



DEP Well Capping Program Overview

Initial Grant Work

- DEP issued “Notice to Proceed” for thirteen contracts under the \$25 million IJJA Initial Grant funding; these contracts plus a fourteenth will result in 226 wells being capped over the next 12 months.
- PA is ultimately expected to get at least \$411 million for well capping (\$25 million Initial Grant, \$316 million in four phases Formula Grant, \$40 million in Performance Grants, and \$30 million in Matching Grants – the Matching Grants will require increased state appropriation to cap wells).
- **Thirty wells capped with the expectation to hit the 100 well mark near Labor Day.**
- DEP submitted a performance extension request on May 12, 2023 to DOI to allow spending of Initial Grant funds after September 30, 2023. Still pending with DOI.

Formula Grant

- Goal is to accelerate applications to DOI for the next tranche of funding. Initial allocation of \$79 million for each year can only be obtained after we complete our plan and submit the required application, due date unknown, waiting for final guidance.
- DOI expects to release the final draft Formula Grant in 2-4 weeks for final state review, after which DOI releases as final and Pennsylvania can apply to receive this funding.
- Working to modify procurement process so that contract vehicles better match with the rapid allocation of tasks and awards to participating contractors.
- Maximize the grant dollars available from the Federal Government by documenting the scale and scope of the challenges in the Commonwealth. Grant formula may be recalculated based on our ability to document the number of wells and extent of the environmental damage caused.
- Several contracts with Master Agreements for well location digitization can be moved quickly once funding is obtained (Harrisburg University and Indiana University of Pennsylvania).
- Department of Energy will be providing states with methodologies for efficient and cost-effective method for methane emission quantification and areawide field surveys for abandoned wells over the summer.
- Procuring equipment to have DEP staff quantify methane emissions, as well as bringing back subject matter expert as consultant to develop sops and train DEP staff.
- Working to build out the capacity to monetize stranded assets identified through this program, developing a strategy to use wells for carbon capture, geothermal heat/electrical generation where possible.
- There is an existing prioritization scheme that is being updated to prioritize well capping in Justice40 locations, such as those with high profiles of emissions or are within communities where environmental justice needs must be addressed.
- Legislation to provide long-term sustainable funding and qualification for IJJA Matching Grants.
- Clarity on legal or economic rights that the Commonwealth may obtain because of this activity, particularly carbon credits, and whether those rights extend to the Federal government as the funding source for the program.



pennsylvania
DEPARTMENT OF ENVIRONMENTAL
PROTECTION

Richard Negrin, Acting DEP Secretary