

2015 HOUSE ENERGY AND NATURAL RESOURCES

HB 1124

2015 HOUSE STANDING COMMITTEE MINUTES

Energy and Natural Resources Committee Pioneer Room, State Capitol

HB 1124
1/16/2015
Job #22078

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature *Kenneth M. Fisher*

Explanation or reason for introduction of bill/resolution:

Relating to utilities' ten-year plans submitted to the Public Service Commission.

Minutes:

Attachments #1

Chairman Porter opens hearing for HB 1124.

Illona A. Jeffcoat-Sacco, General Counsel, Public Service Commission:

(Attachment #1)

3:42

Rep. George Keiser: What does the plan have to look like?

Illona: It has to be quite detailed, actually. It's a little different if it's pipeline or if it's electric transmission line, because there's different types of components. We have had discussions with industry about whether we need all of that information. And the Commission plans on continuing those discussions because the industry keeps coming to us with ideas. And also, a way to simplify it if nothing changes. And we are committed to working out the most simple method for doing that, although the Commission has said in the interim, they find that the information useful, but in no way is the Commission looking for burden. So we just have to allocate some time when we're not having actual siting hearings, and sit down and work out a more streamlined way of filing. But there's quite a bit of detail in it.

Rep. Porter: Are you working towards then, as you're streamlining the process, making it an electronic filing process so that it is less of a burden, and easy to just go onto a website, get a formatted form, even pull up your last one, hit "submit" and make it happen?

Illona: That's a great idea. I'm guessing that there will be some protected information. I believe there has been, to date, the infrastructure...maps, that are detailed, and that sort of thing...would usually be protected, so once we can sort of figure out a way you can have sort of a "public" version and a "protected" version filed electronically. That's a hurdle in many areas. But that's certainly a good idea, and we're open to it.

Todd Cranda (sp?), Attorney, Kelsch Law Firm

I am appearing before you as a lobbyist on behalf of the N.D. Petroleum Council. The Council represents more than 500 companies involved in all aspects of the oil and gas industry, and has been since about 1952. The N.D. Petroleum Council was concerned with this bill initially, but we had a meeting earlier this week with the Public Service Commission and staff, and we worked through some of the bills they had introduced, and this was one of them. Our original concern had been partially addressed last session, when you introduced legislation that relieved the pressure of doing it every year to every other year. I do agree that this is more of a clean-up bill. It doesn't really substantially do much to the 10-year plans, and...as indicated in Illona's comments, we have some commitments to work with the Commission over the next period of time to review this process because it is very involved for some companies, and for other companies it's just a rubber-stamp of last year's plan. And I do have one of those companies that has that concern that nothing changes with my entity, and yet we have to do this. The Commission and staff has indicated a willingness to relieve some of that burden; to review that, recognizing what parts of the plan are important and if there's some significant or some modification or change, then certainly that information needs to be filed with the Commission. However, if there isn't, we should have some "paper-pushing." We're comfortable with the bill; with the assurances we've been given by the Commission and staff that will be looking at this and trying to adapt it to a little more friendly and simplified process.

In terms of what's contained in the plan, the statute is right there. And the sub-parts 1, 2, 3, 4, 5, 6--that's the information that a plan needs to include. It's a general description of, information on, and identification of, its mapping, and so forth. So that describes the material in a plan, typically a plan is a notebook full of material that we initially file, and after that, at least for my company, it's just a repeat. Same thing, just change the date. But there are companies and utilities that that does change regularly. The information changes, so there is some desire to keep that current.

Rep. George Keiser: With the extensive filing and hearing process associated with the eventual development of anything, what does the plan really add to that?

Todd: Companies generally plan out a few years, but 10 years is kind of difficult to project. But the Commission responded: It's interesting to note that Company A is thinking about a corridor over here, and all of a sudden Company B comes in and a similar area. Maybe they can combine that information. So the Commission has some idea. The full hearing process, full detail, is a little later. This plan maybe gives a little head-start, saying, well, I thought there was a company that's interested in this area. They dig back and look at it. And maybe they can find some common grounds.

