

EmPowerND



NORTH DAKOTA EMPOWER ND COMMISSION
2022 ENERGY PLAN

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EXECUTIVE SUMMARY

North Dakota's current energy production far exceeds the energy consumption ability of our current population. As industry and likely population continue to expand within the state, use of electricity, natural gas, and oil will grow. In the following report, the EmPower ND Commission makes recommendations to support continued affordable, reliable, and sustainable energy production, while working with other sectors to add value in our state. EmPower ND has considered both public and private interests in advising state support for programs and strategic funding which will help address infrastructure, workforce, research, and development challenges.

Enacting policy conducive to an energetic business-friendly atmosphere will attract new value-added interests to the state, leveraging state resources to increase manufacturing and agriculture, further diversifying North Dakota's economy. EmPower ND intends to promote growth for the benefit of not only our businesses but our consumers and residents. Environmental, social, and corporate governance (ESG) will be a major consideration in the growth plan, in turn attracting investment into our infrastructure.

Funding opportunities within the state, along with substantial increased federal funding aimed at the energy sector, makes state energy planning imperative to continue moving our economic growth. Combining state and federal incentives to create hubs for mutually benefit businesses will create jobs and use natural resources efficiently.

The Empower ND Commission and the North Dakota Department of Commerce work concurrently to assist the education efforts for public and major stakeholders to continue industry growth in a sustainable manner with affordability and reliability at the foundation. The Empower ND Commission and Commerce will also work with the Executive Branch and North Dakota Legislature to advance the key initiatives outlined in this report.

VOTING MEMBERS:

Josh Teigen – Chair
Jason Bohrer – Lignite Energy Council
Al Christianson – Retired and Industry Leader
Stacey Dahl – Minnkota Power Cooperative
Justin Dever – Montana Dakota Utilities
Tyler Hamman – Basin Electric Power Cooperative
Ron Ness – ND Petroleum Council
David Ripplinger – NDSU
Mike Rud – ND Petroleum Marketers Association
David Straley – North American Coal Corporation
Danette Welsh – ONEOK
Jeff Zueger – Midwest AgEnergy Group

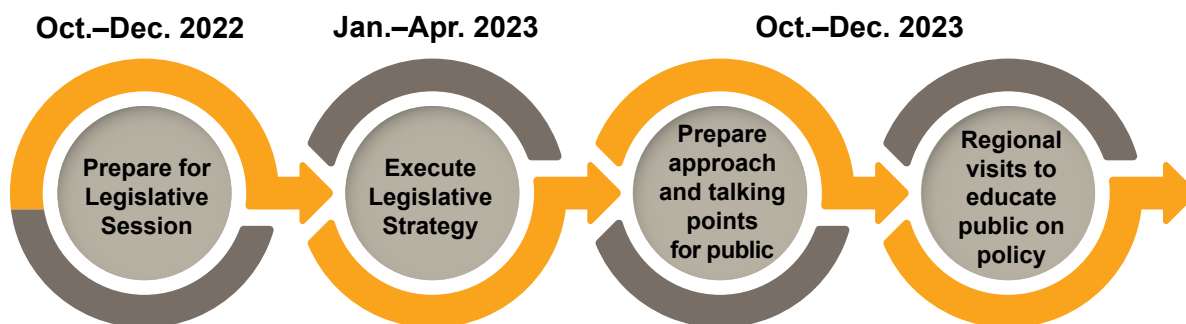
EX OFFICIO MEMBERS:

Brent Sanford – Lt. Governor
Gerald Bachmeier – Red Trail Biorefinery
Wade Boeshans – Summit Carbon
Brent Brannan – ND Oil and Gas
Julie Voeck – NextEra

PUBLIC EDUCATION AND COMMUNICATION

The EmPower ND Commission has a great opportunity to develop a cohesive message and educate stakeholders, as well as the general public, on the state's efforts to grow the energy sector. In addition, focusing on how the entire state connects to the energy industry is paramount to the success of this education effort. Examples include, but are not limited to, synergies between agriculture and energy, affordable access to energy, and the number of direct and indirect jobs and industries that are interconnected with the sector. Equally important, it is critical that the public and legislators understand the value chain associated with energy production. A collaborative approach to communication will further the public's understanding of energy's beneficial impact on North Dakota.

This effort will be particularly critical going into the 2025 legislative session and beyond. As the energy industry prepares its legislative engagement strategy, it should also focus on transitioning to public education in the spring of 2023. Below is a timeline:



FUNDING OPPORTUNITIES

State Sponsored

North Dakota has several existing programs for both research and development and funding of commercial ready technology. The Clean and Sustainable Energy Authority (CSEA) along with the Renewable Energy Council (REC) are two examples of successful programs attracting new technology to the state. Continued funding of each of these programs is essential to continue growth of new and existing facilities.

