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February 28, 2025

Chairman Jim Mehlhaff

Vice Chair Carl Perry

Members of the Senate State Affairs Committee

South Dakota State Legislature

1014 W. Capitol Ave.

Pierre, SD 57501

Subject: Letter of Support for HB 1052

Chairman Mehlhaff, Vice Chair Perry, and Members of the Committee:

As a statewide elected Commissioner of the Texas Railroad Commission, the primary regulatory body overseeing the oil and gas industry in Texas, I write today in strong support of HB 1052, which prohibits the use of eminent domain for pipelines transporting carbon dioxide. This bill is necessary to safeguard private property rights in South Dakota, preventing their abuse under the guise of carbon capture and sequestration (CCS) projects.

Eminent domain exists to serve a legitimate public purpose—such as highways—not to prop up speculative, government-subsidized industries. Carbon capture projects do not provide a clear public benefit as their primary purpose is the promise of federal handouts, not economic or energy security. Furthermore, subsidizing and mandating carbon capture distorts energy markets, places undue burdens on landowners, and wastes billions in taxpayer dollars on an industry that would not exist without government intervention. It would be an egregious violation of property rights to allow eminent domain to be used to take land from unwilling landowners for an industry propped up by government favoritism rather than market demand.

I commend South Dakota for taking a stand to protect its landowners and its economic future. HB 1052 sends a clear message: South Dakota values its farmers, ranchers, and property owners more than it values political fads and government-backed corporate handouts. I strongly urge the Senate State Affairs Committee to advance HB 1052 and ensure that eminent domain is never used to advance the flawed agenda of carbon capture. Thank you for your leadership on this critical issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Wayne Christian", with a long, sweeping horizontal line extending to the right.

Wayne Christian
Texas Railroad Commissioner

World Oil

Dear DOGE: It's time to end energy subsidies

February 25, 2025

By Commissioner Wayne Christian

TEXAS - The American energy industry has always taken great pride in being innovative, independent, and committed to free market principles. Recently, however, executives at some of the nation's biggest oil and gas companies are publicly embracing the same corporate welfare schemes that have propped up unreliable so-called "green" energy for decades. This is discouraging because government subsidies distort markets, encourage dependency, and waste taxpayer dollars, whether they are handed to wind farms or carbon capture projects.

As an energy regulator, my position is simple: I am agnostic on technological innovation, but I am categorically opposed to corporate welfare for energy production. I oppose it for "green" energy, and I oppose it for oil and gas. Why? Because I am not a hypocrite. If a technology is viable, it shouldn't need subsidies; and if it needs subsidies, it is not viable. Economically workable technologies will thrive on their own—they don't need billions or trillions of debt-financed, taxpayer-funded handouts.

This debate isn't new. Here in Texas, we saw firsthand how carbon capture projects, like Petra Nova, fold without government support. In 2017, Petra Nova proudly opened its doors for business, with many Texas leaders –me included– attending in support. Three short years later, the company completely shut down. In 2022, Petra Nova announced it was re-opening for business conveniently after the Biden Administration oversaw increased federal funding, through the Infrastructure Investment and Jobs Act and the Inflation Reduction Act, for carbon capture projects.



Instead of playing the same game as the "green" energy grifters fighting to enrich themselves from the government trough, major oil and gas companies should fight to level the playing field by eliminating all subsidies for all forms of energy. If they spent even half as much time and resources fighting for free markets instead of virtue-signaling to shareholders with windmills, solar panels, and empty rhetoric about a "carbon-free future," energy would be cheaper, cleaner, and more reliable for consumers.

Supporters of carbon capture justify subsidies as a way to reduce carbon emissions, yet the facts don't support the hysteria. Over the last two decades, U.S. CO₂ emissions have already dropped by 16 percent, and our oil production is 23 percent cleaner than the global average. The U.S. accounts for about 16 percent of global carbon emissions, while China and other countries continue increasing their emissions unchecked. Even President Biden has admitted, "Even if we do everything perfect, it's not going to matter." So why are some in the oil and gas industry aligning with Democrats to push for subsidies that will only invite more government control, more regulation, and ultimately, more attacks on the ability to produce oil and gas? You'd think an industry that helps power 80 percent[4] of the world's energy would be proud of their contribution that drives mankind forward.

President Donald Trump and Elon Musk have for the first time in decades really shined a spotlight on dangers of runaway government spending, and it's time for the oil and gas industry to stand with them by fighting against government waste. No one likes corporate welfare, especially not the American taxpayers who are footing the bill. It is time to stop playing defense against radical environmentalists and go on offense: end all energy subsidies, eliminate market distortions, and let innovation and competition determine the future.

The bottom line is that America's energy policy shouldn't be tipping the scales, it should be a hands-off approach and meritorious by having consumers reward success. If we don't take a stand now, we're surrendering leverage to our adversaries for them to dictate the future of American energy. I urge you to reject misguided subsidy schemes and reaffirm a commitment to a strong, independent energy sector—one that thrives on its own merits, not government favoritism.

Mr. Christian, a Republican, is a commissioner of the Texas Railroad Commission, which regulates the state's oil and gas industry.