

January 5, 2017

The Honorable Gina McCarthy
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue NW
Washington, DC 20460-0001

Dear Administrator McCarthy,

I am writing to urge your prompt approval of North Dakota's primacy application to regulate Class VI wells in the state. I understand that this application has been with your office since July 14, 2014, and in order to fully enable utilization of carbon capture and storage (CCS) technology in North Dakota, it is critical that this application is approved as soon as possible.

During the time that I served on the Board of Directors of Basin Electric, the state of North Dakota implemented a regulatory framework to provide certainty for the long-term storage of CO₂. This framework grants regulatory authority over underground storage of CO₂ to the North Dakota Industrial Commission and utilizes trust funds for state oversight costs and long-term financial assurance. In 2013, the state amended the North Dakota Century Code to meet new EPA standards, and on June 21, 2013, the primacy application to regulate Class VI wells was submitted.

CCS technology is an important tool to reduce carbon emissions for traditional energy sources as well as renewable energy. Since coming to the U.S. Senate, I have been advocating for investments and research, development, and implementation of CCS technology – and approval of this application would be another step in the process of allowing the United States to build-out our CCS capacity – further increasing our understanding of the technology and driving down costs for future projects.

Red Trail Energy operates a fossil fuel-fired ethanol facility near Richardton, North Dakota. Partnering with the Energy and Environmental Research Center (EERC) at the University of North Dakota, the North Dakota Renewable Energy Council, and others, Red Trail Energy is working to implement commercial CCS technology. This is a commercial project on an expedited and tight time schedule. It is critical the EPA approve the state's primacy application so innovative projects, like the one advanced by Red Trail Energy, can utilize the financial assurance provisions provided by the North Dakota regulatory framework to move forward. As I am sure you are aware with these types of projects and investments, investors and financiers will only keep their money tied up for so long and will look to move to another opportunity if there is uncertainty or delay in creating the necessary conditions for projects to move forward.

Having state primacy to regulate Class VI wells will provide certainty for North Dakota energy producers and will better enable them to utilize tax credits so CCS technology can become more feasible for energy producers of all shapes and sizes. It will also allow North Dakota to continue

to play a leading role in developing and implementing CCS technology – technology broadly supported by the current Administration and widely recognized by other countries and major research organizations as necessary to reduce emissions and address global climate change. North Dakota's top notch researchers at EERC, our electric cooperatives, investor owned utilities, regulators, and state government all stand ready to put the United States on the cutting edge of CCS technology development.

I appreciate your attention to this matter and look forward to your timely consideration and approval of North Dakota's Class VI Primacy Application.

Sincerely,

A handwritten signature in blue ink that reads "Heidi Heitkamp". The signature is fluid and cursive, with the first name "Heidi" and last name "Heitkamp" clearly distinguishable.

Heidi Heitkamp
United States Senate