

Summit Carbon Solutions Testimony on Senate Bill 2228
January 27, 2023, 10:00 A.M.
Senate Energy and Natural Resource Committee
Senator Dale Patten, Chairman

Wade Boeshans – Executive Vice President Summit Carbon Solutions

Opposition to SB 2228

Good morning, Chairman Patten and members of the committee. My name is Wade Boeshans. I am an Executive Vice President with Summit Carbon Solutions responsible for leading Summits project in North Dakota. I am a fourth generation North Dakotan. I grew up on and now own the land that my great grandfather homesteaded; in what is now the heart of coal country in Mercer County. I worked in the lignite industry for twenty-four years prior to joining Summit Carbon Solutions. I have personal experience with the many benefits of a robust energy and agriculture economy including affordable food, fuel, and the economic prosperity it affords our communities. I am here today to ask for your opposition to Senate Bill 2228.

Summit Carbon Solutions is developing the world's largest carbon capture and storage project that proposes to capture CO₂ from ethanol plants and industrial facilities across five states, transport the CO₂ to North Dakota where it will be permanently geologically sequestering in Oliver and Mercer Counties. The project will invest over \$900 million in North Dakota to bolster the energy and agricultural industries that are critical to the North Dakota and regional economy.

Proposed climate and energy policies, investor pressures, and societal demands for lower carbon energy have created a low-carbon economy that presents both significant risk and tremendous opportunity to North Dakota. If we do nothing, these pressures threaten North Dakota's traditional energy and modern agriculture that represent seventy percent of our economy. If we take action and deploy solutions like carbon capture, transportation, storage and utilization, we can preserve our industries, spur new investment, and thrive in the low-carbon economy.

Fortunately, North Dakota industry, research, and policy leaders had the foresight over two decades ago to begin investing in research and developing the legal and regulatory frameworks to enable the development and commercialization of carbon capture, transportation, and storage. I've had the privilege of working closely with North Dakota leaders in these efforts for over a decade. As a result, North Dakota is uniquely positioned to thrive in a low-carbon economy with an

established legal and regulatory framework, well understood geology, and commercially available capture technologies. This early action and thoughtful leadership of North Dakotans has produced three operating CCUS projects today and four others under development.

SB 2228 proposes to repeal pore space amalgamation and require consent from all landowners within a CO2 storage area. In Summits project, this means we would need consent from all owners of over one hundred thousand acres. An owner of a single acre could stop a project. This would effectively kill all CO2 storage projects eliminating the ability for industrial facilities to install carbon capture and compete in low-carbon markets. Consequently, shutting down \$billion of investment, thousands of jobs, stranding North Dakota resources and strangling our economy.

Summit Carbon Solutions has secured pore space agreements with owners of 132,000 acres or over 85% of the land area within our development area. Other permitted CO2 storage facilities have also had high landowner participation. This overwhelming landowner support for projects reflects the professionalism and good faith negotiations of project developers. Yet this bill threatens the property rights of these landowners and their opportunities to develop and monetize the pore space while killing \$Billions in investment and thousands of jobs.

Chairman Patten and members of the committee, Carbon Capture and storage is critical to the future of North Dakotas largest industries and the livelihoods of North Dakotans. As a landowner and leader of North Dakota's largest CCS project, I respectfully ask for your opposition to SB 2228. This concludes my testimony, and I would be pleased to respond to any questions.

Thank you.