117 South First Street • Montevideo, MN 56265

February 11, 2025

Chair Swedzinski
House Energy Finance and Policy Committee
Re: H.F. 9

Chair Swedzinski and Committee Members,

CURE is a rurally based, non-profit organization dedicated to protecting and restoring resilient towns and landscapes by harnessing the power of the people who care about them. We appreciate the opportunity to testify in opposition to H.F. 9.

CURE strongly opposes the portions of H.F. 9 that would allow for all hydro power, regardless of its size, to count towards a utility's carbon-free compliance requirements, that would repeal the existing nuclear moratorium, and that would establish an automatic three-year grace period for utilities who do not achieve the carbon-free standards. These changes appear to be hasty and poorly considered and adopting them without engaging with impacted communities is contrary to the intent behind the carbon-free standard enacted in 2023.

But the central focus of our testimony today is on the deceptively simple portion of H.F. 9 proposing to "support the development and deployment of carbon capture and sequestration technologies in Minnesota." Carbon capture, utilization, and sequestration, or CCUS, is an unsupported strategy for decarbonization that delays an equitable clean energy transition, provides the fossil fuel industry with a license to continue polluting, and risks public health and safety.

There are approximately 16 CCUS facilities in operation in the United States today.[1] These facilities are reported to have the ability to capture more than 20 million metric tons of CO_2 annually, but data suggests that most have been unable to achieve this in practice.[2] In fact, in several cases, emissions at facilities have increased because of the 13%-44% energy penalty associated with some CCUS technologies.[3] And because the focus of CCUS technology is CO_2 emissions, these systems do not inherently address or remediate the emission of other pollutants, like nitrogen oxides, sulfur oxides, methane, mercury, arsenic, particulate matter, and lead.

[1] Global CCS Institute, *Global Status of CCS 2024*, https://www.globalccsinstitute.com/wp-content/uploads/2024/11/Global-Status-Report-6-November.pdf.
[2] Congressional Budget Office, *Carbon Capture and Storage in the United States*, Dec. 2023, http://cbo.gov/publication/59832; Institute for Energy Economics and Financial Analysis, *The Carbon Capture Crux: Lessons Learned*, Sept. 1, 2022, https://ieefa.org/resources/carbon-capture-crux-lessons-learned.
[3] IPCC, Climate Change 2022: Mitigation of Climate Change, 642, https://www.ipcc.ch/report/ar6/wg3/downloads/report/IPCC_AR6_WGIII_Chapter06.pdf.

Furthermore, the vast majority of these facilities send captured CO_2 to depleted oil wells for Enhanced Oil Recovery (EOR).[4] As the name suggests, EOR involves injecting captured CO_2 into depleted oil wells to push out oil that would have otherwise been unobtainable.[5] EOR is in no way compatible with our climate goals.[6] But recent statements, like those from the state of North Dakota, have confirmed that oil-producing states and oil companies hope to continue this trend well into the future, and are in desperate need of new sources of CO_2 to do so.[7] In the context of H.F. 9, this means that even if Minnesota did not intend for CO_2 captured here to be used for EOR, there is very little we can do once it leaves the state to ensure that does not happen.

Finally, CO_2 captured in Minnesota would likely be transported via high-pressure pipelines. No pipeline is without risk, but CO_2 pipelines are uniquely dangerous. CO_2 is an odorless, colorless gas at atmospheric temperatures and pressures. It is denser than air, meaning it tends to settle in low-lying areas. CO_2 also acts as an asphyxiant in large quantities, such as the quantity that escapes from a rupture in a pressurized pipeline. A pipeline rupture can freeze the surrounding area, create pressure waves that present internal hemorrhaging hazards to humans, and asphyxiate those nearby.[8] Past incidents, such as the 2020 rupture of a pipeline near Satartia, Mississippi, have shown just how damaging CO_2 pipelines can be.[9] The federal agency charged with regulating the safety of CO_2 pipelines—the Pipeline and Hazardous Materials Safety Administration, or PHMSA—has acknowledged how ill-prepared we are to handle CO_2 accidents and even attempted to start a rulemaking process to promulgate more than a dozen essential safety updates.[10] But given the upheaval occurring at the federal level, there is little chance of those rules being finalized any time soon. In the meantime, Minnesota communities remain at risk if sub-standard pipelines are permitted or built before the rules are overhauled.

In short, blind support for CCUS technology that cannot help us achieve our climate goals and that puts our communities at risk is not in the best interest of Minnesota. We should not encourage private corporations to line their own pockets while our rural communities shoulder the economic, environmental, and health burdens these projects pose. Stronger regulation of this industry is called for, not a blank check of legislative support.

Sincerely,

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[4] Global CCS Institute, *supra* note 1.
[5] Department of Energy, Office of Fossil Energy and Carbon Management, *Enhanced oil Recovery*, https://www.energy.gov/fecm/science-innovation/oil-gas-research/enhanced-oil-recovery.
[6] Center for International Environmental Law, *Carbon Capture and Storage (CCS): Frequently Asked Questions*, https://www.ciel.org/carbon-capture-and-storage-ccs-frequently-asked-questions/#What%20is%20enhanced%20oil%20recovery?.
[7] Prairie Public, *Helms: ND Will Need More CO2 for Enhanced Oil Recovery*, Aug. 17, 2023, https://news.prairiepublic.org/local-news/2023-08-17/helms-nd-will-need-more-co-for-enhanced-oil-recovery;
[8] Pipeline and Hazardous Materials Safety Administration, *Notice of Proposed Rulemaking*, RIN 2137-AF60, 26-27, available at https://www.phmsa.dot.gov/sites/phmsa.dot.gov/files/2025-01/PHMSA%20Notice%20of%20Proposed%20Rulemaking%20for%20CO2%20Pipelines%20-%202137-AF60.pdf.
[9] NPR, *The U.S. is Expanding CO2 Pipelines. One Poisoned Town Wants You to Know its Story*, Sept. 25, 2023, https://www.npr.org/2023/05/21/1172679786/carbon-capture-carbon-dioxide-pipeline.
[10] Pipeline and Hazardous Materials Safety Administration, *USDOT Proposes New Rule to Strengthen Safety Requirements for Carbon Dioxide Pipelines*, Jan. 15, 2025, https://www.phmsa.dot.gov/news/usdot-proposes-new-rule-strengthen-safety-requirements-carbon-dioxide-pipelines; *see also Notice of Proposed Rulemaking*, *supra* note 8.

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