Continued support for lignite, oil and gas, in addition to renewable energy is needed as growth and advancements continue to move production. The EmPower ND Commission suggests increasing funding as appropriate for each council along with consideration of hub infrastructure investments, where appropriate and logical, to increase local use of North Dakota's conventional and alternative fuel resources.

Federally Sponsored

The federal government is focused on lowering carbon emissions, increasing renewable energy production, electrifying transportation, increasing energy efficiency, and the diversification of energy sources to include nuclear energy.

- Energy Act of 2020 (H.R. 133 – Signed January 2021).
 - Research programs created for carbon dioxide removal and carbon utilization.
 - Large-scale carbon capture, utilization and storage (CCUS) pilots and demonstrations.
 - Renewed and expanded support for carbon storage development.
 - Improvements to Department of Energy loan program.
- CHIPS & Science Act (H.R. 4346 signed August 2022).
 - \$1B for CDR R&D program for Energy Act signed in 2020.
 - \$10B for regional innovation and technology hubs.
 - Significant support for basic science and supply chain deployment.
- Infrastructure Investment & Jobs Act.
 - Creates Office of Clean Energy Demonstration (OCED).
 - Over \$12B for carbon management infrastructure over five years.
 - \$8B – Hydrogen Hubs.
 - \$1B – Carbon Dioxide Removal (CDR) R&D Program.
 - \$3.615B – Direct Air Capture.
 - \$3.474B – Carbon Capture Equipment.
 - \$2.2B – CO₂ Transport.
 - \$2.575B – Underground Storage.
 - *New CO₂ pipeline loan program (CIFIA).
 - Regional Hubs Programs for Direct Air Capture (DAC) and Hydrogen.
- Inflation Reduction Act.
 - Carbon Capture Production Tax Credit (PTC) .
 - Extends commenced construction deadline to 2033.
 - Increased values.
 - Underground storage was \$50/ton moving to \$85/ton for point source and \$180 for DAC.
 - Utilization (including EOR) was \$30/ton moving to \$60/ton for point source and \$130/ton for DAC.
 - Decreased threshold values.
 - Clean Hydrogen PTC.
 - New, 10 year incentive for clean hydrogen production.
 - Not stackable with 45Q.
 - Four tiers of carbon intensity.
 - Clean Electricity Production Tax Credit (PTC) / Investment Tax Credit (ITC) (45Y/48E).
 - Tech neutral credit with choice of:
 - \$0.015 / kWh produced (PTC) or
 - 30% investment credit (ITC).
 - CCUS is eligible for the credit.
 - Natural phase out when emissions targets are made.
 - Advanced Energy Projects ITC (48C).
 - Extends 30% ITC for clean energy projects, including CCUS equipment.
- Nuclear Energy Opportunities (FOA-0001817).
 - Modular nuclear applications.
 - Nuclear coupled with hydrogen production.

POLICY RECOMMENDATIONS FOR AFFORDABLE, RELIABLE, AND SUSTAINABLE ENERGY IN THE STATE

North Dakota is a strong exporter of all types of energy. As a large producer of gas, oil and electricity, with a small statewide population, the majority of customers reside outside of the state's border. Providing affordable, reliable, and sustainable energy is essential for all customers.

Affordable energy is best described as the power produced with existing, low-cost infrastructure. Utilizing currently operating plants eliminates the need for capital expense of new facilities. Empower ND suggests strengthening our existing assets by encouraging the applicable upgrades required to increase reliability and sustainability while also investing in promising new technologies with research and development assistance.

