standards for groundwater protection and environmental justice.

Since receiving primacy, the state has invested in staffing, technical resources, and administrative procedures to review dozens of Class VI applications, many of which were transferred from the EPA. However, the state has also faced mounting public opposition to CCS projects. Over the past year, local governments, landowners, and community groups have raised concerns about safety, groundwater impacts, eminent domain for carbon dioxide transport pipelines, and the potential effects of sequestration projects on local tax bases.

During the 2025 legislative session, more than two dozen bills were introduced seeking to restrict or alter the state's authority over carbon storage, though most did not advance. The only CCS-related provisions enacted were included in omnibus legislation reorganizing the LDNR into the newly named Louisiana Department of Conservation and Energy, the agency now responsible for administering the state's primacy program.

### THE EXECUTIVE ORDER: NEW CRITERIA FOR CLASS VI PERMITS

Governor Landry's executive order reaffirms Louisiana's commitment to carbon sequestration as a key strategy for energy and industrial policy while responding to local and political pressure to ensure that projects provide tangible benefits to the state and its communities. The order was issued pursuant to the Governor's constitutional and statutory authority to "see that the laws are faithfully executed."<sup>1</sup>

In its preamble, the order outlines the Governor's rationale for supporting CCS, citing the technology's role in maintaining Louisiana's energy leadership, protecting existing industrial employment, and positioning the state to attract new investment in low-carbon industries. However, the operative provisions of the order introduce several substantive changes to the permitting process for Class VI wells.

The order contains a moratorium on new permits and criteria for review as follows:

1. **Moratorium on New Class VI Permits:** The order directs the Department to stop reviewing any new Class VI permit applications submitted after the order's effective date, unless instructed otherwise. Over the next 45 days, the Department must also reassess and prioritize the status of existing Class VI permit applications.
2. **Safety and Monitoring Standards.** The order reiterates Louisiana's commitment to the safety and monitoring requirements that were adopted as part of the state's primacy rulemaking. These standards—already more stringent than EPA's—require extensive modeling, seismic analysis, and continuous monitoring to ensure the secure containment of injected CO<sub>2</sub> and the protection of underground sources of drinking water.
3. **Economic Development and Job Creation.** The executive order directs the LDCE to ensure that Class VI projects demonstrably contribute to Louisiana's economic growth. Applicants must now engage with the department's economic development division to document anticipated job creation, job retention, and capital investment resulting from the project.

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<sup>1</sup> La. Const. art. IV, § 5(A); La. Rev. Stat. § 49:215(A) ("The authority of the governor to see that the laws are faithfully executed by issuing executive orders is recognized.")

This requirement effectively integrates economic analysis into the environmental permitting process, a first among states with Class VI primacy. It also signals the Governor’s intent to link project approval to measurable economic outcomes—particularly in manufacturing, refining, and other energy-intensive sectors that anchor Louisiana’s industrial base.

4. **Community Engagement and Local Investment.** The most novel provision of the order requires Class VI applicants to submit a local engagement and community investment plan as part of their permit application. This plan must demonstrate how the project will contribute to or mitigate its impacts on the surrounding community. Examples include investments in schools, emergency response capabilities, public infrastructure, and other local assets.

The Governor’s order emphasizes that CCS developers must take proactive steps to build trust and understanding in the communities where they seek to operate. This requirement reflects growing public concern in parishes where CCS projects have been proposed and underscores a policy shift toward local benefit-sharing and transparency.

As part of the updated Class VI permitting framework, applicants are required to submit a Public Engagement Plan (PEP) that aligns with LDENR’s EPA Memorandum of Agreement and the requirements of Acts 407<sup>2</sup> and 414<sup>3</sup>. Plans must document outreach to affected communities, provide plain-language summaries of technical information, and include processes for recording and addressing public concerns, with professionalism and transparency emphasized throughout. Acceptable engagement activities range from coordination with elected officials and Parish meetings to town halls, workforce programs, and support for local first responders. For applications filed prior to August 1, 2025, existing plans may suffice, though supplemental engagement may be required if local governments request it. LDENR staff will ensure that reviews, completeness determinations, and final decisions adhere to this guidance, which remains in effect until superseded by future rulemaking or directive.

