

**Sixty-fifth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 3, 2017**

HOUSE CONCURRENT RESOLUTION NO. 3037
(Representatives Mock, Carlson, Delzer, Hogan, Mitskog, Porter, Seibel)
(Senators Anderson, Heckaman, Oban, Unruh, Wardner)
(Approved by the Delayed Bills Committee)

A concurrent resolution requesting the Congress and the President of the United States to enact legislation to expand and extend the current federal tax credit for carbon capture, utilization, and storage under Section 45Q of the Internal Revenue Code; to provide appropriations to the United States Department of Energy sufficient to achieve and sustain a robust carbon capture research, development, demonstration, and deployment program; to support the inclusion of economically and environmentally beneficial carbon capture projects in any forthcoming federal infrastructure initiative; to support policies to increase the operational efficiency; and to support the preservation of a fuel-diverse electric generation portfolio critical to our domestic economic, energy, and national security.

WHEREAS, fossil fuels including coal, natural gas, and oil provide more than three-quarters of global and United States' primary energy demand and, according to the International Energy Agency, will continue to do so for the next quarter-century or more under current energy and environmental policies; and

WHEREAS, recognition of the value and enduring role of fossil fuels as an essential source of energy around the world and in the United States for decades to come has led environmental advocates to support the accelerated development and broad deployment of carbon capture technologies for fossil fuels as part of a sustainable energy future; and

WHEREAS, recognition of the role carbon capture can play in creating new opportunities for fossil fuels has led fossil energy advocates to similarly support the development and deployment of carbon capture technologies for fossil fuels; and

WHEREAS, the United States and North Dakota have abundant supplies of fossil energy, the production and use of which provide important economic, energy, and national security benefits to our nation and our state; and

WHEREAS, North Dakota is the nation's 6th largest producer of fossil energy, 2nd largest producer of oil, 2nd largest producer of lignite coal, 11th largest producer of natural gas, the largest consumer of coal for industrial use, and the 10th largest consumer of coal for electricity generation; and

WHEREAS, according to the Department of Energy, "A diverse portfolio of energy resources is critical to U.S. energy and national policy...being more robust and resilient in comparison to a system that is heavily dependent on a limited set of energy resources...[and] helps insulate the economy from certain risks, including price volatility and risks from supply disruptions"; and

WHEREAS, reliable and affordable electricity is vital to economic growth and job creation in North Dakota and the overall welfare of our citizens; and

WHEREAS, 73 percent of the electricity generated in North Dakota is produced from fossil fuels and the average residential price of electricity in North Dakota is the 6th lowest in the nation and is 18 percent below the national average; and

WHEREAS, continued research and development of carbon reduction strategies for fossil fuels is an essential element of a forward-looking sustainable energy strategy for North Dakota, our nation, and the world which will simultaneously maximize both environmental quality and economic opportunity; and

WHEREAS, the Energy and Environmental Research Center at the University of North Dakota, the Great Plains Synfuels Plant in Beulah, and the Lignite Energy Council are engaged in efforts to address environmental, health, and economic impacts of energy production and use through collaborations on applied carbon dioxide research, practical applications, workforce development, and public education; and

WHEREAS, legislation was introduced in the 114th Congress to enhance and extend federal tax incentives, under Section 45Q of the Internal Revenue Code, which serve to sustain and promote such collaborations and to encourage private industry in energy generation, manufacturing, and agriculture to adopt and deploy existing and emerging technologies that increase carbon capture, utilization, and storage; and

WHEREAS, the coming together of environmental and energy advocates in support of carbon capture is reflected in the groundbreaking coalition of environmental advocacy groups, labor unions, and energy producers from the coal, oil and gas, ethanol, and algae-biomass industries working together in support of federal legislation; and

WHEREAS, similar legislation is now under consideration in the 115th Congress, and Congress and the President also are considering enactment of a large-scale federal infrastructure initiative to strengthen our nation's transportation, public works, and energy infrastructure that also could serve as a vehicle for advancing "jobs-ready" carbon capture projects; and

WHEREAS, according to the Department of Energy, "A combination of tax incentives and research, development, demonstration, and deployment will be critical to developing transformational carbon capture technologies and to driving down the costs of capture";

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF NORTH DAKOTA, THE SENATE CONCURRING THEREIN:

That the Sixty-fifth Legislative Assembly requests Congress and the President of the United States to enact legislation to expand and extend the current federal tax credit for carbon capture, utilization, and storage under Section 45Q of the Internal Revenue Code; to provide appropriations to the United States Department of Energy sufficient to achieve and sustain a robust carbon capture research, development, demonstration, and deployment program; to support the inclusion of economically and environmentally beneficial carbon capture projects in any forthcoming federal infrastructure initiative; to support policies to increase the operational efficiency, and thereby the environmental performance, of existing electric-generating units in the United States; and to support the preservation of a fuel-diverse electric generation portfolio critical to our domestic economic, energy, and national security; and

BE IT FURTHER RESOLVED, that the Secretary of State forward copies of this

resolution by certified mail, return receipt requested, to the President of the United States, the President and Secretary of the United States Senate, the Speaker and Clerk of the United States House of Representatives, the Secretary of the United States Department of Energy, and to each member of the North Dakota Congressional Delegation.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

Filed in this office this _____ day of _____, 2017,
at _____ o'clock _____ M.

Secretary of State