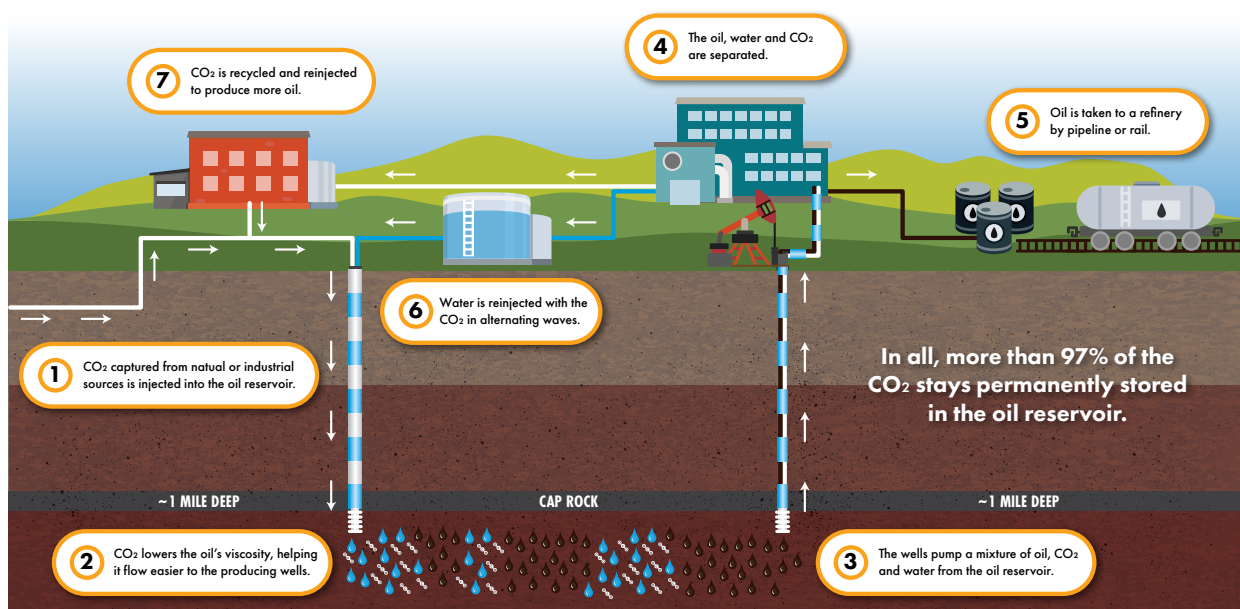
1. Continue investment via grants and funding options for efficiency upgrades for existing infrastructure.
2. Fund renewable and new generation where opportunities exist in the state. Examples include geothermal, wind and solar, along with energy storage research.
3. Develop means for using our resources within our borders, decreasing reliance on pipeline and transmission buildout, and bringing jobs to the state.
4. Data centers for benefit to the local grid. Consider adding large loads which may increase flexibility in times of limited production while increasing our use within the state's borders.
5. Develop strategies to prioritize energy use and dispatch in the event of catastrophic shortages (February 2021 example).



MAJOR PROJECTS

North Dakota and its industries can benefit even further by developing underutilized existing natural resources. The federal government recently passed the Inflation Reduction Act (IRA) which brings significant opportunity for more funding for this purpose. Carbon capture, utilization, storage (CCUS) and transportation can be incentivised with prices per ton varying based on technology. Rare earth mineral extraction uses for manufacturing of battery storage for both electric vehicle production and electrical generation storage is also an opportunity. The state can also use federal funding as grants for commercial and residential energy efficiency upgrades. Each of these funding mechanisms can be maximized through a comprehensive approach to state energy development and use planning, combined with open communication with industry leaders.

The establishment of energy parks can reduce development time, costs, and uncertainty, and provide long-run competitive advantages to existing and new energy and agriculture value-add businesses. Projects can be developed more quickly with use permits and water, gas, power, CO₂, communications, and transportation infrastructure in place. Infrastructure costs can be shared and are likely lower due to economies of scale. They also allow the sale of intermediate products “over-the-fence” to other businesses in the park.



