

Testimony of Dakota Resource Council
House Concurrent Resolution 3025
March 5th, 2021

Chairman Curt Kreun & members of the committee, my name is Scott Skokos and I am testifying on behalf of Dakota Resource Council and our members. Thank you for allowing me to submit written testimony in opposition to HCR 3025.

As drafted we find several issues with this resolution.

First, the claim in this resolution that there are more than 900 years of economically recoverable coal is unclear because there is no source for that information. Even the energy information administration (EIA) does not make such a claim about US coal reserves. They assert based on recent data relating to recoverable coal that the US has 357 years left of coal, and only 20 years left of coal at current mines¹. Regardless of the claim surrounding the number of years of coal in reserve, it is unlikely that the United States and the world, for that matter, will be using coal for the next 900 years. With climate change becoming more and more of an issue there will be no need to continue mining coal to generate electricity 900 years from today due to the possible climate impacts of burning fossil fuels.

Second, the claim stating that the coal industry provides 13,000 jobs is in our view not accurate. We are guessing that what was meant to be stated in the resolution was that coal provides 13,000 direct and indirect jobs, but to make the claim that the industry fully employs 13,000 people is our view not accurate.

Third, the resolution appears to claim that coal is not subsidized, despite the fact that historically coal has been subsidized in a variety of ways. In fact many of the power plants and the Dakota Gasification Plant were built with financing from low interest federal loans. In addition, coal does not pay for many of its externalities caused by the air pollution it creates which damages air quality and human health.

Fourth, the resolution claims that other energy industries are being propped up by federal policies, though this has some truth, it is in our view more a matter of coal losing in the free market. In fact investors now look at wind or solar as a better investments in some cases than coal even without subsidies.²

Lastly, we disagree that carbon capture and storage (CCS) will be the solution to all of North Dakota's energy issues. In fact, the majority of CCS projects have not worked and cost taxpayers billions of dollars. Take for example the Petra Nova CCS project in Texas, which was recently mothballed after not meeting expectations. The project cost a total of 1 billion dollars, 182 million dollars of that money coming from federal loans³. If Petra Nova and the several other failed CCS projects from the last 15 years are any indication for the future, then in our view the future of CCS projects does not look promising.

Thank you for the opportunity to share our testimony. I urge the committee to oppose HCR 3025 and recommend a DO NOT PASS on HCR 3025

¹<https://www.eia.gov/energyexplained/coal/how-much-coal-is-left.php#:~:text=Based%20on%20U.S.%20coal%20production,would%20last%20about%2020%20years>

² <https://www.lazard.com/perspective/levelized-cost-of-energy-and-levelized-cost-of-storage-2020/>

³<https://ieefa.org/ieefa-u-s-mothballing-of-petra-nova-carbon-capture-project-shows-likely-fate-of-other-coal-fired-ccs-initiatives/>