

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1387

2001 HOUSE INDUSTRY, BUSINESS AND LABOR

HB 1387

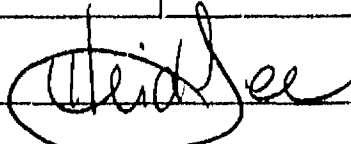
2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1387

House Industry, Business and Labor Committee

Conference Committee

Hearing Date Feb.6, 2001

Tapc Number	Side A	Side B	Meter #
1		X	15
2	X		-27.89
Committee Clerk Signature 			

Minutes: Chairman R. Berg, Vice-Chair G. Keiser, Rep. M. Ekstrom, Rep. R. Froelich, Rep. G. Froseth, Rep. R. Jensen, Rep. N. Johnson, Rep. J. Kasper, Rep. M. Klein, Rep. Koppang, Rep. D. Lemieux, Rep. B. Pietsch, Rep. D. Ruby, Rep. D. Severson, Rep. E. Thorpe.

Rep Bill Pietsch: Sponsoring bill relating to jurisdiction of Public Service Commissioners over rural electric co-op irrigation electric rates. **Written testimony.**

Ralph T. Thompson: **Written testimony in support.**

Vice-Chairman Keiser: Why do you feel the co-op failed you? Was the .01 guaranteed?

Thompson: We feel like we aren't heard and we weren't guaranteed but they said it was no cost.

Duane Dows: **Written testimony in support.**

Rep Lemieux: Have you used automatic low-pressure systems?

Dows: We use low-pressure but they aren't easily automated.

Rep Lemieux: If you're buying on off-peak rate, you do you deserve a break?

Dows: We only get one chance to create a yield.

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House Industry, Business and Labor Committee

Bill/Resolution Number HB 1387

Hearing Date Feb. 6 2001

Robert Thompson: **Written testimony in support.**

Mike Clemms: I support on behalf of corn growers and we would like the power on by 10pm

Sen. Harvey Tallackson:(43.9) I oppose this because of special treatment. I feel the rates are fair.

Written testimony in opposition to bill.

Scott Handy: *Cass Co. Electric* **Written testimony in opposition.**

Chairman Berg: What is the cost?

Handy: 14% for 5 years or \$12/hp which ever is higher.

Rep Kasper: What will reduce the rates?

Handy: A change in frequency of load control.

Chairman Berg: Is there a uniform policy on irrigation?

Handy: No two rates are the same anywhere in ND.

Jay Jacobson: **Written testimony in opposition.**

Bruce Carlson: (13.0) **Written testimony opposed.**

Rep Froseth: Do you compare rates?

Carlson: Certainly by both demand and energy.

William Thompson: **Written testimony in support.**

Bernard Sculick: I also support this bill.

Chairman Berg: We'll close the hearing on HB 1387.

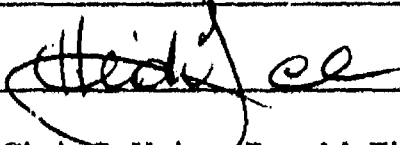
2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1387(B)

House Industry, Business and Labor Committee

Conference Committee

Hearing Date Feb. 14, 2001

Tape Number	Side A	Side B	Meter #
2	X		10.6-23.7
Committee Clerk Signature 			

Minutes: Chairman R. Berg, Vice-Chair G. Kelsor, Rep. M. Ekstrom, Rep. R. Froelich, Rep. G. Froseth, Rep. R. Jensen, Rep. N. Johnson, Rep. J. Kasper, Rep. M. Klein, Rep. Koppang, Rep. D. Lemieux, Rep. B. Pietsch, Rep. D. Ruby, Rep. D. Severson, Rep. E. Thorpe.

Rep Pietsch: Supplied testimonial information.

Rep Lemieux: I move a do not pass.

Rep Froelich: I second.

14 yea, 1 nay, 0 absent

Carrier Rep Lemieux

FISCAL NOTE
 Requested by Legislative Council
 02/02/2001

REVISION

Bill/Resolution No.: HB 1387

Amendment to:

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$40,000	\$0	\$0	\$0
Appropriations	\$0	\$0	\$40,000	\$0	\$0	\$0

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

The aspect of the measure that causes an impact is the responsibility to ensure just, reasonable and nondiscriminatory rates for electricity from cooperatives used for irrigation purposes.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

Revenues would come only from the filing of tariffs, at \$50 per filing. The total per biennium is estimated to be an insufficient amount to meet the \$5000 fiscal note threshold

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The \$40,000 above represents the *midpoint* of the range of impact \$0 to \$80,000. The cost of implementation will depend on the method used to implement the policy which in turn

depends on legislative intent. If initial irrigation rates are set for each of the state's 17 electric cooperatives, either a consultant would have to be hired to assist the utilities staff with the 17 rate cases (at a cost estimated to be well over \$150,000) or one entry-level FTE should be added for one biennium, probably an accountant. We estimate the cost of one entry-level accounting position at \$80,000 per biennium. Once initial rates are set, we do not project any need for additional staff on a going forward basis. If irrigation rates are addressed only on a case by case complaint basis, the estimated fiscal impact would be zero since we believe those could be handled by existing staff. A middle ground alternative would be to set parameters for irrigation rates by promulgating rules, with some assistance from an intern or student on a part time or temporary basis.

C. Appropriations: Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.

The explanation from the expenditures section applies here. An appropriation would be required to add an FTE, as well as to allow for the hiring of temporary or part time assistance.

Name:	Iliona Jeffcoat-Sacco	Agency:	PSC
Phone Number:	328-2407	Date Prepared:	02/01/2001

FISCAL NOTE

Requested by Legislative Council
01/23/2001

Bill/Resolution No.: HJ 1387

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1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

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Name:	Ilona Jeffcoat-Sacco	Agency:	PSC
Phone Number:	328-2407	Date Prepared:	02/01/2001

Date: 2-14-01
 Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
 BILL/RESOLUTION NO. HB 1387

House Industry, Business and Labor Committee

Legislative Council Amendment Number _____

Action Taken Do Not Pass

Motion Made By Lemieux Seconded By Froelich

Representatives	Yes	No	Representatives	Yes	No
Chairman- Rick Berg	✓		Rep. Jim Kasper	✓	
Vice-Chairman George Keiser	✓		Rep. Matthew M. Klein	✓	
Rep. Mary Ekstorm	✓		Rep. Myron Koppang	✓	
Rep. Rod Froelich	✓		Rep. Doug Lemieux	✓	
Rep. Glen Froseth	✓		Rep. Bill Pietsch		✓
Rep. Roxanne Jensen	✓		Rep. Dan Ruby	✓	
Rep. Nancy Johnson	✓		Rep. Dale C. Severson	✓	
			Rep. Elwood Thorpe	✓	

Total (Yes) 14 No 1

Absent 0

Floor Assignment ~~Rep. Matt Klein~~ Rep. Lemieux

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
February 14, 2001 1:01 p.m.

Module No: HR-27-3332
Carrier: Lemieux
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1387: Industry, Business and Labor Committee (Rep. Berg, Chairman) recommends
DO NOT PASS (14 YEAS, 1 NAY, ABSENT AND NOT VOTING). HB 1387 was
placed on the Eleventh order on the calendar.

