

FISCAL NOTE
Requested by Legislative Council
02/17/2017

Amendment to: SB 2209

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

| | 2015-2017 Biennium | | 2017-2019 Biennium | | 2019-2021 Biennium | |
|-----------------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|
| | General Fund | Other Funds | General Fund | Other Funds | General Fund | Other Funds |
| Revenues | | | | | | |
| Expenditures | | | | | | |
| Appropriations | | | | | | |

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

| | 2015-2017 Biennium | 2017-2019 Biennium | 2019-2021 Biennium |
|-------------------------|--------------------|--------------------|--------------------|
| Counties | | | |
| Cities | | | |
| School Districts | | | |
| Townships | | | |

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Engrossed SB 2209 makes changes to the allocation of tax revenue from wind generation.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

If enacted, engrossed SB 2209 will reallocate some of the revenue from wind generation tax that would have gone to local governments to the state general fund and the renewable energy development fund. The amount of tax revenue that will no longer be allocated to local governments cannot be determined and will depend on any siting of wind farms before and after August 2017, the associated tax revenue from which is currently unknown. Any loss in local government revenue may impact the K-12 funding formula; seventy-five percent of the loss in local school district revenue due to the provisions of engrossed SB 2209 will be made up by state sources in the following year, potentially increasing state general fund expenditures.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

Name: Kathryn L. Strombeck

Agency: Office of Tax Commissioner

Telephone: 701.328.3402

Date Prepared: 02/18/2017

FISCAL NOTE
Requested by Legislative Council
01/12/2017

Bill/Resolution No.: SB 2209

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

| | 2015-2017 Biennium | | 2017-2019 Biennium | | 2019-2021 Biennium | |
|----------------|--------------------|-------------|--------------------|---------------|--------------------|-------------|
| | General Fund | Other Funds | General Fund | Other Funds | General Fund | Other Funds |
| Revenues | | | \$3,756,000 | \$(3,756,000) | | |
| Expenditures | | | | | | |
| Appropriations | | | | | | |

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

| | 2015-2017 Biennium | 2017-2019 Biennium | 2019-2021 Biennium |
|------------------|--------------------|--------------------|--------------------|
| Counties | | | |
| Cities | | | |
| School Districts | | | |
| Townships | | | |

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

SB 2209 reallocates a portion of the wind generation tax revenue to the state general fund.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 of SB 2209 allocates 70% of tax revenue collected from wind generation to the state general fund. Under current law this revenue would be deposited in the electric generation, transmission, and distribution tax fund for eventual distribution to local governments.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

Based on taxes approved by the State Board of Equalization in 2016 payable in 2017, the provisions of this bill could reallocate an estimated \$3.756 million to the state general fund from the electric generation, transmission, and distribution tax fund, during the 2017-19 biennium.

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

Name: Kathryn L. Strombeck

Agency: Office of Tax Commissioner

Telephone: 701.328.3402

Date Prepared: 01/17/2017

2017 SENATE FINANCE AND TAXATION

SB 2209

2017 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Lewis and Clark Room, State Capitol

Senate Bill 2209
1/18/2017
Job #: 27046

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 57-33.2-18 of the North Dakota Century Code, relating to allocation of wind generation tax revenue.

Minutes:

Attachment #1 - # 2

Chairman Cook: Opened the hearing on SB 2209. All Senators present.

Senator Unruh: Provided testimony #1 for SB 2209.

Chairman Cook: Questions?

Vice Chairman Bekkedahl: I'm not as familiar with all the tax funds as the Treasurer has, the electric transmission distribution tax fund, explained really well. Is that distribution tax fund only go to counties or localities that have wind farms or is it a state wide tax distribution system?

Senator Unruh: The section of code that talks about that distribution fund, 57-33.2-19 and it applies to transmission lines and other energy related type facilities.

Vice Chairman Bekkedahl: The tax distribution fund isn't one of the taxes that gets allocated to all the political subdivisions across the state, it's only the affected subdivision where these projects are located.

