



WESTERN DAKOTA ENERGY ASSOCIATION

January 27, 2023

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Testimony of:

Geoff Simon, Lobbyist #144

in opposition to SB 2228 – Amalgamation Consent of All Landowners
Senate Energy and Natural Resources Committee

Chairman Patten and Committee members:

On behalf of the city, county and school district members of the Western Dakota Energy Association (WDEA), we wish to express our strong opposition to SB 2228, which would require the consent of all surface owners affected by a project to permanently sequester carbon dioxide in underground formations.

Imposing a requirement that all landowners agree to a project that would store carbon dioxide flies in the face of long-standing policies regulating the exploitation of minerals and other opportunities to extract value from underground formations. A unanimous consent requirement would enable a single property owner who may own just a few surface acres in a development area to block a promising project that would generate great wealth for its developers and enormous tax benefits for North Dakota citizens.

It's important to emphasize that even if an individual who owns the surface and the underground pore space disagrees with a project and/or the amount of compensation that is offered, that property owner will continue to enjoy the benefits derived from use of the surface, and will receive the same compensation as other landowners who support the project's development.

North Dakota has been blessed with an abundance of mineral resources which have been developed for the benefit of investors who took the risk to produce them, generating billions in tax revenue for citizens through severance, extraction and production taxes. Our state is also blessed with geologic formations with the potential to store billions of tons of carbon dioxide and other substances in the pore space of underground sandstone formations. SB 2228, by requiring unanimous consent of surface owners, would deprive our citizens of the economic opportunities that these valuable underground formations offer.

WDEA urges the Senate Energy and Natural Resources Committee to give SB 2228 a strong Do NOT Pass recommendation to preserve this economic opportunity.

Thank you for the opportunity to testify on this important issue.

WDEA Executive Director

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