

Minutes of the
**EMPOWER NORTH DAKOTA COMMISSION
QUARTERLY 3 MEETING**

August 10, 2022, 2:30 p.m. – 4:00 p.m.
WSI Boardroom
1600 E Century Avenue, Bismarck ND
TEAMS conference call

Members present:

James Leiman, Jason Bohrer, Al Christianson, Justin Dever, Ron Ness, David Ripplinger, Danette Welsh

Ex Officio Members:

Lt. Governor Sanford, Gerald Bachmeier, Wade Boeshans, Brent Brannan, Julie Voeck

Public present:

Call in via Microsoft TEAMS platform

CALL TO ORDER/WELCOME

Chairman James Leiman called the meeting to order at 2:30 p.m. on August 10th welcoming members in the room and guests on the phone to the EmPower ND Commission Q3 Meeting.

APPRVAL OF MINUTES

Motion: It was moved by Al Christianson and seconded by Ron Ness to approve the May 11th minutes. Motion carried.

Motion: It was moved by David Straley and seconded by Al Christianson to approve the June 23rd minutes. Motion carried.

PUBLIC HEARING HB 1452 Clean Sustainable Energy Authority (CSEA)

Public comment was given, with expression for, 1.) increased funding for CSEA in the 2023 legislature, 2.) the appropriation level for CSEA regarding funding for grants vs. loans, 4.) CSEA has shown value with projects when going against ESG initiatives, 5.) management of funding program and/or, 6.) the recreation of a new funding program.

STATE ENERGY PLAN

Shawn Kessel

The State Energy Program within Commerce has two responsibilities, the State Energy Plan (SEP) and the State Energy Security Plan (SESP). ND is scheduled to receive federal funding of \$26 million for the Weatherization Assistance Grant Program, \$2million for the Energy Efficiency Block Grant Program, and \$800 thousand for the Revolving Loan Funds Grant Program.

To receive federal funding, the SEP and the SESP must meet the requirements set by the National Association of State Energy Officials (NASEO) by the end of September 2022 for revision of the plans or by the end of September 2023 for recreation of the plans. The EmPower ND Commission is aligned to help revise or recreate either plan, and the Commerce Department welcomes input from the members to move these plans forward for continued federal funding.

COMMERCE ENERGY TEAM UPDATES

Subcommittee leaders from each group reviewed their progress from the last meeting of August 4th and brought forth more recommendations for today's meeting. The following is an overview of those discussed recommendations but is not limited to.

INFRASTRUCTURE	RESEARCH AND DEVELOPMENT (R & D)	WORKFORCE/REGULATORY ENVIRONMENT/BUSINESS FRIENDLY ENVIRONMENT
Gerald Bachmeier	Jason Bohrer	Al Christianson
Wade Boeshans	Brent Brannon	Justin Dever
Stacey Dahl	Ron Ness	Tyler Hamman
Justin Dever	David Ripplinger	Mike Rud
Jeff Zueger	David Straley	Danette Welsh
Justin Kringstad	Tom Oakland	Julie Voeck
John Weeda		James Leiman
Joshua Teigen		Katie Ralston Howe
Rich Garman		

I. Workforce/Regulatory Environment/Business Friendly Environment – Mr. James Leiman
Workforce

1. Recruitment of People
 - a) Balancing needs with mitigation access
2. Retail jobs require assistance
 - a) Those who sell energy products
 - b) Those who transport energy products
3. Automation
 - a) Worker training with sectors that have automation
 - b) Accelerating automation to grow sectors
4. Childcare
 - a) Workforce issues
5. Housing for workforce

Regulatory/Business Environment

1. Insurance for CDL Drivers
 - a) A pooled or self-insurance fund (like the Lignite Research Fund) to enable new CDL drivers to be insured.
2. Federal
 - a) Work with regulators to reduce CDL requirements (hazmat & road experience requirements)
3. Retaining a regulatory environment that industry can count on
4. Stable and low tax environment

II. Infrastructure – Mr. Rich Garman

1. Preserve the state’s framework that facilitates the opportunity for the buildout of infrastructure projects.
 - a) Work to identify the most soundly economic routing for infrastructure development
 - b) Define CO2 as a viable biproduct of petroleum, coal, and biorefinery industries.
2. Establish a funding mechanism to support the development of industrial park or clusters.
4. Continue strategic partnerships to establish economies around both CO2 and hydrogen.
 - a) Define and work towards solutions to move towards a hydrogen economy in ND.
5. Continue to evolve the electrical transmission system in the state to support industry
6. Work with industry to proactively plan for generation development in the state
7. Work to evolve the biorefineries in the state and assure their ongoing future viability.
 - a) Support research and projects to progress towards lower carbon scores for each facility
 - b) Work with companies to engage in Sustainable Aviation Fuel production projects.
8. Extend the ND 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.

Chairman Leiman commented to the members to have this report completed by the 3rd week in September with a vote to be taken at the next EmPower ND Commission meeting. No opposition was noted.

III. Research and Development – Tom Oakland

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, agriculture, and manufacturing industries.

North Dakota uses our internal return on investment in the form of tax revenue from existing energy production from oil, gas, coal, along with exported electricity to further add value to both 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)
- **Updates with the Renewable Energy Council (REC) and the Clean Sustainable Energy Authority (CSEA) could be done – not finalized**
2. Oil and Gas Research Council (O&G RC)
3. Renewable Energy Council
4. Clean Sustainable Energy Authority (CSEA)
5. Energy and Environmental Research Center (EERC)

The EmPower ND Commission suggests mutual effort from each of the programs above to layout fair 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.

DISCUSSION

- Byproducts to be changed to coal products
- It is not clear within the State Water Commission what types of projects can be funded with water.
- Figure out the alignment with state government and funding of water projects
- NIMBY issue needs to be addressed, where are the successes, what were controversial and how the state moves forward.
- Testimony of Mr. John Harju to be looked at, new number of \$85.00
- Regional hub – multiple state participation on capture of hydrogen. Get away from the color schemes and bring in multi states.
- Think strategically ahead to reduce the state risk on infrastructure to make it easier to fill the industrial parks across the state.

GOVERNOR LED TRADE MISSION TO JAPAN

James Leiman

James will reach out to industry leaders to emphasize more energy participation would be appreciated.

Great Plains & EmPower ND Energy Conference

Danette Welsh

The conference will be held at the NECE building on the BSC campus on October 10, 2022. In the past the Empower ND Commission had industry participation on the energy panels, along with sponsorship to the conference.

Danette asked the members for their continued support this year to the Great Plains EmPower ND Energy Conference.

Motion: It was moved by Danette Welsh and seconded by Justin Dever to continue EmPower ND Commission support to the Great Plains EmPower ND Energy Conference. Motion was carried unanimously.

PUBLIC COMMENT

No comments were brought forth.

ADJOURNMENT

Meeting was adjourned unanimously at 4:00 p.m. Motion carried.