

**SECTION \_\_ LIGNITE PLANT OF THE FUTURE STUDY – REPORT TO LEGISLATIVE MANAGEMENT**

1. Pursuant to the continuing appropriation under section 57-61-01.6, the industrial commission shall fund up to \$500,000 of unmatched funds from the lignite research fund to be contracted with the energy and environment research center for a study of prospective in-state power generation facilities that utilize lignite coal in the future.
2. The study must include the energy demand forecast with load following dispatchable generation at all hours of the year; economic impact to the region and revenue forecasts for state and local governments; development of a pathway for permitting a new facility and determination of the regulatory steps that must be taken in the current environment; assess the needs for regulatory certainty, access to fair and equitable financing, demand guarantees, and ability to insure fossil energy projects; flexibility of the future lignite facility for optimal production of products when they are in high demand; incentives for the production of low-carbon-footprint products, such as fertilizers and other chemicals, as well as evaluation of long-term pricing forecasts; a detailed assessment of the lignite polygeneration facility of the future which will produce low-carbon-footprint dispatchable electricity and value-added products may include critical minerals, rare-earth elements, building and construction materials, electricity, fertilizers, carbon dioxide, hydrogen and fuels such as diesel or gasoline; and engage utilities and other potential partners interested in developing the lignite facility of the future.
3. During the 2023-24 interim, the lignite research council shall provide at least one report to the legislative management regarding the study.