



117 South First Street • Montevideo, MN 56265

April 24, 2024

Chair Hansen
House Environment and Natural Resources Committee
Room 10
State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd
Saint Paul, MN 55155

Re: H.F. 5350

Dear Chair Hansen and Committee Members,

Thank you for the opportunity to testify about H.F. 5350. 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 strongly oppose the portions of this bill that would open Minnesota to carbon sequestration proposed by private companies for private gain. Minnesota has no experience with geologic carbon sequestration. We do not know whether geologic sequestration is physically possible in the state, how to monitor or assess its effectiveness if any, nor have we identified or taken an in-depth look at what the risks to environmental and human health may be. We are therefore glad to see the DE1 amendment, which removes these portions of the bill.

Beyond the provisions about geologic sequestration of carbon dioxide, which should be removed from the bill consistent with DE1, we have remaining concerns about how the bill addresses helium and hydrogen exploration and extraction. While we understand the need for regulation of these emerging industries and support the moratorium on extraction in the absence of robust regulation and oversight, we believe that the discussion must be grounded in transparency and sound information—not speculative and unsubstantiated claims—about the potential risks and benefits, so that Minnesotans can decide whether we want to host such industries.

Specifically, we recommend the following changes to ensure a robust and successful report as described in the DE1 amendment. First, Tribes must be given the opportunity to be represented on the Technical Advisory Committee and not relegated to the category of non-governmental “stakeholders.” Second, we also recommend that the list of subject matter expertise includes Tribal and treaty law. There should be significant opportunity for public comment and consultation with Tribes *before* the Department of Natural Resources (DNR) takes on these complicated new duties. Rather than ordering DNR to commence and complete rulemaking, the legislation should foster study of the larger question of public benefits versus public costs before rushing through a rulemaking process.

Finally, if the bill moves forward, or returns in future years, the relevant agencies must be fully funded to do rulemaking and permitting correctly in the first place. We strongly support the DE1 amendment's appropriation of significant funding for DNR's rulemaking. All other agencies who have regulatory authority over elements of gas extraction—named in the bill as the Pollution Control Agency, Department of Health, Environmental Quality Board, and Department of Labor and Industry—should also be fully funded to undergo rulemaking. The bill currently misses this opportunity by only providing funding for DNR's process. Additionally, because the funding for so many agencies' rulemaking needs will be complex, appropriations or their spending should be deferred until after the Technical Advisory Committee's final report and significant opportunity for public comment on the report.

Thank you again to the Committee for considering our concerns.

Sincerely,

/s/ Sarah Mooradian
Government Relations & Policy Director
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