



February 8, 2023

Chairman Porter and House Energy and Natural Resources Committee Members,

On behalf of the members of the Lignite Energy Council, I am submitting testimony today in opposition of House Bill 1384. The Lignite Energy Council consists of over 250 members representing lignite mines, electric utilities, independent power producers and contractor suppliers in the Upper Midwest. The lignite industry accounts for over 13,000 direct and indirect jobs, over \$5.4 billion in economic development and millions in state, county and local tax revenue.

For the past two decades, the Lignite Energy Council has worked with the legislature, state agencies and stakeholders to create an environment where our lignite reserves could be used for the production of clean, sustainable electricity, gasification products such as synthetic natural gas as well as fertilizers and many other valuable byproducts. The development of this huge industry has happened in a predictable and stable regulatory environment that elevates landowner relationships and agricultural uses to the top of our list of priorities. We are now adding the legal, tax, and regulatory framework to support development of carbon capture technology for the electric power that would position North Dakota to lead the nation in CO2 development. There is a long list of legislation that has been thoughtfully designed, debated and passed into law that includes conformity with federal laws, the fee structure at the North Dakota Industrial Commission, the long-term accountability for CO2 storage, Class VI primacy for pore space and the critically important state investments into research, and development to name a few policies that our industry has helped place into law.

The language found in HB1384 runs contrary to the decades of development that have sustained this industry and its communities and threatens not just emerging markets such as carbon capture, but even the expansion of our core industries such as electricity generation and transmission. We are proud of the community relations that our power plants and mines have built over the many decades that our industry has been in operation. Strong landowner relationships are the only way that these projects move forward and we have achieved high levels of landowner support while coexisting with the current eminent domain laws. The future of our economy depends on moving the commodities we produce to market through critical infrastructure.

For these reasons, the Lignite Energy Council opposes HB1384 and we respectfully ask that the committee move to give this legislation a “Do Not Pass” recommendation.

Thank you for your consideration,

Jason Bohrer
President and CEO

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