Dale Niesvaag (sp?), Basin Electric Power Cooperative:

We are in support of the bill. From a utility perspective, we always do look out ten years and do planning process, and that's the way we put together our information for our own system. So, for us, it's a normal course of business, and it works very well with ours. We understand the situation you've got with the oil companies; they don't look at those type of planning horizons where we normally do, so we see it as a clean-up bill, and are supportive of it.

NO OPPOSITION

Closed hearing on HB 1124

Returned to HB 1124 for further discussion and action.

Rep. George Keiser: Motioned Do Pass

Rep. Mike Lefor: Seconded

Chairman Porter: Discussion on a Do Pass for HB 1124.

Rep. Keiser: I can support this concept, but I would just like our record to reflect that the Department has made a commitment to simplify this form, and that really is essential. They should be, based on this, required to say "In five years, we're projecting to put a line through this area." And that's about it. If you have ever been to a Public Service Commission hearing, or seen the documentation required for any project, it takes months, the filings have to be submitted three months in advance; the Commission has a lot of information, long before anything is ever done. And, for them to have to spend a lot of money other than to kind of give general concepts, would be indefensible, in my opinion.

Chairman Porter: I certainly want to echo Rep. Keiser's comments, and also that I sincerely believe that there is absolutely no reason inside of this requirement that those plans that do not change could be as simple as an email stating that "our plan has not changed." That it does not require a total duplication of all the paperwork, all of the maps, of everything else involved with their particular filing, if nothing is changing. And I would certainly hope that inside of technology, they would develop and simplify a way of doing it online and electronically so that it doesn't kill a couple of extra trees in the process of doing it.

No further discussion. Clerk will call for a vote on a DO PASS on HB 1124.

A Roll Call vote was taken: Yes: 12 No: 0 Absent: 1 (Rep. Anderson)

Do Pass carries.

Representative George Keiser will carry the bill.

Date: Click here to enter a date. 1-16-15
Roll Call Vote #: 1

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. "Enter Bill/Resolution No." 1124

House Energy and Natural Resources Committee

☐ Subcommittee

Recommendation: ☐ Adopt Amendment
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Keiser Seconded By Lefor

Representatives	Yes	No	Representatives	Yes	No
Chairman Porter	✓		Rep. Bob Hunskor	✓	
Vice Chairman Damschen	✓		Rep. Corey Mock	✓	
Rep. Dick Anderson	—		Rep. Naomi Muscha	✓	
Rep. Roger Brabandt	✓				
Rep. Bill Devlin	✓				
Rep. Glen Froseth	✓				
Rep. Curt Hofstad	✓				
Rep. George Keiser	✓				
Rep. Mike Lefor	✓				
Rep. Mike Nathe	✓				

Total (Yes) 12 No 0

Absent 1

Floor Assignment Rep Keiser

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1124: Energy and Natural Resources Committee (Rep. Porter, Chairman)
recommends **DO PASS** (12 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING).
HB 1124 was placed on the Eleventh order on the calendar.

2015 SENATE ENERGY AND NATURAL RESOURCES

HB 1124

2015 SENATE STANDING COMMITTEE MINUTES

Energy and Natural Resources Fort Lincoln Room, State Capitol

HB 1124
3/26/2015
25497

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Katia Oliver

Explanation or reason for introduction of bill/resolution:

Relating to utilities' ten year plans submitted to the public service commission.

Minutes:

1 Attachment

Chairman Schaible opened the public hearing on HB 1124.

Illona Jeffcoat-Sacco: General Council, Public Service Commission. See attachment #1.
(:17-2:05)

Senator Armstrong: How realistic, given what has happened in the last 10 years, are they.

Illona Jeffcoat-Sacco: Some utilities are planning out that far and so theirs is going to incorporate realistic living. There might be another utility that wouldn't need such a broad horizon.

Senator Triplett: Are these plans helpful to the Public Service Commission?

Illona Jeffcoat-Sacco: Yes, the commission has looked at this obligation and burden on the utility side several times in the last few years. The commission and staff have said that they are very helpful, we are willing to work to make them as useful and streamline as possible but do not want to get rid of the filing requirement.

Vice Chair Unruh: It looked like we are adding 'and file' changing and file in both places.

