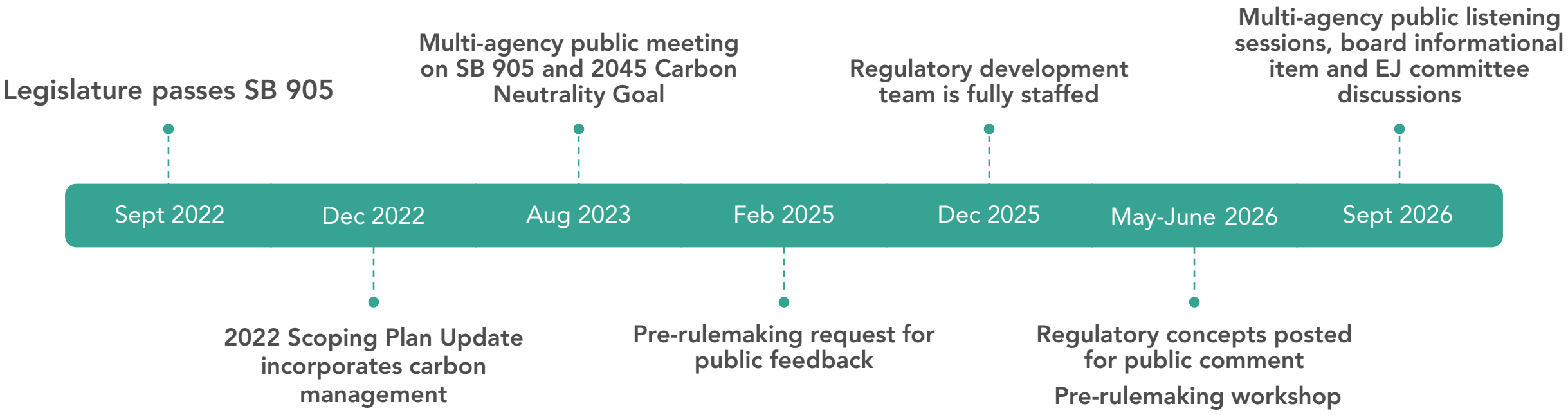


Draft regulations for carbon management projects (SB 905)

October 2026

How we got here



CARB

Why it matters

Carbon neutrality is state law

- Scientific consensus: achieving it requires significant reductions in emissions and the growth of carbon management solutions