EMPOWER ND COMMISSIONERS INPUT

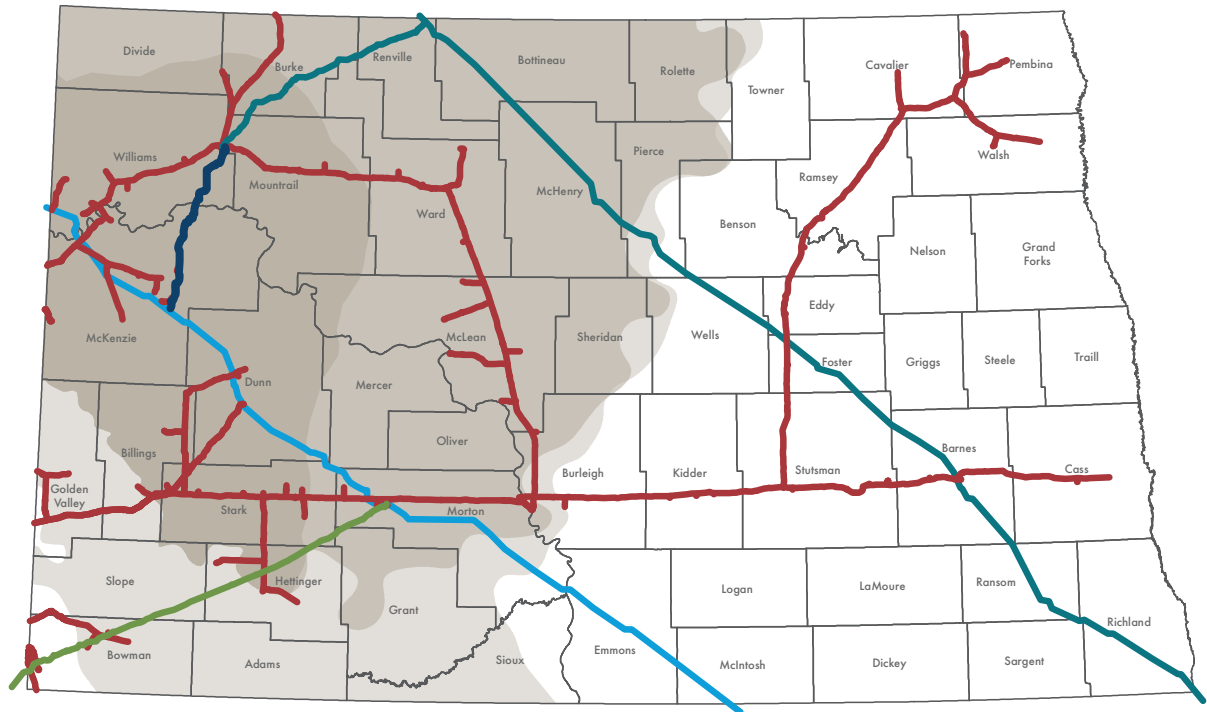
Infrastructure

Water, oil, and natural gas pipelines, roads, railroads, electric transmission lines, power generation, biofuel production, carbon capture, transportation and sequestration, hydrogen production, transportation, and storage are all key infrastructure needs for the continued development of North Dakota's energy resources. Infrastructure provides the backbone for North Dakota's energy industry to export products to the rest of the world. Industry will continue to coordinate with the state on key issues and to site projects in the necessary and economically feasible locations. In addition, this vital infrastructure is critical to the growth of communities, including the minimization of development impacts and the enhancement of public safety.

Considering the issues facing infrastructure related to energy development in the state, the EmPower ND Commission urges the State of North Dakota to:

- Preserve the state's framework that facilitates the buildout of infrastructure projects.
 - Work to identify the most sound economic routing for infrastructure development.
 - Provide innovative solutions to support financing of this infrastructure.
 - Establish methods for state and industry to partner and share risk of development.
- Define CO₂ as a viable co-product of petroleum, coal and biorefinery industries.
 - Establish CO₂ capture, transportation, utilization and sequestration as a viable infrastructure utility accessible to various industries located in parks or hubs of industrial activity. Essentially, treat and manage the CO₂ industry similarly to other utilities.
 - Support the development of a viable transport system for CO₂.
 - Support research and development of CO₂ separation, capture and sequestration.
 - Continue to support the utilization of CO₂ in enhanced oil recovery (EOR) to continue to produce the cleanest barrels of oil.
 - Support securing federal tax credits for carbon sequestration.
 - Support industries' reduction, capture and sequestration of CO₂ to achieve the state's carbon neutrality goal of 2030.
 - Support legislation to maintain mineral and pore space rights.
- Establish support for the development of industrial parks/hubs.
 - The concept of industrial parks/hubs represents an efficient way to develop synergistic infrastructure that avoids redundancy.
 - Focus parks/hubs in different regions of the state based upon industry concentration.
 - Establish parks/hubs which provide infrastructure advantages to compete with other geographic locations.

NORTH DAKOTA NATURAL GAS PIPELINES



Systems that have 240 mmcf capabilities:

— Alliance — Northern Border
— Bison — WBI Energy

WBI Energy
Under Construction
2021 Completion

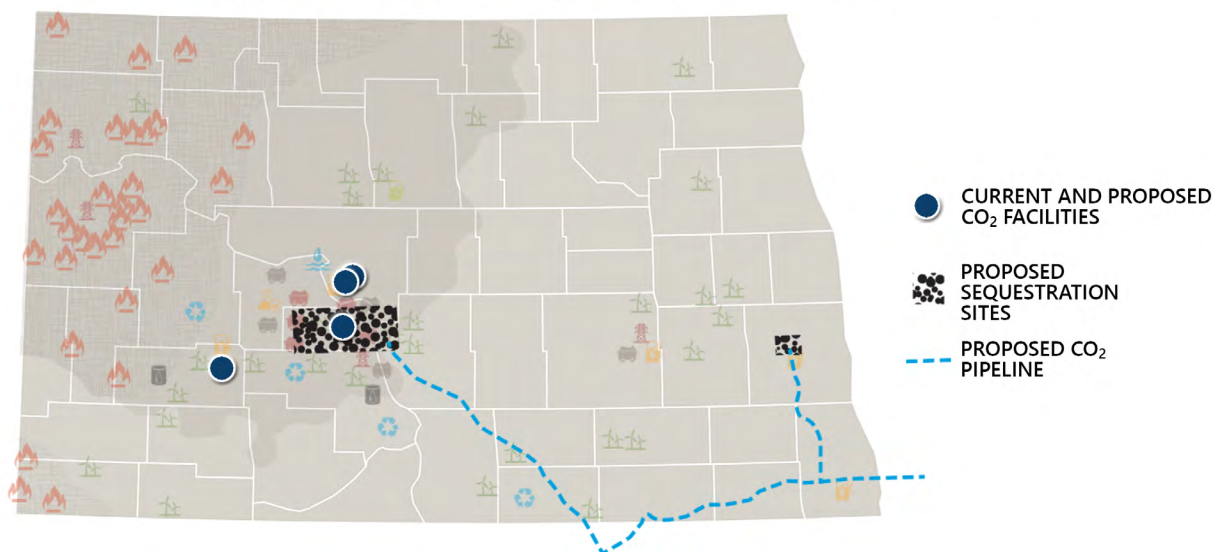
Bakken Mature
 Bakken
 Three Forks

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- Continue strategic partnerships to establish economies around both CO₂ and hydrogen.
 - Define and work towards solutions to move towards a hydrogen economy in North Dakota.
 - Develop storage solutions (underground and above ground).
 - Work to solve challenges in the handling and transportation of hydrogen.
- Continue to evolve the electrical transmission system in the state to support industry.
 - This will enhance electrical reliability in North Dakota.
 - Relieve congestion that currently negatively affects generation.
 - Enhance import and export capability.
- Work with industry to proactively plan for generation development in the state.
 - Understand and prioritize the needs in the state and match those with the generation companies plans for development.

- Work to evolve the biorefineries in the state and assure their ongoing future viability.
 - Support research and projects to progress towards lower carbon scores for each facility.
 - Work with companies to engage in sustainable aviation fuel production projects.
- Support the North Dakota Pipeline Authority to meet the evolving pipeline needs.
 - Expand pipeline capacity to meet ever growing needs for interstate and intrastate transport and storage of oil and gas.
 - Extend the North Dakota Pipeline Grant program funding and amend it to be used for pipeline infrastructure grants to allow for the transportation of natural gas related to expanding economic development opportunities in the state and increasing takeaway capacity.
 - Amend the North Dakota Pipeline Authority statute to allow for a portion of a project be financed by selling bonds that include the moral obligation of the state, similar to the North Dakota Transmission Authority.
- Striving for future energy reliability in North Dakota.
 - North Dakota has always supported the “all of the above” approach to assure a reliable energy supply within the state to serve its citizens and industries.
 - This approach currently utilizes coal, oil, natural gas, biomass, wind, solar and hydroelectric energy supplies.
 - Future reliability may require the state to embrace additional energy options in the future for continued reliability. These sources could include hydrogen, geothermal and eventually nuclear.

PROPOSED CO₂ INFRASTRUCTURE



RESEARCH AND DEVELOPMENT

Research and Development or R&D is a key component for reliable energy production and sustainable use of our natural resources. The State of North Dakota works directly with private industries and research organizations to facilitate continued R&D enhancing our energy production while adding value to various stages of our energy, agricultural, and manufacturing industries.

North Dakota uses our internal return on investment in the form of tax revenue from existing energy production from oil, gas, and coal, along with exported electricity to further add value to both fossil fuel production along with agricultural uses and alternative and renewable energy opportunities. The international call for reducing net carbon emissions along with North Dakota's goal of carbon neutrality further calls for increased R&D in the energy and agriculture sectors.

R&D in both energy production and value-added agriculture plays an essential role to strengthen North Dakota's economy. As federal funding opportunities diminish for R&D for traditional energy production, we must invest in our own economy for value-added production of reliable and sustainable energy. If there are opportunities to explore, we must have the urgency to begin the R&D now. The following programs are suggested for future funding to continue our reliable and sustainable energy production:

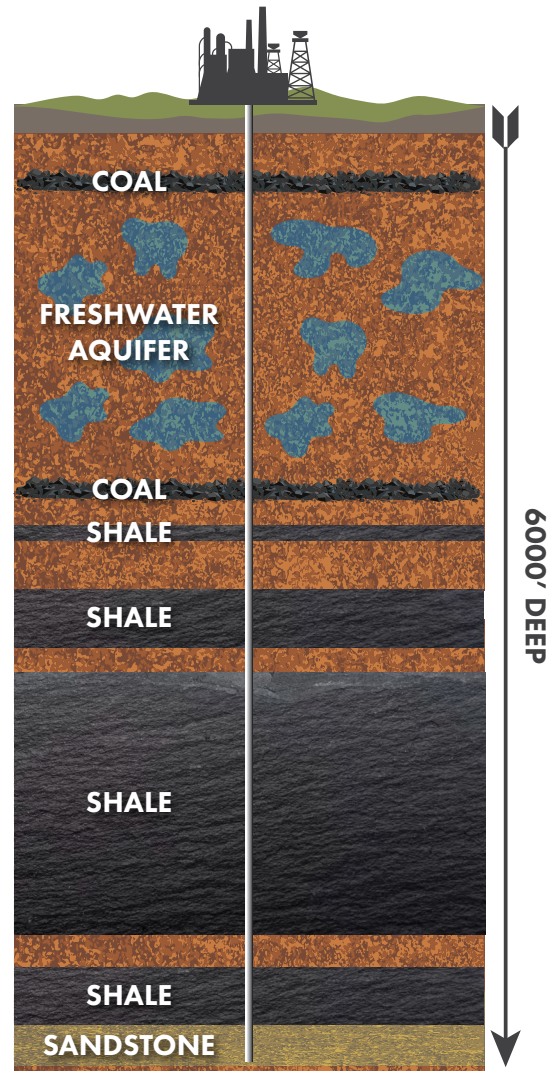
1. Lignite Research Council (LRC)
 - Independently work with industry to identify opportunities and challenges and undertake research to address and facilitate the hand off of work completed under the auspices of the Lignite Research Program to the Clean Sustainable Energy Council.
 - Study and leverage opportunities created by federal legislation and rule making.
2. Oil and Gas Research Council (O&G RC)
 - Increase ability to produce more oil.
 - Expand the Bakken/Three Forks Core.
 - New technologies to develop fringe acreage (Tier 3 & 4).
 - Explore for more oil – additional plays (Red River, Madison, Spearfish, Tyler).
 - Continue support for enhanced oil recovery through carbon dioxide use and storage.
 - Collaborate with other industries utilizing bi-products from oil and gas production.
 - Petrochemical production.
 - Fertilizer production.
 - Secondary impacts to other industries:
 - Unmanned Aerial Systems (UAS), automation, transportation and environmental.
 - Continued revenue to the state through O&G taxes.