Over the period of development of this executive order, it has borne the working title “moratorium,” a reference to an anticipated pause or temporary cessation of Class VI permit issuance in Louisiana. While the order retains that title, its substance focuses far more on establishing these new permitting criteria than on halting project activity. Rather than suspending activity, the executive order provides additional clarity to ensure that Class VI permits are issued for the safest, most economically beneficial projects—those that demonstrate genuine local engagement and tangible community benefits.

## DEPARTMENTAL GUIDANCE AND IMPLEMENTATION

Alongside the Governor’s order, LDCE Secretary Dustin Davidson issued a detailed secretarial directive providing additional implementation guidance.<sup>4</sup> The directive elaborates on each of the three categories of criteria, establishes procedural expectations for applicants, and identifies five Class VI permit applications that will be prioritized for review over the next 45 days.

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<sup>2</sup> La. Act No. 407 (2025) (SB 36, amending and reenacting La. R.S. 30:1107(C)–(D) and enacting R.S. 30:1105(D), 1107(E))

<sup>3</sup> La. Act No. 414 (2025) (SB 73, amending La. R.S. 30:1104.2(B), 1108(C), and 1115, and enacting R.S. 30:1105(D))

<sup>4</sup> Issued pursuant to authority granted under Act 458 of the 2025 Regular Session (effective Oct. 1, 2025) and La. Rev. Stat. § 36:354(A)(14), empowering the Secretary of the Department of Conservation and Energy to establish immediate agency policy effective upon issuance.

These priority applications correspond to projects that already align with the new criteria—particularly those demonstrating strong community support and clear economic benefit to the state. The memo also notes that the guidance will be updated periodically as the Department gains experience applying the new criteria and as additional projects advance through the review process.

The issuance of the executive order and the secretarial directive marks a coordinated policy initiative between the Governor’s Office and the LDCE to address both the political and technical dimensions of CCS deployment in Louisiana. It is anticipated that these measures will help accelerate the approval of “high-value” projects while defusing local resistance through enhanced engagement and accountability.

### **POLICY AND INDUSTRY IMPLICATIONS**

The executive order represents a notable evolution in Louisiana’s CCS governance framework. While the state continues to promote carbon sequestration as a cornerstone of its energy and climate strategy, the new criteria effectively formalize expectations for local benefit-sharing and transparency that had previously been handled informally or through voluntary measures.

From a policy perspective, the order appears intended to strike a balance between facilitating project development and responding to constituent concerns that CCS projects have advanced too quickly without adequate community input. The inclusion of economic and community engagement criteria also aligns with national trends emphasizing “just transition” principles and local co-benefits in carbon management policy.

For project developers, the order introduces both opportunities and additional requirements. Projects that can demonstrate strong local partnerships and clear economic benefits to Louisiana are likely to receive expedited review under the new framework. Conversely, developers with limited community engagement or ambiguous local benefits may face longer permitting timelines or additional scrutiny.

Importantly, the LDCE’s commitment to periodically updating the directive suggests an iterative approach to implementation, allowing the Department to refine criteria and procedures based on early experience. This flexibility may prove essential as Louisiana continues to evaluate more than 20 active Class VI permit applications, representing some of the largest proposed CCS projects in the United States.

### **VAN NESS FELDMAN’S ROLE IN LOUISIANA CARBON MANAGEMENT POLICY**

Van Ness Feldman has been deeply engaged in Louisiana’s carbon management policy landscape since the state first began pursuing Class VI primacy. The firm worked closely with the Louisiana Department of Natural Resources, industry, policymakers, and community stakeholders to support the rulemaking process and continues to advise clients navigating the state’s evolving regulatory framework.

Since Louisiana received primacy, Van Ness Feldman has assisted multiple clients in developing CCS and carbon management projects, including advising on permitting, environmental justice compliance, and community engagement strategies. The firm also recently supported the formation of a citizens’ coalition promoting safe and responsible carbon capture deployment to sustain Louisiana’s energy economy and industrial workforce. That coalition is called [Louisiana Citizens for Our Future](#).

As Louisiana continues to refine its Class VI program, Van Ness Feldman remains at the forefront of advising companies, investors, and public entities on the technical, legal, and policy dimensions of carbon management in the Gulf Coast region.

For additional information or assistance with Louisiana Class VI permitting and related carbon management issues, please contact Tanner Johnson at [tjohnson@vnf.com](mailto:tjohnson@vnf.com) or 202-298-1817.

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