

SENATE BILL NO. 2314

Introduced by

Senator Unruh

Representative Porter

1 A BILL ~~for an Act to amend and reenact sections 49-02-03, 49-02-28, and 49-02-34 of the North~~
2 ~~Dakota Century Code, relating to energy rates and resources and renewable energy~~
3 ~~production.~~ for an Act to provide for a legislative management study of a long-term energy plan
4 for the state.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 ~~**SECTION 1. AMENDMENT.** Section 49-02-03 of the North Dakota Century Code is~~
7 ~~amended and reenacted as follows:~~

8 ~~**49-02-03. Power of public service commission to establish rates.**~~

9 ~~The commission shall supervise the rates of all public utilities. It shall have the power, after~~
10 ~~notice and hearing, to originate, establish, modify, adjust, promulgate, and enforce tariffs, rates,~~
11 ~~joint rates, and charges of all public utilities. Whenever the commission, after hearing, shall find~~
12 ~~any existing rates, tariffs, joint rates, or schedules unjust, unreasonable, insufficient, unjustly~~
13 ~~discriminatory, or otherwise in violation of any of the provisions of this title, the commission by~~
14 ~~order shall fix reasonable rates, joint rates, charges, or schedules to be followed in the future in~~
15 ~~lieu of those found to be unjust, unreasonable, insufficient, unjustly discriminatory, or otherwise~~
16 ~~in violation of any provision of law. The commission shall create rules prohibiting a utility from~~
17 ~~passing on a rate increase that is necessary solely to sell electricity to another state for the~~
18 ~~purpose of meeting or exceeding another state's renewable energy mandates.~~

19 ~~**SECTION 2. AMENDMENT.** Section 49-02-28 of the North Dakota Century Code is~~
20 ~~amended and reenacted as follows:~~

21 ~~**49-02-28. State renewable and recycled energy objective dispatch policy.**~~

22 ~~The legislative assembly establishes a state renewable and recycled energy objective that~~
23 ~~ten percent of all electricity sold at retail within the state by the year 2015 be obtained from~~
24 ~~renewable energy and recycled energy sources. The objective must be measured by qualifying~~

1 megawatt-hours delivered at retail or by certificates representing credits purchased and retired
2 to offset nonqualifying retail sales. This objective is voluntary and there is no penalty or sanction
3 for a retail provider of electricity that fails to meet this objective. The objective applies to all retail
4 providers of electricity in the state, regardless of the ownership status of the electricity retailer.
5 Municipal and cooperative utilities that receive wholesale electricity through a municipal power
6 agency or generation and transmission cooperative may aggregate their renewable and
7 recycled energy objective resources to meet this objective. policy to encourage electrical
8 distribution or dispatch be based first on market-based economic decisions, with all other things
9 being equal, lowest cost sources should be dispatched before higher variable operating cost
10 sources in sequential order as electricity demands increase.

11 — **SECTION 3. AMENDMENT.** Section 49-02-34 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 — **49-02-34. Public reporting on progress toward meeting the energy resources and**
14 **renewable energy and recycled energy objective production.**

15 — Commencing on June 30, 2009~~2017~~, retail providers shall report annually on the provider's
16 previous calendar year's energy sales and direct employment. This ~~The~~ report must include
17 information regarding qualifying electricity delivered and renewable energy delivered and
18 renewable and recycled energy certificates purchased and retired as a percentage of annual
19 retail sales and a brief narrative report that describes steps taken to meet the objective over
20 time and identifies any challenges or barriers encountered in meeting the objective. The last
21 annual report must be made on June 30, 2016. Retail providers shall report to the public service
22 commission, which shall make data and narrative reports publicly available and accessible
23 electronically on the internet., including a certification that out-of-state mandates are not
24 affecting rates in this state. The report must include the aggregate pretax cost per megawatt
25 hour of all energy resources and all direct employment figures for energy production.
26 Distribution cooperatives may aggregate their reporting through generation and transmission
27 cooperatives and municipal utilities may aggregate their reporting through a municipal power
28 agency. All information reported under this section must be publicly available and accessible
29 electronically.

30 **SECTION 1. LEGISLATIVE MANAGEMENT STUDY - STATE ENERGY PLAN.** During the
31 2017-19 interim, the legislative management shall consider studying the long-term energy plan

1 for the state. The study must include consideration of multiple energy sources including coal,
2 wind, and hydroelectric energy sources; analysis of the sustainability and reliability of various
3 energy sources; an assessment of how the present tax environment affects the availability of
4 energy from various sources; and the distribution of revenue from energy sources. The study
5 must consider the needs of the state, political subdivisions, and industry when assessing
6 various energy sources. The legislative management shall report its findings and
7 recommendations, together with any legislation required to implement the recommendations, to
8 the sixty-sixth legislative assembly.