

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 production.

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

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

6 **49-02-03. Power of public service commission to establish rates.**

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

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

19 **49-02-28. State ~~renewable and recycled energy objective~~ dispatch policy.**

20 The legislative assembly establishes a ~~state renewable and recycled energy objective that~~
21 ~~ten percent of all electricity sold at retail within the state by the year 2015 be obtained from~~
22 ~~renewable energy and recycled energy sources. The objective must be measured by qualifying~~
23 ~~megawatt-hours delivered at retail or by certificates representing credits purchased and retired~~
24 ~~to offset nonqualifying retail sales. This objective is voluntary and there is no penalty or sanction~~

1 for a retail provider of electricity that fails to meet this objective. The objective applies to all retail
2 providers of electricity in the state, regardless of the ownership status of the electricity retailer.
3 Municipal and cooperative utilities that receive wholesale electricity through a municipal power
4 agency or generation and transmission cooperative may aggregate their renewable and
5 recycled energy objective resources to meet this objective policy to encourage electrical
6 distribution or dispatch be based first on market-based economic decisions, with all other things
7 being equal, lowest cost sources should be dispatched before higher variable operating cost
8 sources in sequential order as electricity demands increase.

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

11 **49-02-34. Public reporting on ~~progress toward meeting the~~energy resources and**
12 **~~renewable energy and recycled energy objective~~production.**

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