Senator Unruh: I believe that to be correct.

Vice Chairman Bekkedahl: Can the fiscal note be broken down to show the direct impacts to those affected? Can we get some scale on how this is going to be, we might want to include some delayed implementation?

Senator Unruh: I have a sheet that talks about the different tax burden for the political subdivisions. I know it exists, you'll probably see it at some point later in the hearing. Normally those things aren't included in the fiscal note.

Chairman Cook: Further testimony and support to SB 2209? Testimony opposed to SB 2209?

Mark Johnson, North Dakota Association of Counties: We have a problem with the bill. We don't think that it makes for good public policy to switch in the middle of the wind farms. It really is a dis-incentive for local units of government as a mix in their economic plans and sources of tax revenues. We would stand opposed to this bill. (Attachment #2). The fiscal note shows about 3.7, we calculated with our numbers at 2.6. I'm Not sure why there is a difference there. So you can see what would happen to the local subdivisions. It kind of is an anti-wind proposal. I'm not sure state public policy is drifting that way. Coal is suffering and looking at ways to discourage alternative forms of energy. This late in the game it's not going to stop some of that development.

Senator Laffen: I'm not understanding how it's anti-wind. They pay the same tax regardless of where we distribute it.

Mark Johnson: The reality is that county commissioners are incentivized to approve these wind farms in their locals for a mix of revenue other than property tax. If you take the incentive away from the locals, they're probably going to be more apt to not approve.

Senator Laffen: Your suggestion that a county commission might approve one of these projects because the tax revenue back to them is less than it used to be.

Mark Johnson: I think that might be the reality of what might happen going forward.

Chairman Cook: And that's a bad thing?

Mark Johnson: It depends on where you come down on creating alternate sources of energy other than coal. We've never been opposed to coal. We also have counties in generating alternative forms of energy.

Senator Laffen: if a company were to build a big project, not a wind farm. Suddenly the county or city found out the revenue would be less, they wouldn't issue a building permit, cause they're proposed revenue went down? I'm having a hard time understanding why a county would say no, even if they got almost no tax revenue from it.

Mark Johnson: I appreciate you trying to make an analogy, this is a different situation. It's usually pristine barren land that the projects are being built on. Sometimes, the citizens aren't interested and so the Commission has to weigh that out and decide. Some have and some haven't.

Senator Laffen: Decision comes out to aesthetics? If an electric generation company wants to build a wind farm, and they're paying the people on the land. It's hard to image a county commissioner decision would be based on the amount of taxes they would receive.

Johnson: By transferring this over to the state, always been a local tax source. It changes the game for everyone that has made those decisions along the line.

Chairman Cook: Any more questions? Opposed to SB 2209? Neutral testimony? Closed the hearing on SB 2209.

2017 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Lewis and Clark Room, State Capitol

Senate Bill 2209
1/30/2017
Job #: 27570

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 57-33.2-18 of the North Dakota Century Code, relating to allocation of wind generation tax revenue.

Minutes:

Attachment #1

Chairman Cook: called the committee back to order, work on SB 2209.

(0:00:08-0:04:15) Senator Unruh: referred to attachment #2 from public hearing on 1/18/2017, Job number 27046. Discussed the amendments that are being proposed. Attachment #1.

Chairman Cook: If a county has already approved a wind farm, but construction hasn't started?

Senator Unruh: It would be 20 years from the date of first assessment. If they've already made the decisions. They have time to get a handle on what the costs associated with the wind farms so that they can take care of them, knowing they already had the revenue stream. Didn't want to change the game for someone who's already made the decision to have a wind farm in their district. Wanted it to be prospective and to get everyone, over time, on the same schedule.

Vice Chairman Bekkedahl: Local citing means, county, township, or someone at the local level has already approved a siting process in both subsections two and three.

Senator Unruh: The local citing was the trigger for the change in revenue distribution, as they're ones most affected.

Vice Chairman Bekkedahl: Local siting before 8-1-2017, means that there's a 20-year trigger from the date of first assessment for the taxes fully go to the county and not hit the 70/30.

