

HOUSE BILL No. 4778

June 20, 2017, Introduced by Reps. Rabhi, Sowerby, Hammoud, Chang, Sabo, Hoadley, Pagan, Cochran, Faris, Geiss, Sneller, Wittenberg, Lasinski, Elder, LaGrand, Ellison, Moss, Jones, Green, Camilleri, Zemke, Greig, Yanez, Hertel, Clemente, Liberati, Neeley and Gay-Dagnogo and referred to the Committee on Energy Policy.

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
(MCL 324.101 to 324.90106) by adding section 61506e.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **SEC. 61506E. (1) SUBJECT TO SUBSECTION (2), A PERSON SHALL NOT**
2 **OPERATE AN OIL OR GAS WELL EXCEPT IN CONJUNCTION WITH A METHANE**
3 **CONTROL OR CAPTURE SYSTEM CAPABLE OF REDUCING FUGITIVE METHANE**
4 **EMISSIONS BY 99%. THE SYSTEM SHALL NOT USE FLARING AS A CONTROL**
5 **METHOD. THIS SUBSECTION DOES NOT APPLY TO A WELL THAT CONSISTS ONLY**
6 **OF A WELLHEAD.**

7 **(2) THE REQUIREMENTS OF SUBSECTION (1) SHALL BE INCLUDED IN A**
8 **PERMIT FOR A WELL ISSUED UNDER SECTION 61525 ON OR AFTER THE**
9 **EFFECTIVE DATE OF THIS SECTION. IF A PERMIT WAS ISSUED FOR AN OIL**
10 **OR GAS WELL UNDER SECTION 61525 BEFORE THE EFFECTIVE DATE OF THIS**
11 **SECTION, SUBSECTION (1) DOES NOT APPLY TO THAT WELL UNTIL 180 DAYS**

1 AFTER THE EFFECTIVE DATE OF THIS SECTION, UNLESS AN EARLIER DATE IS
2 SPECIFIED BY RULES PROMULGATED BY THE SUPERVISOR UNDER SUBSECTION
3 (5).

4 (3) AN OPERATOR THAT VIOLATES THE REQUIREMENTS OF SUBSECTION
5 (1) SHALL BE ORDERED TO PAY A CIVIL FINE OF \$100,000.00. THIS
6 SUBSECTION DOES NOT APPLY IF A METHANE CONTROL OR CAPTURE SYSTEM
7 MALFUNCTIONS AND THE OPERATOR PROMPTLY REPAIRS THE SYSTEM.

8 (4) IF AN OPERATOR FAILS TO INSTALL A METHANE CONTROL OR
9 CAPTURE SYSTEM WITHIN 3 MONTHS AFTER THE REQUIRED DATE OR, IF THE
10 WELL IS EMITTING AN AVERAGE OF MORE THAN 1 GRAM OF METHANE PER
11 SECOND, WITHIN 1 MONTH AFTER THE REQUIRED DATE, THE SUPERVISOR
12 SHALL REVOKE THE OPERATOR'S PERMIT FOR THE WELL.

13 (5) BY 180 DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION, THE
14 SUPERVISOR SHALL PROMULGATE RULES TO IMPLEMENT THIS SECTION. AT A
15 MINIMUM, THE RULES SHALL ADDRESS ALL OF THE FOLLOWING:

16 (A) THE SPECIFIC TYPES OF METHANE CAPTURE AND CONTROL SYSTEMS
17 THAT MAY BE USED TO COMPLY WITH THIS SECTION.

18 (B) PROCEDURES AND SCHEDULES FOR INSPECTIONS BY THE SUPERVISOR
19 TO VERIFY COMPLIANCE WITH THIS SECTION.

20 (C) PROCEDURES FOR OPERATORS TO REPORT COMPLIANCE WITH THIS
21 SECTION.

22 (D) PROCEDURES FOR MAINTENANCE AND PERFORMANCE TESTING OF A
23 METHANE CONTROL OR CAPTURE SYSTEM.

24 (E) REQUIREMENTS REGARDING THE PROMPT REPAIR OF A
25 MALFUNCTIONING METHANE CONTROL OR CAPTURE SYSTEM.

26 Enacting section 1. This amendatory act takes effect 90 days
27 after the date it is enacted into law.