3. Renewable Energy Council (REC)

- The mission of the REC is to promote growth in North Dakota's renewable energy industries through research, development, marketing, and education. The REC intends to foster the development of various technologies:
 - Wind
 - Solar
 - Biofuels and biomass
 - Hydroelectric
 - Geothermal
 - Green hydrogen
 - Energy storage
- Investment in the REC is intended to bring alternative energy sources to fruition, creating a more diverse production and assisting in the goal of carbon neutrality for the state of North Dakota. The REC is also intended to add wealth to landowners and agriculture producers to build and maintain a robust rural economy.
- The REC may support alternative energy storage methods to increase the sustainability of intermittent renewable energy sources such as wind or solar. Sustainable renewable energy production will encourage further investment which in turn creates more jobs for North Dakota.
- The Empower ND Commission suggests continued financial support in the REC to continue progress within the above listed fields. It may also be beneficial to increase individual project funding limits to enable more capability in this research.



4. Clean and Sustainable Energy Authority (CSEA)
 - The purpose of CSEA is to support research, development and technological advancements through partnerships and financial support for large scale development and commercialization of projects, processes, activities, and technologies that reduce environmental impacts and increase sustainability of energy production and delivery. Examples include:
 - Carbon capture and sequestration technology
 - Carbon transportation
 - Synergy of the many resources in ND
 - Other area of consideration is in agriculture. Consider investing in new technologies to produce fertilizers to further assist the carbon neutrality goal.
5. Energy and Environmental Research Center (EERC)
 - Intend to assist in all of the above research and funding programs to further their success in bringing new concepts to commercialization.
 - Provide practical, pioneering solutions to energy and environmental challenges.
 - Consider removal of the sunset provision for the State Energy Research Center (SERC) to maintain an adequate budget for sustainable project R&D in the future.



The Empower ND Commission suggests mutual effort from each of the programs above to layout sufficient funding opportunities to various R&D proposed projects. We suggest a transparent communication of which funds are being utilized within the application process for each of the programs above. Funding program leadership may choose to fund or not based on other aid from adjacent programs on a case-by-case basis.

WORKFORCE-AUTONOMY

Workforce remains the energy sector's largest impediment to growth. North Dakota must make significant investments as well as examine unconventional options to ensure that the state's largest industry meets its full potential. The energy industry is also evolving. Historically focused on raw production, North Dakota must now support workforce programming that enables value-added companies to realize their full potential. Given this healthy competition for human capital, North Dakota remains well positioned to achieve the nation's highest GDP per capita by 2030. As such, the EmPower ND Commission requests that the legislature support the following initiatives:

CTE and Funding the Requirement

In 2021, the North Dakota legislature approved a combined total of \$88 million in COVID-19 relief money to be used for Career and Technical Education (CTE) centers. The CTE board has been hard at work granting money to communities throughout the

state that have major workforce needs as well as a match. In effect, the new CTE facilities align the statewide workforce needs with what students are desiring. Also, courses will be offered both in-person and online ensuring that CTE programming achieves optimization and can serve people throughout the state.

Empower ND recommends that this funding approach continue, to include sources beyond the federal government, e.g., State of North Dakota. Following the initial investments, CTE must continue to receive adequate funding to ensure operations and maintenance needs are met. Local institutions coupled with input from industry and decisions by the CTE board will continue to focus on the job training programs with the highest needs. EmPower ND will advocate both in the interim as well as during the legislative session.



