



Testimony in Support of HB 1539
Senate Energy and Natural Resources Committee
Testimony of Terry Effertz, Executive Director
Data Center Coalition of North Dakota (DCCND)
March 6, 2025

Chairman Patten and members of the Senate Energy and Natural Resources Committee,

My name is Terry Effertz, and I serve as the Executive Director of the Data Center Coalition of North Dakota (DCCND). The mission of DCCND is to advocate for policies that foster the growth and sustainability of the data center industry in North Dakota, ensuring a competitive and business-friendly environment for this vital sector.

I am here today to express DCCND's support for HB 1539 and urge a "Do Pass" recommendation. This bill provides a necessary clarification to North Dakota's siting laws by exempting on-site backup electric generation from the state's energy conversion facility siting process.

The data center industry is a rapidly growing economic driver in North Dakota, attracting billions in investment and creating high-paying jobs. These facilities require uninterrupted power to ensure the continuous operation of critical digital infrastructure. Backup generation is not intended for routine power supply but rather serves as an emergency safeguard to maintain operational stability, prevent data loss, and protect sensitive equipment.

The current siting requirements create unnecessary regulatory hurdles for data centers and other large energy users that rely on backup generation for business continuity. As HB 1539 rightly recognizes, backup power that is not interconnected to the grid should not be subject to the same permitting process as primary electric generation facilities. Removing this barrier will align North Dakota with best practices in other states and encourage continued investment in our growing technology sector.

By passing HB 1539, the Legislature will help ensure that North Dakota remains a premier destination for data centers and other energy-intensive industries, enhancing economic growth while maintaining grid reliability. Thank you.