

Steve Burke – Public Hearing Comments – ND Health Department – Fargo ND – 11-18-15

Good evening. I appreciate the opportunity to comment and I am thankful that we have quality professionals like yourselves at the state level working on how to do this right. I'm Steve Burke. I'm here representing myself, a tax payer, a rate payer, a coal miner. I grew up on the family farm that my great grandfather homesteaded. I spent four years here at NDSU getting my Engineering Degree while spending several summers working in the oil fields of Western ND, I spent 1 year in Western Minnesota working for a municipal consultant, and I have now spent over 15 years working in the energy industry of North Dakota with responsibilities in technology, planning, engineering, and operations. Why do I give you this background information...because I believe that I understand ND and I understand ND Energy.

As an engineer my job is pretty simple...it's to identify problems and find solutions.

I have printed and reviewed the Clean Power Plan and after tonight I will have attended all four of the public hearings and listened to all of the comments. In my opinion the rule is unprecedented and as you have said Mr. Glatt if not approached correctly could be catastrophic to North Dakota. That is why I am here and why I am commenting.

I'll make my comments pointed and brief. I will cover them in 3 main points.

- 1) The Problems
- 2) The Change
- 3) The Approach

First "The Problem"

There isn't enough time. Every utility that has commented has said the same thing. They simply don't have the time to comply. There just isn't enough time to comply responsibly.

Without more time it prevents a much needed paradigm shift from happening. We need to stop looking at CO2 as a pollutant and start looking at CO2 as a resource. Again we need to stop looking at CO2 as a pollutant and start looking at CO2 as a resource. Given the time to do things right, no one turns resources into opportunities like we do here in North Dakota. Solutions for reducing pollutants cost tax payers and rate payer's money with next to nothing to show for it, while making the most of our resources results in, new markets, economic growth, lower taxes, and better rates.

At some point there is going to be an overwhelming need for CO2 in the oil fields of North Dakota to increase recovery of already tapped resources. The tax revenue potential of increasing the Bakken recovery from the current 5% to even 6% would be significant. Closing exiting power plants that would cost billions of dollars to build today and replacing them with new capital intense projects just to ask ourselves later where we can get CO2 makes no sense and could be very costly to our state, and without a doubt it would be very costly to electric rate payers like myself. That is why we have to change the way we think about CO2. CO2 is a resource.

With more time we can have it all and most importantly we can do it without devastating many small communities in central North Dakota and increasing costs of electricity for low income families that are already dealing with a high cost of living. These folks deserve better and they don't want handouts. They want to make it on their own. That's the North Dakota way.

Second "The Change"

We must change the way we approach change. We need to streamline and fast track research and development knowing that time is limited and the potential costs are great. Technology in our world today is being adapted at exponentially faster rates. Using our tried and true processes for R&D with the impending Clean Power Plan mandates just aren't enough. The State needs to work with energy professionals and researchers to help identify and eliminate road blocks that create longer timeframes between lab trials and full production. For the CO2 resource to meet its full potential we need the States help to build closer ties between the mines, utilities, and oil companies so that a robust market and infrastructure for CO2 can be developed. We must change.

Lastly "The Approach"

How should the state approach the SIP development? Let's approach this like my grandfather would have. Let's listen carefully, act when necessary, and think long term knowing that history tends to repeat itself.

- Develop a SIP that meets the minimum submittal requirements necessary to receive the extension. Meanwhile focus your efforts over the next year on listening to what other states are doing, how the Federal Implementation Plan is being developed and what can give us the most flexibility.
- Let's let the legal process take its course as much as possible and make sure that nothing we are doing on the SIP development is undermining the legal case.
- The SIP development should include demand side energy efficiencies. These measures can reduce the rules impact on utilities and minimize the negative impacts on electric rates.
- As for the rate or mass based question I would propose a parallel path approach. Since this is a key decision to the success and cost of the plan it may be useful to consider moving forward on parallel paths until the smoke clears allowing you to drop the clear loser without starting over with the plan development.

In conclusion we need more time, given time we can change the way we think about CO2, let's streamline and fast track the efforts to capture and utilize CO2 as a resource, and let's be careful and methodical about the development of the SIP allowing the legal challenge to develop. The next five years are going to be filled with critical decisions that have long term impacts on the future of energy, the economy, and electricity rates in North Dakota and beyond. If not done right these decisions could really hurt some of the most vulnerable people in our state. Let's do this right. Thanks again for the opportunity to share my comments and thanks again for ~~the~~ working with the people and impacted industries of North Dakota during this process. Go Bison.

Sincerely,

Steve Burke

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