

NORTH DAKOTA LEGISLATIVE COUNCIL

Minutes of the

ELECTRIC UTILITIES COMMITTEE

Thursday, January 14, 1999
Brynhild Haugland Room, State Capitol
Bismarck, North Dakota

Representative Al Carlson, Chairman, called the meeting to order at 4:00 p.m.

Members present: Representatives Al Carlson, Robert Huether, Matthew M. Klein; Senators Randel Christmann, Pete Naaden, Larry J. Robinson

Others present: See attached appendix

It was moved by Representative Huether, seconded by Senator Naaden, and carried that the minutes of the January 5, 1999, meeting be approved as distributed.

At the request of Chairman Carlson, committee counsel reviewed a bill draft relating to differentiation between electricity transmission lines and electricity distribution lines. He said the bill creates a new section to North Dakota Century Code Chapter 49-21.1 and provides that for purposes of Title 49 and Chapter 57-33.1 lines with an electricity-carrying capacity of 41.6 kilovolts or more are transmission lines and lines with an electricity-carrying capacity less than 41.6 kilovolts are distribution lines. He said the bill should also be amended to include Chapter 57-33 as well as Chapter 57-33.1.

Chairman Carlson recognized Representative Klein. He said 41.6 kilovolts is a standard transmission line and all distribution lines in the state are less than 41.6 kilovolts. Thus, he said, 41.6 kilovolts is a logical differentiation between transmission and distribution lines.

Chairman Carlson recognized Representative Dorso. He said that differentiating between transmission and distribution lines will help the committee when it comes to dividing generation, transmission,

and distribution for purposes of electricity restructuring. Also, he said, the bill draft will be constructive in implementing a utility tax reform package in the future.

It was moved by Senator Naaden, seconded by Senator Christmann, and carried on a voice vote that the Legislative Council staff be requested to obtain information on the recently enacted Iowa utility tax legislation.

At the request of Chairman Carlson, Mr. Harlan Fuglesten, Communications and Government Relations Director, North Dakota Association of Rural Electric Cooperatives, Mandan, addressed the committee. He said the proposal is a step in the right direction in implementing a more fair and uniform utility tax system. However, he cautioned the proposal could have unintended consequences.

Chairman Carlson said the committee could not introduce the bill draft as a committee bill, but he hoped that each member of the committee would sign on as a cosponsor once it was revised.

No further business appearing, Chairman Carlson adjourned the meeting at 4:45 p.m.

Jeffrey N. Nelson
Counsel

ATTACH:1