
ENERGY DEVELOPMENT AND TRANSMISSION COMMITTEE

Thursday, September 5, 2024
Dakota Gasification Company, 420 County Road 26
Beulah, ND 58523, North Dakota

Senator David Hogue, Chairman, called the meeting to order at 10:03 a.m.

Members present: Senators David Hogue, Brad Bekkedahl, Keith Boehm, ~~Ryan Braunberger~~, Dale Patten, Merrill Piepkorn; Representatives ~~Dick Anderson~~, Mike Brandenburg, ~~Alisa Mitskog~~, ~~Corey Mock~~, ~~Todd Porter~~, Don Vigesaa

Members absent: Senator Ryan Braunberger; Representatives ~~Todd Porter~~, Dick Anderson, Alisa Mitskog, Corey Mock, Todd Porter

Others present: Dale Johnson, Dakota Gasification Company; Gavin McCollam, Jean Schafer, and Jeremy Severson, Basin Electric Power Cooperative; and Geoff Simon, Western Dakota Energy Association;

See Appendix A for additional persons present.

It was moved by Senator Bekkedahl, seconded by Representative Vigesaa, and carried on a voice vote that the minutes of the ~~July~~June 12-13, 2024, meeting be approved as distributed.

Chairman Hogue appointed Senator Patten as Vice Chairman for this meeting.

The committee attended a tour of the Great Plains Synfuels Plant.

SUSTAINABLE ENERGY POLICIES STUDY

Mr. Dale Johnson, Senior Vice President and Plant Manager, Dakota Gasification Company, provided an overview of the Dakota Gasification Company and future projects. He noted:

- ~~Dakota Gasification~~The ~~Company's~~ primary goal is to operate the Great Plains Synfuels Plant at maximum capacity.
- The company added \$100 million to its 10-year infrastructure improvement plan for fertilizer units and carbon dioxide (CO2) projects ~~was added to the company's 10-year infrastructure improvement plan to ensure the facility is operating continuously and at~~ maximum capacity ~~and continuous operation of the facility.~~
- A proposal to convert the facility from natural gas to hydrogen failed as a result of the current market prices and projected capital costs to convert the facility.
- The company will continue to optimize the plant.

In response to a question from a committee members, Mr. Johnson noted:

- CO2 from the Great Plains Synfuels pPlant is ~~undesirable~~not suitable for advanced oil recovery ~~as~~because its high sulfur content would require additional processing.
- The company has continued to ~~safely~~ operate its pipelines safely due to its risk management and pipeline safety policies, which are published. ~~The company publishes its pipeline safety policy~~ on the company's ~~public~~ website.

- The company's pipelines are highly regulated by the United States Department of Transportation's Pipeline and Hazardous Materials Safety Administration.
- Having a ~~public~~-pipeline safety program is ~~paramount for insuring~~necessary to ensure community safety and properly ~~create~~creating and managing~~construct and manage~~ pipelines.
- The mine used by the facility will extend approximately 20 square miles and consist of few federally owned lands.
- The company has not received any federal or state funding.

Mr. Gavin McCollam, Senior Vice President and Chief Operating Officer, Basin Electric Power Cooperative, provided testimony (Appendix B) regarding Basin Electric Power Cooperative's energy generation portfolio, an update on the Pioneer Generation Station Phase IV expansion, and future electric generation in the Bakken Formation region. He noted:

- Basin Electric consists of a 140-member cooperative system that delivers electricity to 3 million consumers across nine states. The cooperative has over 8,000 megawatts of winter capacity and is the largest energy generation and transmission cooperative in the United States.
- The cooperative has diversified its energy generation portfolio ~~has diversified by including~~to include natural gas and renewable energy.
- The cooperative's electric load forecast from 2024 shows a yearly increase of 3.2 percent, which is 2.5 percent higher than the national average.
- Construction on Pioneer Generation Station Phase IV is scheduled for 2025, which will add 590 megawatts of generation capacity.
- By 2030, the cooperative plans to finalize an additional generation project that will add 1,400 megawatts of generation capacity to the Bakken Formation region.

In response to questions from committee members ~~regarding federal combustion turbine regulations~~, Mr. McCollam noted ~~the~~ federal combustion turbine regulations require managing greenhouse gas emissions relative to run times for any combustion turbine unit over 25 megawatts. ~~He noted~~ the federal regulations have limited the cooperative's ability to operate ~~several~~ gas turbine facilities at capacity.

Mr. Jeremy Severson, Vice President of Transmission, Basin Electric Power Cooperative, provided testimony (Appendix C) regarding current and future transmission projects and load growth projections. He noted:

- ~~The~~ cooperative's annual energy and peak demand has doubled from 2010 to 2022. ~~He also noted~~
- The Southwest Power Pool's integrated transmission planning portfolio for 2024 consists of approximately 77 projects totaling \$7.1 billion.

In response to questions from committee members ~~relating to the Williston area~~, Mr. Severson noted the cooperative's future projects will alleviate electrical transmission congestion and fees in the Williston area.

Ms. Jean Schafer, Senior Legislative Representative, Basin Electric Power Cooperative, provided testimony regarding proposed legislation for the 2025 legislative session.

Mr. Geoff Simon, Executive Director, Western Dakota Energy Association, provided information regarding the association's annual meeting.

Mr. Austin Gunderson, Counsel, Legislative Council, presented reports from the Department of Transportation regarding the electric vehicle charging tax study and the national electric vehicle infrastructure report, the Transmission Authority regarding the reliability of the electrical grid and the authority's annual report, and the Agriculture Commissioner regarding the postproduction royalty oversight program.

Chairman Hogue, presented a bill draft [25.0340.02000] to provide for a legislative management study relating to the development of advanced nuclear energy. ~~Chairman Hogue~~He noted:

- ~~The study would include~~includes evaluations of site locations, electric grid connectivity, land use consideration, and economic impacts. ~~He also noted t~~
- The bill ~~draft would~~appropriates \$500,000 for the purpose of contracting for consulting services for the study and requests matching funds from ~~the~~private sector ~~participation~~.

The committee requested a revision to the bill draft to allow for federal funding from the United States Department of Energy and to include in the study ~~the North Dakota Century Code for any statutory preclusion to a~~ review of statutory provisions that may preclude nuclear energy generation.

No further business appearing, Chairman Hogue adjourned the meeting at 3:03 p.m.

Austin Gunderson
Counsel

ATTACH: