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United States Senate

WASHINGTON, DC 20510
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The Honorable Ernest J. Moniz
Secretary
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Dan Utech
Special Assistant to the President for Energy and Climate Change
The White House
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Secretary Moniz, Director Holdren, and Special Assistant Utech:

As you know, on January 9, 2014, President Obama issued a Presidential Memorandum establishing a Quadrennial Energy Review (QER). The stated purpose of the QER is to help the Federal Government better meet its responsibility of providing affordable, clean, and secure energy services to the people of the United States. I commend the Administration for taking an active approach towards the future energy policy of the United States. I believe the nation needs a comprehensive national energy policy and strategy in order to meet the challenges that lie ahead including, the need for increased infrastructure for new growth areas and the replacement of aging infrastructure, addressing cybersecurity issues, increased domestic development and production, transportation and smart grid technologies.

The initial QER will focus on the “[n]ation’s infrastructure for transporting, transmitting, and delivering energy.” With this focus in mind, and the understanding that the QER Task Force (Task Force) will hold several meetings across the United States to gather input, I believe the Task Force should hold a regional meeting in North Dakota. North Dakota presents a unique opportunity to gain insight and gather ideas from state and local government officials, tribal leaders, numerous energy and utility companies, research universities, and large and small businesses that are operating in the fastest growing state in the country. There are few states that can offer the same overall view regarding energy development, transport transmission, and delivery.

With a current population expanding at nearly twice the rate of the next-fastest-growing state, the commercial and residential needs for energy delivery in North Dakota are immense. Not only are our major metropolitan areas experiencing rapid growth, but more remote and rural areas are actually seeing some of the biggest increases in new residents, and subsequently have the greatest need for energy delivery. All, or part, of five Indian reservations are located in North Dakota as well, and these areas continue to be some of the remote and underserved places in the country when it comes to energy. These various challenges associated with delivering reliable sources of energy to commercial and residential customers, in particular in rural and rapidly expanding areas, would certainly help to inform the initial QER.

North Dakota is an energy diverse state. We generate coal-fired electricity that is delivered to customers in North Dakota and Minnesota. We are a leader in wind energy and biofuels production, with much of

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this energy leaving the state to meet the needs of other states in the region, or in the case of biofuels, helping the nation meet an increasing desire for cleaner burning fuels. Several rural electric co-ops and municipalities take hydro-electricity generated by the Western Area Power Administration and deliver it to their members in North Dakota.

North Dakota is also in a unique position as we share a common border with Canada, and any infrastructure conversations regarding long term planning and policy for the United States, must include a review of the energy transported, transmitted, and delivered back and forth across our northern border. There are multiple oil, natural gas, and natural gas liquids pipelines traversing our border with Canada. Bakken crude moves by rail into and through Canada, and Canadian crude moves to refineries across the United States. North Dakota also brings in hydro-electricity from Manitoba and pipes CO2 to Canada for enhanced oil recovery. As part of any meetings in North Dakota, I am certain many Canadian companies, and the adjoining provincial governments, would be more than willing to participate as well.

The oil and gas development and production in North Dakota has shone the national spotlight on our state. However, the speed with which this development has taken place has put a real strain on our existing energy transport infrastructure and there is a need to rapidly expand our existing pipeline and rail infrastructure for both oil and natural gas. The state is currently flaring nearly 30 percent of its natural gas due to this shortage in pipeline and storage capacity, this has brought state and local leaders to the table with industry to figure out a solution on how to resolve this issue. Oil and natural gas transportation in our state, and the collaborative efforts between state and local governments, tribes, local landowners and industry to work on routing and infrastructure issues would greatly inform the work of the QER Task Force.

Energy infrastructure projects are in the works across North Dakota, including the 610-mile interstate Sandpiper pipeline that will carry 225,000 barrels per day out of Bakken crude out of North Dakota and the 375-mile Dakota Pipeline that could carry as much as 500 million cubic feet per day of natural gas from North Dakota to a connection in northwest Minnesota. Over 70 percent of the nearly one-million/bpd of Bakken crude currently produced in North Dakota is moving on rail. It is estimated that the number could rise to nearly 90 percent as production continues to increase. Additionally, 64 new wind turbines will add to an existing footprint to provide Minnesota additional wind energy to help meet its renewables mandate and a 200-mile 345-kV electric transmission line is under development to the rapidly expanding Williston area, where they are in desperate need of additional electrical capacity. These projects are just a snapshot of the massive investment in, and scope of, energy infrastructure projects for transporting, transmitting, and delivering energy. However, this does not even begin to scratch the surface of existing and other planned energy infrastructure in North Dakota. You can clearly see why North Dakota would be an optimal place for the Task Force to hold one of its fact finding meetings.

I would be happy to meet with you, and other members of the Task Force to further discuss holding a regional meeting in North Dakota. I look forward to working with the Task Force on the QER, and hope to host all of you in North Dakota in the near future for an up close look at our current energy infrastructure, to hear about the projects in development and the future needs, and to discuss a true North American energy infrastructure outlook that includes our great friend to the north, Canada.

Sincerely,



Heidi Heitkamp
United States Senate