## PROPOSED AMENDMENTS TO HOUSE BILL NO. 1169

Page 1, line 2, remove "and" and after "operating" insert ", and disposing"

Page 1, line 3, remove the third "and"

Page 1, line 6, after "authority" insert "; and to provide for reports to the legislative council"

Page 2, after line 5, insert:

- "7. State ownership of electrical transmission facilities may not exceed the extent and duration necessary or useful to promote the public interest."
- Page 2, line 12, remove "<u>Facilities</u>" means electric transmission facilities and related supporting"

Page 2, remove line 13

Page 2, line 14, remove "4."

Page 2, line 15, after "construct" insert "transmission"

Page 2, line 16, after "such" insert "transmission"

Page 2, line 17, replace "5." with "4." and after "a" insert "transmission"

Page 2, after line 18, insert:

- "5. "Transmission facilities" means electric transmission lines and substations, and related structures, equipment, rights of way, and works of public improvement, located within and outside this state, excluding electric generating facilities."
- Page 2, line 20, replace "through improvements in the state's infrastructure and" with "by facilitating development of transmission facilities to support"
- Page 2, line 21, remove "to facilitate", after "the" insert "production, transportation, and", after "Dakota" insert "electric", and remove "by planning, financing, constructing,"

Page 2, remove lines 22 and 23

Page 2, line 24, remove "transportation, and utilization of electric energy"

Page 3, line 16, after "8." insert "Enter lease-sale contracts;

9."

Page 3, line 17, replace "project" with "transmission facility"

Page 3, line 19, replace "9." with "10.", replace "Plan" with "To the extent and for the period of time necessary for the accomplishment of the purposes for which the authority was created, plan", and remove "construct,"

Page 3, remove line 20

Page 3, line 21, replace "<u>structures, equipment,</u>" with "<u>and dispose of transmission</u>" and remove "and works of public improvement necessary or"

Page 3, remove line 22

Page 3, line 23, remove "including the obtaining of permits and the acquisition of rights of way"

Page 3, after line 23, insert:

"11. Enter contracts to construct, maintain, and operate transmission facilities;"

Page 3, line 24, replace "10." with "12."

Page 3, line 26, after "for" insert "transmission" and remove "administrated by the authority"

Page 3, line 27, replace "it, consistent with cost-causation principles until such time as" with "the authority"

Page 3, line 28, remove "the costs of the regional transmission system are shared on a systemwide basis"

Page 3, line 29, replace "11. Operate, lease" with "13. Lease", after "of" insert "transmission", replace "constructed" with "owned", and replace the fourth underscored comma with an underscored semicolon

Page 3, remove line 30

Page 3, line 31, replace "12." with "14."

Page 4, line 1, replace "13." with "15."

Page 4, line 2, replace "14." with "16."

Page 4, line 5, after "constructing" insert "transmission"

Page 4, line 7, replace "Prior to" with "Before" and after "construct" insert "transmission"

Page 4, line 9, after "for" insert "transmission"

Page 4, line 10, after the second "the" insert "transmission"

Page 4, line 11, remove "shall"

Page 4, line 14, replace "shall" with "may" and after "construct" insert "transmission"

Page 4, line 16, after "including" insert "economic impact to the state,"

Page 4, line 17, after the second underscored comma insert "past performance,"

Page 4, line 20, after "the" insert "transmission"

Page 4, line 22, replace "constructing" with "contracting for construction of"

- Page 5, line 9, after "indebtedness" insert "and grants, loans, or other forms of financial assistance"
- Page 5, line 10, replace "projects," with "transmission"
- Page 5, line 14, replace "projects or" with "transmission"
- Page 7, line 6, replace "project or" with "transmission"
- Page 7, line 7, replace "project or" with "transmission"
- Page 7, line 8, replace "project or" with "transmission"
- Page 7, line 10, replace "shall be" with "are"
- Page 7, line 11, replace "project or" with "transmission"
- Page 7, line 16, after "jurisdiction" insert "and consultation"
- Page 7, line 17, after the first "the" insert "transmission" and replace "constructed or operated by the authority" with "built under this chapter, until sold or disposed of by the authority,"
- Page 7, line 18, remove ", the North Dakota Energy"
- Page 7, line 19, remove "Conversion and Transmission Facility Siting Act" and after the underscored period insert "Upon sale or disposal by the authority, transmission facilities built under this chapter are subject to the provisions of title 49."
- Page 7, line 21, after "its" insert "transmission" and replace "shall" with "must"
- Page 7, after line 23, insert:
  - "3. The authority shall conduct its activities in consultation with transmission providers, wind interests, the lignite research council, and other persons having relevant expertise."

## Page 7, after line 29, insert:

## "SECTION 11. Disposal of transmission facilities.

- 1. Before becoming an owner or partial owner of a transmission facility, the authority shall develop a plan identifying:
  - a. The public purposes of the authority's ownership;
  - <u>b.</u> Conditions that would make the authority's ownership no longer necessary for accomplishing those public purposes; and
  - c. A plan to divest the authority's ownership interest as soon as economically prudent once those conditions occur.
- 2. For transmission facilities that are leased to another entity by the authority, at the end of the lease, absent default by the lessee, the authority shall convey its interest in the transmission facilities to the lessee.

3. For transmission facilities that are owned by the authority without a lessee, the authority shall divest itself of ownership as soon as economically prudent in accordance with the divestiture plan developed pursuant to subsection 1.

SECTION 12. Exemption from property taxes. Transmission facilities built under sections 1 through 11 of this Act are exempt from property taxes for a period determined by the authority not to exceed the first five taxable years of operation; after this initial period, transmission lines of two hundred thirty kilovolts or larger and the transmission lines' associated transmission substations remain exempt from property taxes but are subject to a per mile tax at the full per mile rate and subject to the same manner of imposition and allocation as the per mile tax imposed by subsection 2 of section 57-33.1-02 without application of the discounts provided in that subsection.

**SECTION 13.** Biennial report to legislative council. The authority shall deliver a written report on its activities to the legislative council each biennium."

Renumber accordingly