Recruitment of People

North Dakota's population trajectory does not meet job vacancy needs for employers across the state, various industries, and of all wage levels. Put simply, North Dakota must develop an in-migration strategy that works, is precise, and does not overwhelm existing infrastructure or community capacity; think from a housing perspective. As such, the EmPower ND Commission recommends that the State of North Dakota invests in a program that balances workforce needs with migration access. This also includes determining more effective use of immigration and visa types. Areas that would require investment include, but are not limited to:

1. Short-term recruitment of skilled labor
 - Identify the state's greatest needs and determine what groups across the nation have a high concentration of skilled labor. For example, in the past five years 60% of immigrants and refugees coming into the U.S. are college educated, yet 2.3 million are under- or unemployed. This is just an example of why it is important to invest in researching which Americans meet these categories so North Dakota can strategically invite workforce that meets the state's greatest needs.
 - Some groups have decades of experience working with the U.S. government overseas including those that supported American contingency operations in conflict zones. Many of these skilled laborers are cleared by U.S. security agencies and offer skillsets in areas such as truck driving or welding. They also speak English, given their experience with the U.S. Armed Forces.
 - Create full-scale assimilation program with consideration of related societal challenges. In areas where new Americans are identified, consider a match program from employer, employee (many of these jobs pay well), as well as the state to accelerate assimilation into the state; think about housing needs, severity of winters, etc.
2. TN Visa — the secret weapon
 - Go big and bold on this program. The energy sector in both Mexico and Canada offers thousands of skilled laborers that can meet North Dakota's needs. The key is that the applicants must possess a degree.
 - EmPower ND could work with members of the congressional delegation to relax this standard as it will require congressional adjustments as well as changes to the United States Code.
 - State should adequately fund the requirement of 1,000 TN workers at a minimum with an emphasis on Canada given proximity to the state (600 miles) and similarity in climate.
 - Tackle support services to industries but also find unemployed engineers and other critical skilled employees.

Funding State Branding to Help Identify Employee to Employer Opportunities

The State of North Dakota requires a major branding, and adequately funded, branding campaign to attract and recruit workforce. In fact, the State of North Dakota should consider opening offices in places such as Edmonton, South Texas and the Imperial Valley (California and Arizona). These areas offer high concentrations of unemployed workers or frequent volatility in the jobs market, even in today's economic environment. In addition to branding the state as a great place to live, work, play, and raise a family, North Dakota could offer a full range of recruitment and placement services.

Branding should be nationwide and targeted on high areas of unemployment as well as areas where there are high concentrations of the North Dakotan diaspora. These areas include, but are not limited to:

1. Denver
2. Minneapolis-St. Paul
3. Sioux Falls
4. Bozeman
5. Chicago
6. Boise
7. Emerging areas

Retail Jobs Require Assistance

Historically, the State of North Dakota has focused exclusively on jobs that required precise skill sets. Moving forward, the jobs problem should focus on all types of employees, to include human capital with lower levels of experience and education. The retail sector for the energy industry, e.g. those who sell energy products such as propane, continues to suffer. This has a major impact up and down the supply chain vertical and is not limited to front-line or consumer facing staff.

The retail sector is further plagued by transportation challenges because of truck driver shortages. As such, the state branding campaign should also focus on retail workers, transportation professionals, and support staff. EmPower ND endorses a full-scale recruitment and retention campaign.

Advocate for State Employee Retention

In addition to focusing on private industry, the EmPower ND Commission fully supports improving conditions for state employees. Put simply, high turnover, lack of continuity in leadership, as well as other issues are impacting regulatory stability/consistency and private industry's ability to conduct business and grow industry throughout the state. As such, the EmPower ND Commission endorses investments in employees; this can be reflected in higher compensation rates or total packages, more training opportunities, and advancements for growth.

North Dakota enjoys unique permitting authorities, such as Class VI well primacy. These unique strengths must be augmented by quality state personnel. Therefore, it is recommended that the legislature take a serious look at the appropriate levels of compensation that would create continuity in leadership, recruitment of quality employees, and staff retention.

Without a major investment in people, the state faces slower permitting as well as losses in industrial output.

Automation

Workforce challenges can be somewhat mitigated by investments in automation. As a result, the EmPower ND Commission endorses programs that enable higher productivity rates per employee, invests in automation in industries that optimize efforts while paying higher wages, and efforts that augment energy development.

1. Worker training with sectors that have automation
 - EmPower ND endorses educational programs or funds that augment private industry's approach to automating functions. This could include but is not limited to CTE, higher education, private sector led training, on-the-job training efforts, etc.
2. Accelerating automation to grow sectors
 - The Automated Tax Credit was a good start to inspiring industry to invest in automation. However, the funds were highly inadequate and presented a one-size-fits-all approach. For example, agriculture has been automating and mechanizing for a century whereas the energy sector is nowhere close to this level of automation. If the ND legislature would be more precise in terms of their investments in automation, the energy industry could accelerate automation, improve energy production as well as value-added activities.
3. Unmanned Systems
 - Continued investment in unmanned systems would be highly beneficial. This includes but is not limited to aerial applications to support energy production, terrestrial based transportation initiatives that reduce dependence on transportation employees and other activities that support these endeavors.
 - Empower ND continues to support the unmanned systems industry and hopes to continue leveraging these technologies via the Vantis system. As such, continued investment as well as operational and maintenance investments will be required to support energy operations.