Senator Unruh: Anything approved before 8-1-2017 will be 100% to the locals, until 20 years from date of first assessment. Then it's switched over to 70/30.

Vice Chairman Bekkedahl: Anything that gets local siting approval after 8-1-2017, once in place and taxable immediately goes to the 70/30 distribution.

Senator Laffen: Currently all the revenue goes to the electric generation and transmission distribution fund?

Senator Dotzenrod: So revenue is collected under two different sections and 100% goes to this fund, the state is not getting a share whether a new or old farm.

Senator Unruh: No matter how a windfarm is taxed currently, all of the revenues go back to the counties. When we switched over to the production capacity factor last session, we over the course of a wind farm increased their taxes by 175%. It was an oversight on our part, not taking a looking at the revenue distribution when we increased the "in lieu of taxes" the companies are paying. We should have taken a look at the overall rate increase over time. That speaks as to why there should be a switch in revenue distribution on the back end.

(0:08:12-10:00) Senator Dotzenrod: Impact is just about all at the local level, not much impact on the state. Arguments are that the area of impact should get the revenue that is generated. These are not necessarily welcome ventures in the local area. Don't see why the state needs to offset the impact with revenue if there are no

(0:10:01-0:13:00) Senator Unruh: It is not, but has seen as an attempt for me to pull back revenues from local political subdivisions. That is not the intent, but I understand that is a result of the bill. I think this change is necessary because it's not the best state policy for us to have. There are definitely impact to the locals and wish we would have seen more numbers as to what they are. Conversations were held with people from Oliver and Stutsman counties, who would have been affected by the bill without the amendments we have here.

Different level of need for local dollars. Stutsman county has the new Spiritwood facility and new windfarms. The two projects brought families to the community. The burden really isn't necessarily on upkeep of roads leaving the facilities, more so on the general infrastructure, having a larger community. Wind farms, a lot of the counties and townships have updated roads and need to keep open access to the wind farms. Hopefully, if this passes to the House we'll get more specific numbers and can make some adjustments that need to be made. This is good sound policy for us moving forward. Creates a reasonable path for current wind farms to get on the new schedule. Provides some certainty to locals on the exact date for siting in the amendments.

Chairman Cook: Money that goes to the state goes into the state general fund.

Senator Unruh: Yes.

Chairman Cook: It's not tagged for anything.

Senator Unruh It is not.

Vice Chairman Bekkedahl: Heard comments that this would disincentive development in local areas. We understand the concerns expressed by the county commissioners, sometimes the trade off to the people who don't want the wind farms, understand that they bring increased property tax base, so decrease property taxes or increases in the future. Don't think it would disincentive development from the state level. Border community projects would just move to SD. On a policy basis, not changing the amount of the tax, and just changing the distribution levels. Why was 8-1-2017 chosen over end of fiscal or calendar year.

Senator Unruh SD has a similar distribution. The date was chosen because that's when our bills normally go into effect. Would be amenable to change the date.

Vice Chairman Bekkedahl: You've kind of set this up in parallel to the gross production tax does currently at the state with oil, 70/30. Consistency makes sense. The one different I would point out, I like the amendments from the stand point of giving time to adjust to the current ones. Gross production tax front, there is a provision to address, first 5 million in the county, stays with the local county, above and beyond, goes 70 state 30 local. Is there any potential for that here for the counties that are heavily impacted?

Senator Unruh: Figuring out what the number would be is definitely possible.

Senator Dotzenrod: This is a shift away from local subdivisions to the state. Local subdivisions, when it comes to raising revenue are fairly limited to deal with impacts that might be there. State has a lot of ways to generate revenue. Over the last several sessions the state has seen fit to reduce state taxes of one kind or another. There's very little of that being done on the local level because they're really not in a position to have excess revenues. They are struggling and finding support from the state being removed. This is just good state policy. How is it good state policy to take money away from local political subdivisions and give the money to the state. If that's the basis, struggling to figure out how to justify and call the good policy.

