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

HOUSE CONCURRENT RESOLUTION NO. 3015 (Representatives Novak, D. Anderson, Dockter, Hagert, Heinert, J. Olson, Porter, Tveit) (Senators Boehm, Patten)

- A concurrent resolution urging the Southwest Power Pool and Midcontinent Independent System Operator to promptly and decisively act to maintain the reliability of the bulk power system by addressing market failures that have allowed capacity retirements to outpace replacement.
- **WHEREAS**, the welfare of North Dakota's citizens and its economic security depend on a reliable, affordable, and resilient electric power supply; and
- **WHEREAS**, the Federal Energy Regulatory Commission has expressed concerns about the reliability and stability of the regional and national electricity grid due to the rapid retirement of dispatchable generation resources, delays in the development of replacement capacity, and the increasing reliance on intermittent energy sources, which collectively pose risks to the ability of regional transmission organizations like Southwest Power Pool and Midcontinent Independent System Operator to ensure consistent and reliable power delivery; and
- **WHEREAS**, the North American Electric Reliability Corporation's 2024 Long-Term Reliability Assessment warns that over half of North America faces elevated risks of energy shortages due to increasing demand, rapid generator retirements, and delays in resource development; and
- **WHEREAS**, the Midcontinent Independent System Operator has been identified as a high-risk region, with resource adequacy targets potentially falling short within the next 5 years, while the Southwest Power Pool is also categorized as an elevated-risk region; and
- **WHEREAS**, Midcontinent Independent System Operator and Southwest Power Pool, which serve North Dakota, have experienced repeated maximum generation alerts and load-shedding events in recent years, highlighting the critical need to address resource adequacy and reliability issues; and
- **WHEREAS**, the accelerated retirement of dispatchable base-load generation resources, combined with insufficient replacement capacity, creates a widening reliability gap as weather-dependent resources saturate the grid; and
- **WHEREAS**, announced dispatchable generation retirements in the 15-state Midcontinent Independent System Operator region are projected to exceed 30 gigawatts by 2030, further exacerbating resource adequacy challenges; and
- **WHEREAS**, direct and indirect subsidies for specific energy resources distort market economics, making it difficult for dispatchable base-load generation resources to remain economically viable and accelerating early retirement; and
- **WHEREAS**, Midcontinent Independent System Operator has identified six critical reliability attributes, including availability, energy assurance, fuel assurance, rapid start-up capability, ramp-up capability, and voltage stability, which are essential for maintaining grid reliability; and
- WHEREAS, reforming market pricing mechanisms are urgently needed to ensure these critical attributes are appropriately valued, supporting the continued operation of resources necessary for grid reliability and resilience; and
- **WHEREAS**, state and federal renewable energy mandates, while promoting the development of weather-dependent generation, do not fully account for impacts on grid reliability, market distortions, and the availability of dispatchable generation during periods of peak demand and extreme weather; and

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**WHEREAS**, under the leadership of President Donald Trump, executive actions, including the "unleashing American energy" executive order, emphasized the importance of maintaining domestic energy reliability, reducing regulatory barriers, and promoting fair competition for all energy resources on a level playing field; and

**WHEREAS**, North Dakota supports a diversified energy strategy that includes thermal, renewable, and emerging technologies, such as hydrogen and carbon capture, utilization, and storage, to ensure the state and the nation have access to an affordable, reliable, and resilient energy grid;

## NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF NORTH DAKOTA, THE SENATE CONCURRING THEREIN:

That the Sixty-ninth Legislative Assembly urges Southwest Power Pool and Midcontinent Independent System Operator to take immediate and decisive actions to maintain the reliability of the bulk power system by addressing market failures that have allowed capacity retirements to outpace replacement; and

**BE IT FURTHER RESOLVED**, that the Sixty-ninth Legislative Assembly urges the Public Service Commission and North Dakota Transmission Authority to advocate for policies at Midcontinent Independent System Operator and Southwest Power Pool that fairly compensate dispatchable baseload energy resources, accurately value all generation resources based on contributions to grid reliability, and ensure the availability of generation at all hours to meet demand; and

**BE IT FURTHER RESOLVED**, that market structures must reflect and promote a balanced energy mix by valuing thermal, renewable, and emerging resources based on the utility's ability to maintain grid reliability, affordability, and resilience; and

**BE IT FURTHER RESOLVED**, that the Secretary of State forward copies of this resolution to the Federal Energy Regulatory Commission, Public Service Commission, North Dakota Transmission Authority, each member of the North Dakota Congressional Delegation, Midcontinent Independent System Operator, and Southwest Power Pool.

Speaker of the House	President of the Senate
Chief Clerk of the House	Secretary of the Senate