Illona Jeffcoat-Sacco: It doesn't change the obligation; previously it talked about developing and submitting to the commission on or before July 1 of each even numbered year. Filing and submitting to the commission is the same thing. Developing it didn't seem appropriate, it said develop a file.

Senator Armstrong: As far as what is required this won't change.

Illona Jeffcoat-Sacco: No this won't change what is required.

There was no further discussion and Chairman Schaible closed the public hearing on HB 1124.

Senator Triplett: I do like to fix things when they are drafted and I think that we should give Ms. Jeffcoat-Sacco a chance to work on a new language formula.

Chairman Schaible: There is another amendment bill that had an amendment on it that we denied.

Chairman Schaible then dismissed the committee.

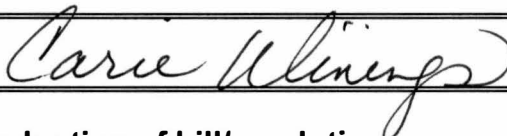
2015 SENATE STANDING COMMITTEE MINUTES

Energy and Natural Resources Committee Fort Lincoln Room, State Capitol

HB 1124
3/30/2015
Job # 25611

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 49-22-04 of the North Dakota Century Code, relating to utilities' ten-year plans submitted to the public service commission.

Minutes:

Attachments 1

(1:30)Chairman Schaible: Opened HB 1124 for committee discussion.

Senator Unruh: See Attachment #1 for amendments brought to the committee by Ilona Jeffcoat-Sacco. These amendments clear up the wordiness of the bill. One of the things that I asked Ilona was exactly what a utility means in this section of code. It is a very inclusive definition of utility more so than other sections of the code so it requires a lot of different companies to file these 10 year plans for the public service commission. As they talked about in their testimony, we updated this last section so they have to report their 10 year plan every other year and it also has to be updated when it is piloted. I have general concerns on whether or not it is necessary and whether or not it is utilized which is why I asked for the definition of utility. It is definitely not something to address now, but possibly for us to be thinking about in the future.

Senator Unruh: Moved the Amendment by the Public Service Commission.

Senator Triplett: Seconded.

A Roll Call Vote Was Taken: 6 yeas, 0 nays, 1 absent.

Motion Carried.

Senator Unruh: Moved a Do Pass As Amended.

Senator Armstrong: Seconded.

Senator Armstrong: So you initially file a 10 year plan and then you file an updated plan every two years?

Senator Unruh: Yes.

Senator Armstrong: I am going to support the bill but I also think that the initial 10 year plan is quite frankly not very helpful. The chance of that becoming reality is silly. I agree with the two year updates and they make sense.

Senator Murphy: I carried that bill last session and I am glad that it makes sense. It cut their load by quite a bit.

Senator Unruh: These plans are out of date the second that they are filed with the Public Service Commission. A lot of the utilities that are listed in the code can't actually give a lot of information the plan because of federal law. I think it is something that needs to be evaluated in the future.

A Roll Call Vote Was Taken: 6 yeas, 0 nays, 1 absent.

Motion Carried.

Senator Unruh will carry the bill.

15.8080.01001
Title.02000

Adopted by the Energy and Natural Resources
Committee

March 30, 2015

3/30/15
JRE

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1124

Page 1, line 7, overstrike "Every" and insert immediately thereafter "Each"

Page 1, line 8, remove "and file"

Page 1, line 9, replace "Every" with "Each"

Renumber accordingly

Date: 9/30
Roll Call Vote #: 1

2015 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1124

Senate Energy and Natural Resources Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Adopt PSC amendments - attachment #1

Motion Made By Unruh Seconded By Triplett

[illegible]

Total (Yes) 6 No 0

Absent 1

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Page 1, line 7, overstrike "Every" and insert immediately thereafter "Each"
 Page 1, line 8, Remove "and file"
 Page 1, line 9, Replace "Every" with "Each"
 Remember accordingly

Date: 2/30
Roll Call Vote #: 1

2015 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1124

Senate Energy and Natural Resources Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 15.8080.01001 02000

Action Taken Do Pass as Amended

Motion Made By Unruh Seconded By Armstrong

[illegible]

Total (Yes) 6 No 0

Absent /

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Page 1, line 7, overstrike "Every" and insert immediately thereafter
" Each"

Page 1, line 8, remove "and file"

Page 1, line 9, replace "Every" with "Each"
Re-number accordingly

REPORT OF STANDING COMMITTEE

HB 1124: Energy and Natural Resources Committee (Sen. Schaible, Chairman)
recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends
DO PASS (6 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1124 was placed
on the Sixth order on the calendar.

