We support the Environmental Protection Agency’s proposed Affordable Clean Energy Rule and the repeal of the Clean Power Plan. We reiterate our support for the cooperative federalism that has led to successful reductions in criteria pollutants while fossil fuel use has increased.

North Dakota’s energy profile positions it to be a leader in reducing CO₂ use while using its 800-year supply of lignite coal to drive the region’s prosperity for decades to come. The future of the industry relies on preserving existing assets and developing mutually-beneficial relationships between the coal, oil and gas, and other value-added industries utilizing carbon dioxide. Achieving cost-effective carbon capture will require a strong public-private partnership between industry partners and state and federal governments.
North Dakota has:

- the natural resources, state and industry support, and technological base to serve as a leader in “cracking the code” on carbon capture and utilization
- 2nd largest reserve of lignite coal in the world – **800 year supply** at current production rate using today’s technology and demand levels
- Bakken and Three Forks Formations – **7.4 to 11 billion barrels of recoverable oil** with today’s technology – possible opportunities for enhanced oil recovery using carbon dioxide
- World-Class Research and Development at the University of North Dakota Energy and Environmental Research Center (EERC)
- Lignite, Oil and Gas Research Councils, funded by coal severance and oil extraction taxes

We believe that as EPA considers the public comments that have been recently submitted by a variety of stakeholders, that they should consider the following proposals that will strengthen the ACE Rule and make it both legally supportable and practically achievable:

- Regulation under 111(d) of the Clean Air Act should be **primarily driven by the states**
- Support for EPA’s interpretation of § 111(d) that **precludes the EPA from attempting to establish** an emission guideline based on “**outside-the-fence-line**” considerations
- The final rule should be enhanced and made **more effective** by EPA streamlining of New Source Review regulations to incentivize major investments for modernizing coal-fueled electric generation plants, including clean coal technologies and carbon capture and storage
- The final rule should be based on Best System of Emission Reduction (BSER) technology that is **commercially available**
- The rule should allow utilities to operate plants up to the **remaining useful life** of those plants
- The justification of the rule should not **count** or refer to benefits that come from reducing emissions other than CO₂
- The rule should adequately reflect the **characteristics of each fuel source**, differentiating lignite coal from other coal types
- The rule should clarify that the ACE rule applies **only to coal powered** energy generating units