Other Areas of Importance to EmPower ND

1. Child care — Put simply, child care is a workforce issue. Families have purposefully discontinued their participation in the workforce due to rising costs and/or unavailability of slots for children. As such, the EmPower ND Commission supports efforts to reduce North Dakota's workforce burden through well thought out and targeted investments in child care.

2. Workforce housing — Throughout the state, workforce recruitment is frequently inhibited by lack of housing options. This issue is particularly acute in energy country where costs for homes and/or rent are high and units that are affordable tend to not offer the requisite quality or amenities that relocating families would expect. As a result, the EmPower ND Commission endorses programs that would increase the supply of available housing as well as offer the types of quality amenities that energy sector employees and their families would require.
3. Quality of life improvements — North Dakota must compete against other energy communities with more favorable climates, fewer obstacles for growth, and more amenities. In addition to energy-driven regions, North Dakota must also compete for talent with regional areas such as Bozeman, Denver, Omaha and the Twin Cities. Regions that are doing well have several consistent themes:
 - Communities with amenities that help to attract and retain talent.
 - Vibrant business districts that serve as a hub where the community can come together.
 - Walkable neighborhoods where residents can live, work, shop, learn and play and raise their families.
 - Smart, efficient infrastructure with mixed-use city centers and neighborhoods that create diverse retail, restaurant, and housing opportunities.

The EmPower ND Commission endorses strategic investments in these areas to ensure that we can recruit and retain people to live, work, and raise families in North Dakota.

REGULATORY CHAPTER FOR EMPOWER ND

North Dakota prides itself on being a business-friendly state. For the most part, it strives to achieve the very best for its private sector partners, investors, and companies that conduct business in the state. At a very high level, EmPower ND supports going the extra mile in areas that other states cannot. Put simply, given its low population, abundant resources, and can-do attitude, North Dakota is agile and can accomplish what other regions cannot. As such, the EmPower ND Commission endorses the following regulatory adjustments and/or research:

Insurance for CDL Drivers

CDL drivers must be experienced for a certain period before becoming insurable. As such, many companies have trained employees, or those considering training, that are unable to access the tools needed to hit the road.

It is recommended that the State of North Dakota explore a pooled or self-insurance fund (much like recent lignite research) to enable new CDL drivers to be insured. Having a self-insured group of drivers would alleviate shortfalls in drivers thereby improving conditions for industries across the energy sector.

Federal

The federal government continues to legislate or enact regulations that are anti-growth for several industries within the energy sector. It is important that EmPower ND and the State of North Dakota develop a cadre of highly knowledgeable people to educate law makers on their impact to state growth and the national economy.

Good examples include but are not limited to working with regulators to reduce CDL requirements, e.g. hazmat and road experience requirements, especially in sparsely populated North Dakota areas. Perhaps an education campaign would result in improved conditions for industry growth.

State of North Dakota

As mentioned in the previous chapter, the Empower ND Commission fully supports improving conditions for state employees, with an emphasis on leadership continuity. Industry needs more employees in order to serve the public in a more timely manner. The legislature should consider improving conditions for employees, adding additional personnel where required, consider the 10x-20x in energy projects in the value-added space versus current headcounts, and working with the executive branch to extend autonomy to employees at all levels. This way, projects aren't delayed due to the regulatory backlogs that have begun to develop.

Retaining A Regulatory Environment That Industry Can Count On

The Empower ND Commission fully endorses reducing as much red tape as possible to ensure the energy sector has what it needs to be successful. As such, retaining this environment and finding new areas where North Dakota could achieve accelerated growth is of the utmost importance to this group. The North Dakota Legislature should work with industry to reduce bureaucracy wherever it is stunting energy sector growth.

Stable And Low Tax Environment

Much like the regulatory environment that industry has come to depend on, North Dakota should continue its stable and low tax environment. This is very favorable to future growth and development and has served the state well with respect to project recruitment.

CONCLUSION

The EmPower ND Commission fully endorses reducing as much red tape as possible to ensure the energy sector has what it needs to be successful. As such, retaining this environment and finding new areas where North Dakota could achieve accelerated growth is of the utmost importance to this group. North Dakota should work with industry to reduce bureaucracy wherever it is stunting energy sector growth. Continued innovation over regulation policy is essential to sustain our business-friendly environment.

Much like the regulatory environment that industry has come to depend on, North Dakota should continue its stable and low tax environment. This is very favorable to future growth and development and has served the state well with respect to project recruitment.

North Dakota must focus on education along with research and development of our existing and future energy sources to keep our state energy supply reliable, sustainable, and environmentally friendly for years to come. Affordable energy for both state residents and the many customers surrounding our borders maintains our robust and growing economy.

