

**Sixty-ninth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 7, 2025**

HOUSE BILL NO. 1579
(Representatives Novak, Porter, Heinert)
(Senators Kessel, Patten)

AN ACT to provide for a legislative management study relating to the impact of large energy consumers on the state's electrical grid.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - IMPACT OF LARGE ENERGY CONSUMERS ON THE ELECTRICAL GRID.

1. During the 2025-26 interim, the legislative management shall study the impact of large energy consumers, including data centers, on the electrical grid of this state, regulatory structure, and economic development. The study must include an evaluation of the:
 - a. Electrical grid reliability and infrastructure requirements within the state, including the capacity of the electrical grid, necessary upgrades to accommodate large energy consumers, the cost of necessary upgrades to accommodate large energy consumers, how the cost of necessary upgrades to accommodate large energy consumers are allocated, effects of congestion on the electrical grid caused by increased development, and best practices for integrating high-demand users while maintaining reliability for all ratepayers;
 - b. Regulatory consistency throughout the state, including an assessment of the manner in which state and local laws and regulations impact large energy consumers, whether the certificate of public convenience and necessity process is appropriate for private-sector end users, and whether regulatory inconsistencies exist between investor-owned utilities, rural electric cooperatives, municipal power providers, and independent power producers;
 - c. Economic impacts affecting the energy industry of the state, including an assessment of job creation, tax revenue generation, and long-term investment trends tied to data center development and other large energy consumers;
 - d. Market dynamics of the local and national energy industry, including the role of demand-side management, local versus regional energy market participation, and the ability of large consumers to support grid stability through off-peak consumption or other grid-supportive practices;
 - e. Costs and impacts of all regulated and exempted public utilities, including best reporting practices; and
 - f. Regulatory and exemption criteria relating to load size, system integration, application processes, impacts to consumers and access to the regional grid systems, electrical generation sources, the feasibility of colocated backup generators at various facilities, and generation sources, including legacy electric generation units.
2. The study must include input from representatives of:
 - a. Data center operators and other large energy consumers operating or considering investment in the state;

- b. Investor-owned utilities, rural electric cooperatives, municipal power providers, and independent power producers;
 - c. The public service commission;
 - d. The lignite energy council;
 - e. The North Dakota transmission authority;
 - f. Regional transmission organizations;
 - g. The petroleum council; and
 - h. Any other relevant state or federal agency.
3. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-ninth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1579.

House Vote: Yeas 89 Nays 3 Absent 1

Senate Vote: Yeas 46 Nays 0 Absent 1

Chief Clerk of the House

Received by the Governor at _____ M. on _____, 2025.

Approved at _____ M. on _____, 2025.

Governor

Filed in this office this _____ day of _____, 2025,

at _____ o'clock _____ M.

Secretary of State