

January 13, 2025

Honorable Representative Dwight Kiefert State Representative 600 East Boulevard Avenue Bismarck, ND 58505

RE: HB 1275

Dear Representative Kiefert:

The Valley City-Barnes County Development Corporation is requesting establishment of a Natural Gas Last Mile Fund of \$5 Million for communities under 10,000 population to assist with natural gas pipeline extensions to homeowners and businesses. In Valley City, the natural gas line is located on the north side of the Interstate and needs to be extended to the south side.

Communities with a population of 10,000 and under do not have the financial resources to support infrastructure costs including extension of the natural gas main line. The Public Service Commission limits the amount of funds that the natural gas provider can invest per home, which exacerbates the problem.

Another deterrent is the first party that pursues and installs a gas line to their home or business pays 100 percent of the cost with a five-year window to recover costs.

The first party is also charged with the responsibility of collecting from other homeowners, and businesses that access the line. Consequently, nothing happens.

Natural gas is needed for housing and business development and would save operating costs. Using natural gas would also help communities save on electrical consumption and cost, which impacts the entire community. Natural gas consumption is also important at the State level.

The cost of all forms of infrastructure, specifically natural gas lines, water and sanitary sewer main lines, and storm sewer systems are strangling rural communities and any potential they have for growth – residential, commercial, and industrial. Investment in rural North Dakota communities is essential and very much needed. Thank you.

Respectfully,

lennifer Feist

Director of Development