Chairman Cook: If when the tax was first created and had been started with the 70/30 split, we'd all agree it was sound policy. What makes it difficult now is a change in the existing revenue split.

Senator Dotzenrod: Other energy development, has state impact, with the wind it has local impact. Where does the state impact come in to that?

Chairman Cook: Sales tax?

Senator Dotzenrod: Sales tax is the largest source of state revenue. The entire population has to pay sales tax, including tourists. This specific to facilities that have an impact at a local level. It's an apples and oranges comparison.

Chairman Cook: One of the challenges we are faced as a state is sound energy policy for the future. We are faced with keeping our coal electricity viable into the future, which means very expensive technology purchases. Concerned, that all the energy companies should be involved in the discussion. Somewhere we need to find some money, wish that sometimes

that money was earmarked for that. That is my concern for the future, to generate sources of revenue to prepare to help pay for a new power plant in the state. So that's it's not all bore by energy, then it's going to get passed on to the electrical bill.

Senator Dotzenrod: When I look at this it appears to me, we are removing from the local subdivisions and it's going to the state.

Chairman Cook: Do you know what the new fiscal note would look like?

Senator Unruh: It would take care of the negative that we know now, don't know that they'll be able to project much more than that.

Chairman Cook: The current fiscal note doesn't show any fiscal impact created by future expansion of wind farms, just looks at the existing ones.

Vice Chairman Bekkedahl: Are we missing any recent farms that have come online? Can we use these numbers as a baseline for discussions? Are we missing some windfarms and can we get that updated?

Discussion about the various windfarms throughout the state and the different tax rates and generation. Will update by the next meeting.

Closed the hearing on SB 2209.

2017 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Lewis and Clark Room, State Capitol

Senate Bill 2209
2/8/2017
Job #: 28049

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 57-33.2-18 of the North Dakota Century Code, relating to allocation of wind generation tax revenue.

Minutes:

Attachments #: 1, 1A, 2, 3, 4, 5

All Senators present.

(0:00:20-0:01:09) Attachment #1 (proposed amendments) and #1A (Christmas tree version).

(0:01:10-0:02:00) Attachment #2 is a revised list of the active and proposed wind farms that was requested by the committee.

(0:02:50-0:21:59) Attachment #3 (memo detailing proposed amendment changes) and #4 (chart with comparison of tax distribution) were discussed in detailed length with the different production dates and online dates and the changes in revenue that are being proposed with the amendments. The new fiscal note will only reflect new wind farms and don't anticipate any new farms being sited in this new biennium. Handed out attachment #5, chart showing tax rate changes from the 64th session.

(0:22:00-0:28:30) A question was asked of what exactly the bill was intended to do. Senator Unruh explained in detail the changes being made in this bill.

Senator Unruh moved to adopt the amendment, 17.0637.01003.

Senator Bekkedahl seconded.

(0:28:50-0:32:45) Committee discussion on the amendments and if the school districts get any of the funds.

A roll call vote was taken: 6 yeas, 0 nays, and 0 absent.

Senator Unruh moved a Do Pass, As Amended.

Vice Chairman Bekkedahl seconded.

(0:34:00-0:44:40) Committee discussion on the states responsibility and impact from the wind farms. Counties would go from \$200,000 to \$600,000 it doesn't seem good policy in the state.

Senator Unruh withdrew the motion and the second.

The bill is before the committee as amended.

Adjourned

2017 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Lewis and Clark Room, State Capitol

Senate Bill 2209
2/14/2017
Job #: 28355

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 57-33.2-18 of the North Dakota Century Code, relating to allocation of wind generation tax revenue.

Minutes:

Attachment #: 1, 2

All Senators present.

Chairman Cook called the meeting to order. Work on amendments for SB 2209.

(0:00:15-0:06:34) Senator Unruh handed out proposed amendments (Attachment #1) and a memo showing the breakdown of the changes (Attachment #2).

