

The Proposed EPA Rule 111(d) is impractical, expensive, and inflexible. This rule will hinder North Dakota's economy and business climate. For the reasons stated below, the Greater North Dakota strongly urges the EPA to reconsider and retool Rule 111(d).

1. Rule 111(d) costs America's economy greatly through the increased regulation and the energy efficiency programs. While costing the economy, it does virtually nothing to reduce the global level of Carbon Dioxide. Furthermore, North Dakota has already taken action to lower emission rates and runs a fairly effective and efficient system. Rule 111(d) does not give any credit for that early action. All of the energy efficiency programs and wind farms that were/are built before the rule goes into effect will not count toward meeting the goal set.

2. There are a number of issues with each block.
 - a. **Block 1** allows existing plants to improve their efficiency by implementing new measures. The problem arises when most plants, such as the plants in North Dakota, have already done all of the things EPA thinks can be done.

 - b. There are several issues with the re-dispatch requirement of **Block 2**. First, sometimes there are not sufficient gas-fired plants with the ability to redirect their availability to another use. Second, North Dakota does not have any gas-fired plants, so we cannot re-dispatch. Our neighbors to the south, however, do have an issue with the re-dispatch. There are two plants in South Dakota. One is coal. One is gas. These plants are owned by two separate entities and not members of the same regional transmission organizations. The coal plant provides a steady, "base load" power. The gas plant is mostly on standby for when the wind farms are not operating. Re-dispatching one for the other is simply impractical. This impacts North Dakota because both electric companies bill customers on integrated system costs, which means that North Dakota customers get power from the coal plant in South Dakota and are charged for it in their rates.

 - c. **Block 3** requires the implementation of more wind and nuclear energy. In North Dakota there are several wind farms that meet needs in our surrounding states. It is unclear whether the credit will go to North Dakota or the surrounding state for that wind energy.

 - d. **Block 4** is about energy efficiency in customer facilities. North Dakota has already encouraged this and has seen a lot of strides in this area. We will not get credit for previous efforts, unlike a different state that has not been proactive and will be able to

generate more efficiency. Companies must offer incentives to get customers to reduce and must be able to verify the reduction, which is onerous and expensive.

For the aforementioned reasons, the Greater North Dakota Chamber greatly urges this rule be abandoned and the North Dakota Public Service Commission aid in that effort.

Thank you,
Andy Peterson
President/CEO
Greater North Dakota Chamber