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

Good morning, Chairman Weber, Members of the Senate Finance and Taxation Committee, my name is Deb Birgen. Thank you for welcoming me this morning to testify in support of HB 1211.

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 asked for HB 1211 to be introduced. At its core, this bill seeks to amend North Dakota Century Code Sections 49-02-26, 49-02-29 and 49-02-31 to count **ALL** hydroelectric power, regardless of the in-service or commercial operation date of the hydroelectric facility generating the power, 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 NDCC.

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 Certificates (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 System (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, as well as other North Dakota utilities who purchase power from WAPA, these RECs may be retired to meet local energy goals, to meet the energy goals of newly constructed data centers, to green up the portfolios of business or manufacturing, or to meet other customer demands. Also, if WAPA moves forward with its proposed action to make these RECs fully transferrable, our North Dakota members will be able to transfer or trade these RECs among their fellow MRES municipal utility member communities, so those communities could use the RECs in similar manner.

However, in order to make sure these WAPA RECs are fully tradeable and fungible, these 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 deemed to produce “renewable” energy. We see no reason to treat hydroelectric power differently simply based on the age of the generation facility producing the power.

Therefore, I respectfully ask for a “**Do Pass**” recommendation on HB 1211. Thank you.