



INDUSTRIAL COMMISSION OF NORTH DAKOTA

John Hoeven
Governor

Wayne Stenehjem
Attorney General

Roger Johnson
Agriculture Commissioner

News Release

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Industrial Commission backs legislation on CO₂ storage

BISMARCK - The North Dakota Industrial Commission is supporting legislation to establish a framework for regulating the long-term geologic storage of carbon dioxide and to provide that surface owners will own the underground space in which the carbon dioxide is stored.

“North Dakota is once again leading the nation in energy, this time in helping to craft the regulatory process for CO₂ sequestration,” said Gov. John Hoeven, commission chairman. “Not only are we supporting research that will capture carbon dioxide but we are submitting legislation that will allow for the long-term storage in a way that is environmentally sound.”

“The draft legislation is a significant step towards establishing the best regulatory process for long-term geologic storage of carbon dioxide,” stated Attorney General Wayne Stenehjem. “The legislation will benefit not only the state by ensuring the viability of our energy industry, but it will also benefit the global environment by serving as a means to store captured greenhouse gas emissions.”

“In addition to our valuable reserves of lignite, oil and natural gas, North Dakota has geologic formations that can safely serve as storage reservoirs for carbon dioxide,” said Agriculture Commissioner Roger Johnson. “We already have a regulatory process for utilizing carbon dioxide for enhanced oil and gas development. This legislation represents the next step in managing carbon dioxide.”

The proposed legislation establishes:

- A process for permitting and regulating storage operations, including reservoir integrity and the recovery of state costs associated with regulation;
- Public hearing requirements;
- Amalgamation/unitization of pore space ownership;
- Responsibility for long-term storage of the carbon dioxide once a storage project has been completed;
- Industrial Commission regulation of long-term storage in consultation with the Department of Health.

The proposed legislation was developed by the North Dakota CO₂ Storage Workgroup consisting of representatives of the oil and gas industry, lignite energy industry, several state agencies, including the Health Department, and the Plains CO₂Reduction (PCOR) partnership. The PCOR Partnership is a joint effort of more than 80 U.S. and Canadian entities, working together to better understand the technical and economic feasibility of capturing and storing CO₂ emissions in the center of North America. Currently, the partnership conducts three modest-scale geologic carbon dioxide storage projects and is developing multiyear, commercial-scale demonstration projects. The PCOR Partnership, led by the Energy & Environmental Research Center at the University of North Dakota, is also helping determine “best practices” for carbon storage in the northern Great Plains.

The proposed legislation is posted on the Industrial Commission website at <http://www.nd.gov/ndic/ic-2009legislation.htm>

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