



INDUSTRIAL COMMISSION OF NORTH DAKOTA

Jack Dalrymple
Governor

Wayne Stenehjem
Attorney General

Doug Goehring
Agriculture Commissioner

FOR IMMEDIATE RELEASE

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INDUSTRIAL COMMISSION SUPPORTS LITIGATION TO STOP EPA REGULATION Commission may ask for Contingency Funds during Special Session

BISMARCK – The Industrial Commission, at their October 28 meeting, stated their support for a possible lawsuit against the Environmental Protection Agency (EPA) and its attempt to regulate hydraulic fracturing on a national basis.

The commission voted to request funding from the Legislature for up to \$1 million on a contingency basis to hire outside counsel with expertise in petroleum exploration. The funds are being requested in response to issues raised by the Ground Water Protection Council and a current lawsuit involving the Independent Petroleum Association of America (IPAA) and the EPA.

Lynn Helms, director of the Department of Mineral Resources, says \$500 thousand would come from the state's general fund with the remainder borrowed from the Bank of North Dakota.

"We are concerned that the EPA will remove the state of North Dakota from its regulatory role and proceed to abolish hydraulic fracturing," said Gov. Jack Dalrymple. "We need to be prepared for legal action at any time."

"We would attempt to avoid spending this money by partnering with other states in any potential litigation, and if that's the case we will do what we can to help keep the amount needed as small as possible. But we need to be ready," said Attorney General Wayne Stenehjem. "If the EPA regulates fracking, it would likely put an end to fracking and that will stop oil development in North Dakota."

"This is just another example of the federal government overreaching its authority," said Agriculture Commissioner Doug Goehring. "North Dakota agencies have demonstrated a proven ability to fairly and effectively regulate industry."

The IPAA is suing the EPA for their attempt to bypass the federal rule making process by issuing guidance documents on how they regulate hydraulic fracturing with diesel fuel. The EPA has also said they want to redefine diesel fuel in the Energy Policy Act of 2005 to anything chemically found in diesel fuel.

"It's this redefinition that could halt oil production in the state," said Helms. "Typical North Dakota hydraulic fracturing fluid contains .088% petroleum distillate—a very, very small amount which should not trigger national regulation by the EPA."

The Legislature meets in special session Nov. 7 in Bismarck.

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