Page 1, line 7, overstrike "Every" and insert immediately thereafter "Each"

Page 1, line 8, remove "and file"

Page 1, line 9, replace "Every" with "Each"

Renumber accordingly

2015 TESTIMONY

HB 1124

#1
HB 1124
1-16-15
P31

House Bill 1124

**Presented by: Illona A. Jeffcoat-Sacco, General Counsel
Public Service Commission**

**Before: House Energy and Natural Resources Committee
The Honorable Todd Porter, Chairman**

Date: January 16, 2015

TESTIMONY

Mister Chairman and committee members, I am Illona Jeffcoat-Sacco, General Counsel with the Public Service Commission. The Public Service Commission asked me to testify today in support of House Bill 1124, introduced at our request.

The Public Service Commission implements the state's Energy Conversion and Transmission Facility Siting Act, North Dakota Century Code Chapter 49-22. Chapter 49-22 requires that every utility develop and file with the Commission a report called a ten-year plan that describes any energy conversion or transmission facility the utility owns or operates, or plans within the next ten years to own, operate, or start facility construction.

In the 63rd Assembly, the Legislature reduced utility reporting burdens by changing the ten-year plan filing requirement from annual to biennial. This bill would add language to clarify that, for utilities

that have never filed a ten-year plan (essentially a new utility or a utility new to North Dakota) the filing of the utility's first ten-year plan is required when the utility meets the statutory benchmark. That is, when that utility plans within the next ten years to own, operate, or start construction of any energy conversion or transmission facility. Subsequently, the utility would file updated plans each even-numbered year.

Mister Chairman, this concludes my testimony. I will be happy to answer any questions.

House Bill 1124

Presented by: Illona A. Jeffcoat-Sacco, General Counsel
Public Service Commission

Before: Senate Energy and Natural Resources Committee
The Honorable Donald Schaible, Chairman

Date: March 26, 2015

TESTIMONY

Mister Chairman and committee members, I am Illona Jeffcoat-Sacco, General Counsel with the Public Service Commission. The Public Service Commission asked me to testify today in support of House Bill 1124, introduced at our request.

The Public Service Commission implements the state's Energy Conversion and Transmission Facility Siting Act, North Dakota Century Code Chapter 49-22. Chapter 49-22 requires that every utility develop and file with the Commission a report called a ten-year plan that describes any energy conversion or transmission facility the utility owns or operates, or plans within the next ten years to own, operate, or start facility construction.

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operate, or start construction of any energy conversion or transmission facility.

Subsequently, the utility would file updated plans each even-numbered year.

Mister Chairman, this concludes my testimony. I will be happy to answer any questions.



Public Service Commission
State of North Dakota

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27 March 2015


The Honorable Donald Schaible, Chairman
Energy and Natural Resources Committee
North Dakota Senate
600 East Boulevard Avenue
Bismarck, ND 58505

Re: House Bill 1124

Dear Chairman Schaible:

Enclosed are copies of the proposed Amendment that you requested at the hearing yesterday. If you have any questions on this or other matters, please do not hesitate to call or e-mail.

Best regards,


Illona A. Jeffcoat-Sacco
General Counsel

c w/encl: Senator Jessica Unruh, Vice Chairman
Senator Kelly M. Armstrong
Senator David Hogue
Senator Lonnie J. Laffen
Senator Philip M. Murphy
Senator Connie Triplett

Attachment 1
3/30/15 pg 1
Sen Unruh

3/30

#1 pg 2

PREPARED BY THE PUBLIC SERVICE COMMISSION
MARCH 27, 2015

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1124

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Page 1, line 8, remove "and file"

Page 1, line 9, replace "Every" with "Each"

Renumber accordingly