

**Testimony in Support of
House Bill 1211
House Finance and Taxation Committee**

Good morning, Chairman Headland, Members of the House Finance and Taxation Committee, my name is Deb Birgen. Thank you for allowing me to testify in support of HB 1211 via zoom. I was already in St. Paul doing meetings and it would have been a tough road to try to make it to Bismarck this morning.

I serve as the Vice President of Governmental Relations for Missouri River Energy Services (MRES). I am speaking to you on behalf of MRES, which is a not-for-profit municipal electric power agency, providing electricity and other energy-related services to 61 municipal electric utilities in Iowa, Minnesota, North Dakota and South Dakota. This includes our six North Dakota members: Cavalier, Hillsboro, Lakota, Northwood, Riverdale, and Valley City. MRES also partners with these municipal utility members in complying with various environmental and regulatory mandates across the four states.

MRES asked for HB 1211 to be drafted. At its core, this bill seeks to amend North Dakota Century Code 49-02-26, 49-02-29 and 49-02-31 to count ALL hydroelectric power, regardless of its date of in-service or commercial operation, as renewable energy under North Dakota law. Primarily, this entails removing language that limits eligible hydroelectricity to those resources that have an in-service date of January 1, 2007, or after. Additionally, conforming changes are made by repealing section 49-02-30.

Why is MRES requesting this?

When North Dakota's renewable energy objective was passed in 2009, hydroelectric power from facilities constructed before 2007 was not counted as "renewable," while power from facilities built after 2007 was considered renewable. This meant that hydro power from the dams of the Missouri River, administered and sold by the Western Area Power Administration (WAPA) was

excluded from the definition of renewable energy. At that time, WAPA and WAPA customers also did not receive Renewable Energy Credits (RECs) for this power.

However, in the last few years, WAPA has made the determination that it would register the hydroelectric power generated from the dams of the Missouri River as RECs in the Midwest Renewable Energy Tracking Systems (M-RETS). As a result, RECs will now be issued to the municipals and cooperatives that receive hydropower from the dams.

For our six North Dakota municipal members, these RECs belong to them as a result of their purchase of WAPA power. They may retire these RECs for renewable energy compliance, to green up portfolios, or to meet other customer demands. They may also transfer or trade these RECs among their fellow MRES municipal utility member communities.

However, in order to make sure these are fully tradeable and fungible among our MRES members, these WAPA RECs should meet the same definition of “renewable” across the four states in MRES’s footprint (Iowa, MN, ND and SD). For example, in South Dakota, “renewable” energy includes **all** hydroelectric power, regardless of the age of the resource.

Again, as members of a Joint Action Agency, MRES members in our four-state footprint would like to be able to transfer the RECs among themselves to support MRES as a whole and the various individual municipal electric utilities as well. So, we are simply asking current law to be updated to define all hydroelectric resources, regardless of age to be “renewable”. We see no reason to treat hydroelectric power differently simply based on the age of generation facility.

Therefore, I respectfully ask for a **“Do Pass”** recommendation on HB 1211. Thank you and I would be willing to try to answer any questions.