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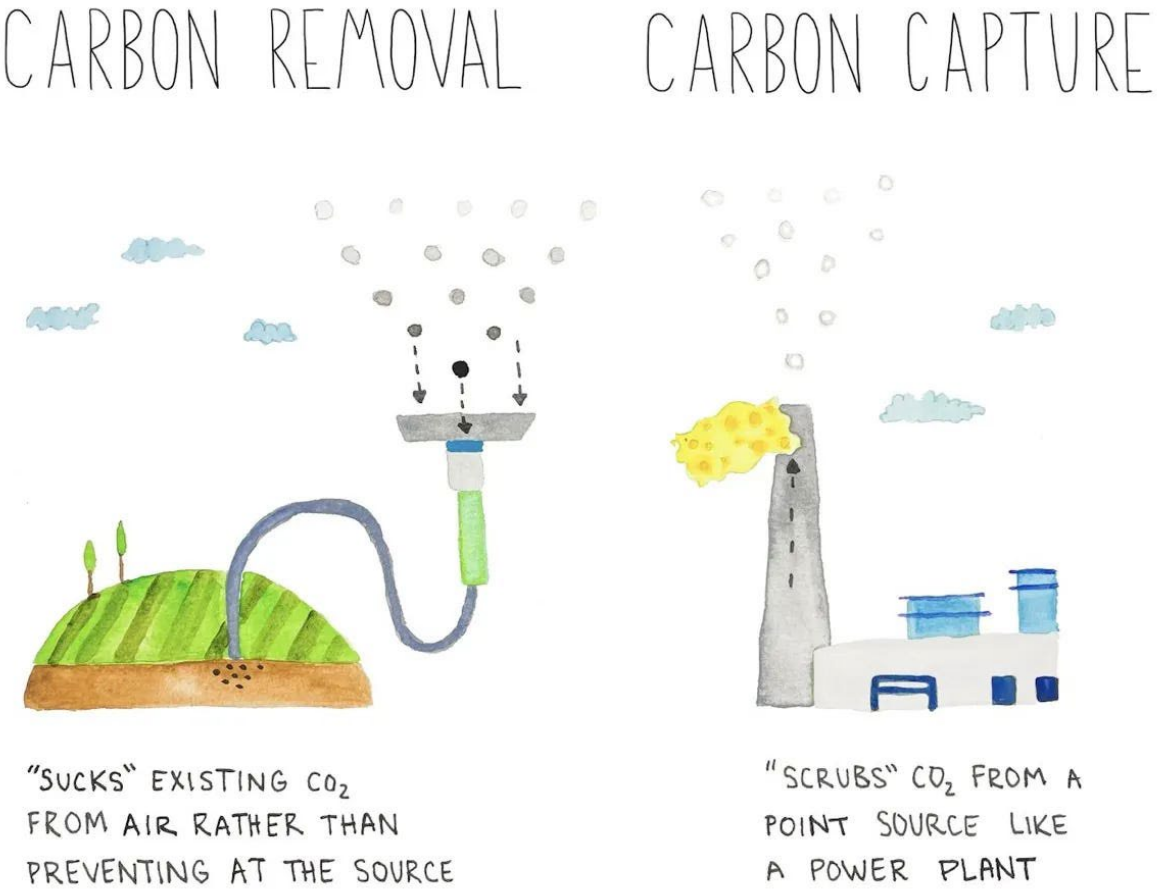
How carbon management projects work



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About SB 905

Directs state agencies to:

- Support deployment of carbon management technologies and efficacy, safety, and viability of projects
- Complement existing federal, state, and local permitting requirements and avoid creating duplicative requirements
- Increase public transparency on projects
- Align and integrate with existing programs

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About the proposal

A new statewide voluntary pathway, not a replacement for existing rules

Includes requirements for:

- Financial responsibility for project operators
- Environmental and seismic monitoring and mitigation
- Public transparency and project information disclosure

Aligns with related programs

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Financial responsibility requirements ensure operators cover long term costs

Existing requirements

- Certain activities covered for up to 50 years under federal permits

Proposal requirements

- Expands requirements for emergency response and monitoring costs
- Extends time frame for responsibility from 50 to 100 years

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Seismic monitoring helps ensure project safety

Existing requirements

- Only required at the discretion of the U.S. EPA director
- Maximum 50 years after injection ends

Proposal requirements

- Seismic monitoring across the storage complex and pressure front for at least 100 years
- Seismic risk assessment, emergency and remedial response plan, traffic light system of thresholds –including no more injection under specific conditions

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Environmental monitoring helps detect leaks and ensures mitigation

Existing requirements

- CO2 only required at the discretion of the U.S. EPA director, air pollutants deferred to local agency

Proposal requirements

- Continuous CO2 monitoring focused on potential surface leakage pathways
- Prompt mitigation if leakage is detected
- Air monitoring plans submitted to CARB
- Mitigation of air impacts

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Project disclosure requirements increase public transparency

Existing requirements

- Information maintained by various agencies, making public access challenging

Proposal requirements

- Operators maintain a project webpage as a one-stop-shop, links would be centralized on CARB's website
- Disclosure of monitoring and mitigation activities, compliance status and project information

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Integration with CARB programs encourages project deployment

Existing requirements

- Direct air capture and carbon capture and sequestration are eligible under the Low Carbon Fuel Standard (LCFS)

Proposal requirements

- Includes procedural update to reflect new LCFS protocol
- Provides opportunity for entities under Cap-and-Invest to reduce compliance costs
- Allows new types of carbon removal to be certified under offset provisions in Cap-and-Invest

Next steps

October 30 - December 14
Public comment period

January 28, 2027
Board considers adoption

Summer 2027
Regulation goes into effect

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Questions?