

Senate Bill 2301

Presented by: Julie Fedorchak, Chairman
Public Service Commission

Before: Senate Energy and Natural Resources Committee
The Honorable Curt Kreun, Chairman

Date: February 4, 2021

TESTIMONY

Mr. Chairman and committee members, I am Julie Fedorchak, Chair of the Public Service Commission and holder of the Commission's siting portfolio.

The Commission has reviewed SB 2301. We support the overall goal that the advocates behind this measure are attempting to address, which is to increase the economic benefits of energy infrastructure development in our state through the increased use of local employment. In fact, the siting law as written today already does include direct and indirect economic benefits among the factors for us to consider in reviewing applications for a siting permit. SB 2301 seeks to draw additional focus on the specific issue of employing local workers. We have no objection to that.

We do however request two changes to the bill as proposed. First, the proposed language in 49-22-09(3) provides that the Commission **may not** issue a permit for a wind or solar energy conversion facility unless the applicant can show the project will maximize employment of local workers to build and operate the proposed facility.

While the commission believes that employment of local labor can be part of the evaluation and the reporting of local labor may generate good information,

conditioning the issuance of a certificate for wind and solar upon whether an applicant “can show” that they will maximize local employment is troublesome. For one thing, developers of energy infrastructure such as wind farms often secure labor contracts after receiving the site certificate. Furthermore, conditioning the permitting process in this way elevates employment of local workers above other factors such as impacts to the environment, local government and public health. And finally, conditioning the certificate on the applicant’s ability to show that they will maximize local employment creates a potential appealable issue that builds uncertainty into the siting process. We request that you eliminate 49-22-09(3).

Secondly, the proposed bill includes changes to the Siting Act’s Statement of Policy outlined in 49-22-02. This statement of policy provides an overall summary of the purpose and intent of the siting act. We request the proposed language on lines 20 and 21 be removed. This language is redundant and out of place in the statement of policy which is intended, as I said, to sum up with a few broad statements all of the criteria, factors and policy considerations baked into the siting act. Including the proposed language into the statement of policy elevates this factor above all of the many other factors that are later enumerated in the act such as adverse direct and indirect environmental impacts, problems raised by other agencies or impacts to local or county entities. We feel this language is best included in 49-22-09.1(g) as proposed, and not repeated in the statement of policy.

We respectfully request those two changes. And with that, Mr. Chairman, I am happy to answer any questions.