

North Dakota Public Service Commission Symposium on EPA Carbon Regulation

Testimony:

Zac Smith

Date:

January 22, 2014

I am Zac Smith, Director of Government Affairs of the Bismarck-Mandan Chamber. I am here today to express our deep concern for the EPA's approach to reducing carbon emission standards from existing power plants and the EPA's carbon emission standards for new power plants. The Bismarck-Mandan Chamber strives not only to ensure Bismarck and Mandan maintain an economic climate that is conducive to our member businesses, but also promotes growth and prosperity that our communities can sustain beyond this unique point in the cities' history.

North Dakota has recently found ourselves the center of national attention as our economy is running at full speed thanks in no small part to the development of natural resources in our state. As a business organization, the Bismarck Mandan Chamber welcomes the prosperity the development of energy brings to our state. However, the forthcoming regulations from the EPA regarding carbon emissions could have a potentially devastating impact on the economic success of our state. The North Dakota lignite industry has been an important contributor to North Dakota's economy for decades. The Lignite industry has long provided reliable, affordable energy to homes and businesses throughout the region as well as offering valuable employment opportunities to North Dakota workers. Our fear is that the proposed regulations do not take into proper account the potential impact that will be had not only on the economic prosperity North Dakota is experiencing now, but on an industry that has driven North Dakota's economy long before oil came in to play.

I am here today to urge you to take a realistic look at solutions that take into account the fact that North Dakota does provide its citizens with clean air while also providing affordable and dependable electricity on which the local and national economies rely. Considerable increases in electricity costs will not only have an effect on local citizens and businesses, but also on an already fragile national economy as North Dakota supplies electricity to more than 2 million consumers.

The Public Service Commission and some of the North Dakota energy companies that you have heard from today have always been great stewards of the natural resources this state provides, including its clean air and water. If you look closely at the way North Dakota has managed its abundance of coal as a natural resource you will note responsible development of energy without degradation of the state's other natural resources: the land we farm and hunt, the air we breathe, and the bodies of water we use for fishing and recreation. Because of this fact it is critical that the EPA avoids taking a "one size fits all" approach to the regulation of carbon emissions. It is important to look to what will be cost effective and technologically achievable. The EPA *must* account for potential impacts costly regulations will have on local businesses, jobs, and individual households. The proposed regulations have the potential to touch every sector of our economy and it is imperative that your efforts be done right and take into account the input from the impacted industries and communities who stand before you today.