

TESTIMONY IN SUPPORT OF HB 1159 TO PROVIDE AN APPROPRIATION TO THE INDUSTRIAL COMMISSION FOR NATURAL GAS INFRASTRUCTURE GRANTS

House Appropriations Committee
Meeting Scheduled at 9:30 AM 1/26/2021.

Honorable Chairman Delzer & House Appropriations Committee Members:

HB 1159 A BILL for an Act to provide an appropriation to the industrial commission for natural gas infrastructure grants; and to provide a statement of legislative intent.

Richland County, North Dakota is home to 41 manufacturers employing 1,795 people producing approximately \$1.2 billion dollars in shipments annually. The manufacturing sector is in a constant state of improved processes, gains in efficiency and management of key resources. The lack of uninterrupted natural gas service has reached a critical point in our region.

The current natural gas distribution system serving the City of Wahpeton and the adjacent manufacturing region falls short of demand approximately 8,000 dekatherms per day resulting in the interruption of natural gas service to industrial customers when the outside temperature reaches 20 degree or less. The same pipeline is approximately 60 years old and fully subscribed by upstream and out of state gas customers.

- A. **Business retention is essential.** Manufacturers with multiple sites will expand and relocate at their most productive and cost-efficient plants, which are not subject to unscheduled shutdowns by a natural gas utility provider.
- B. **Business expansion is curtailed.** Existing value-added agricultural processors cannot expand production capacity without consistent cost-effective utility services. A natural gas utility provider shutting down a processing plant with little notice for an undetermined amount of time is an unacceptable detriment to manufacturing efficiency.
- C. **Business recruitment is hindered.** Primary sector jobs with major manufacturers requiring uninterruptible natural gas service quickly rule out southeast North Dakota. Abundant agricultural crops, well-located development sites, and quick access to interstate transportation remain undeveloped because of limitations in natural gas distribution utility services.

I strongly **SUPPORT** the efforts of the Industrial Commission to take action to fund critical infrastructure to deliver natural gas to underserved areas of North Dakota.

Submitted with high regard on behalf of Wahpeton Community Development.



Steve Dale, Mayor
Wahpeton, ND