




A Touchstone Energy® Cooperative 

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March 15, 2021

North Dakota Senate Finance and Taxation Committee

RE: Testimony in support of SB 2137

Dear Chairman Headland,

Landing large stable data loads will help consume power locally making North Dakota's electrical infrastructure more efficient benefiting all energy stakeholders. According to John Weeda in a January 2021 report from the North Dakota Transmission Authority, our electrical transmission system will require substantial investment in order to deliver power to markets outside of the state. Encouraging large energy users to locate within North Dakota will help all energy resources to stay viable in a rapidly changing generation and transmission environment.

North Dakota had an existing framework to help with the attraction of data centers that only needs slight modification in order to increase the effectiveness. The primary tool used was the sales and use tax exemption for enterprise information technology equipment and computer software used in a qualified data center (57-39.2-04.13). That program, which expired at the end of 2020 allowed operators, owners, and tenants of a qualified data center a sales tax exemption on information technology equipment, computer software, and other expenses related to constructing and running a data center. If changed, the proposed legislation (SB 2155) offers some slight modifications to ensure it is effective and creates opportunity throughout the state.

With the Passage of SB 2137, electrical utilities, data providers, economic developers, and other stakeholders can form a coalition to create a targeted marketing effort and work together to attract additional data centers to the state of North Dakota.

Thank you for your service and please let me know if there is any additional information we can provide.

Sincerely

A handwritten signature in blue ink, appearing to read "Matthew Marshall", is written over a light blue horizontal line.

Matthew Marshall
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