

INDUSTRIAL COMMISSION OF NORTH DAKOTA

Doug Burgum Governor Drew H. Wrigley Attorney General Doug Goehring Agriculture Commissioner

For Immediate Release

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Industrial Commission awards \$11.3 million in funding for Electric Grid Resilience and Oil and Gas Research, announces \$3 million in new Clean Natural Gas Capture and Emissions Reduction funding

The North Dakota Industrial Commission, consisting of Gov. Doug Burgum, Attorney General Drew Wrigley and Agriculture Commissioner Doug Goehring, approved a total of \$11.3 million in matching grants during its first grant round for grid resilience funding under the section 40101(d) of the Bipartisan Infrastructure Law (BIL) as well as its 59th grant round of the Oil and Gas Research Program.

North Dakota was one of three states and two tribes to receive the U.S. Department of Energy's first tranche of funding under the grid resilience program. North Dakota's available funding is \$8,623,893.

The approved grid resilience projects include:

- \$321,930 to Capital Electric Cooperative for the conversion of 49 highway overhead line crossings to underground crossings.
- \$4,432,088 to Otter Tail Power Company for its "Next Generation Grid Resiliency" project, to include the deployment of a new intelligent vegetation management system, drone-based inspections and ultrasonic technology to evaluate equipment failure.
- \$586,000 to Northern Plains Electric Cooperative for upgrades to 23.5 miles of optical ground wire and the installation of Supervisory Control and Data Acquisition (SCADA) equipment.
- \$2,843,075 to McKenzie Electric Cooperative for the installation of remotely operated equipment and the replacement of 700 powerline poles.

The Oil and Gas Research Program was established in 2007 to provide grants for projects that enhance the production of oil and natural gas in North Dakota. The program is funded entirely by oil and gas production and extraction taxes.

The approved Oil and Gas Research projects include:

- \$3 million to EERC and its private industry partners for iPIPE 3.0, an industry consortium which funds new and emerging technologies for detecting and preventing pipeline leaks.
- An additional \$170,000 to Blue Rock Solutions to further its work on developing methane detectors and improved equipment for oil and gas storage tanks.

Additionally, the Commission approved policies to implement its Clean Natural Gas Capture and Emissions Reduction Program and announced that it is accepting applications for work conducted between Dec. 18, 2023, and June 30, 2025. The program was authorized by Senate Bill 2089, which was passed by the 68th Legislative Assembly of North Dakota. The legislature appropriated \$3 million of oil and gas production and extraction taxes to provide incentive payments for projects which capture natural gas that would have otherwise been flared.

"We commend the project sponsors for their investments in energy resiliency," the Commission said in a joint statement. "The projects approved today demonstrate North Dakota's commitment to remaining on the forefront of energy innovation. We were among the first group of states to receive funding for grid resilience and will now be the first state to deploy its dollars to ensure our citizens can continue to enjoy a safe and

reliable electric grid. Additionally, our investments in oil and gas research are clearly a nationwide model for success. We are grateful for our industry's continued investments in innovation despite an increasing federal regulatory burden."

The next submission deadline for both the Oil and Gas Research Program and the Clean Natural Gas Capture and Emissions Reduction Program is June 1, 2024. More information about the two programs may be found on the Industrial Commission's website at <u>https://www.ndic.nd.gov</u>.