(0:06:35-0:09:34) Reclamation is an administrative code, bonding plan after 10 years of operation. Public service commission can't serve any. Mediation tactic for people with issues of wind projects.

(0:09:35-0:11:00) Reclamation in 2 years? Figured it would be 20-30 years before worrying about reclamation. What if a contractor were to walk away from a project? We currently have some bonding requirements in place, take effect 10 years after the project.

(0:11:01-0:19:35) Committee debated bonding issues and the reclamation fund suggested in the amendments that would be under the control of the Public Service Commission.

Adjourned.

2017 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Lewis and Clark Room, State Capitol

Senate Bill 2209
2/15/2017
Job #: 28381

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL relating to allocation of wind generation tax revenue.

Minutes:

No Attachments

All Senators present.

(0:00:30-0:01:20) Amendments that were voted on for SB 2209 are being looked at for adjustment before being submitted for enrolling and engrossing. (Vote sheet is part of Job # 28049 from 2/8/2017)

(0:01:21-end) Contains information relating to SB 2166 and SB 2326.

No action was taken on any bills.

Adjourned.

2017 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Lewis and Clark Room, State Capitol

Senate Bill 2209
2/15/2017
Job #: 28420

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL relating to allocation of wind generation tax revenue.

Minutes:

Attachment #1, #2

All Senators present.

Senator Unruh handed out the amendments, prepared by the intern Brady Pelton (Attachment #1). Half of the state portion will now go into the general fund and the other half into the renewable energy development fund. Everything else stayed the same.

Senator Laffen: I don't think that old wind turbines are going to be much of an issue and would prefer if the industry or the leaseholder to take care of them on their own. Not sure how he feels about the bill.

Senator Dotzenrod: asked about the columns from the chart received on 2/14/2017, Attachment #2, Job #28355.) Electric generation, transmission, and distribution fund is the first column. What happens to that money?

Senator Unruh: That is the part that is distributed to the local counties, cities, and schools.

Senator Dotzenrod: Over the long term they're heading for 40%. In the center column, renewable energy development, is that a trust fund that's building up or a distribution fund?

Senator Unruh: That is an existing fund that is utilized for renewable projects for research and development. An application has to be filled out to receive the money through a grant program.

Senator Dotzenrod: Who controls the fund and decides if a grant is appropriate?

Senator Unruh: Industrial Commission.

Senator Unruh made a motion to reconsider the adoption of amendment 17.0637.01003.

Vice Chairman Bekkedahl seconded the motion to reconsider.

A Voice Vote was taken and the motion passed.

Senator Unruh moved to adopt the amendments drafted by intern Brady Pelton dated 2/15/2017.

Vice Chairman Bekkedahl seconded the motion.

A Roll Call was taken. 6 ayes, 0 nays, 0 absent. Motion passed.

(0:05:55-0:07:10) Distribution to the local subdivisions is a main point of contention with the bill.

Vice Chairman Bekkedahl moved a do pass, as amended on SB 2209.

Senator Unruh seconded the motion.

A Roll Call Vote was taken. 3 ayes, 3 nays, 0 absent. Motion failed.

Senator Laffen moved a do not pass, as amended on SB 2209.

Senator Dotzenrod seconded the motion.

A Roll Call Vote was taken. 3 ayes, 3 nays, 0 absent. Motion failed.

Senator Unruh moved a without committee recommendation, as amended.

Senator Laffen seconded the motion.

A Roll Call Vote was taken. 5 ayes, 1 nay, 0 absent. Motion passed.

Senator Unruh will carry the bill.

Adjourned.

February 7, 2017

PROPOSED AMENDMENTS TO SENATE BILL NO. 2209

Page 1, after line 6, insert:

"1."

Page 1, line 7, remove "seventy percent of the"

Page 1, remove line 8

Page 1, line 9, remove "commissioner shall transfer the remaining revenue collected under"

Page 1, line 10, after the period insert:

"2. Notwithstanding subsection 1, the tax commissioner shall transfer:

- a. Sixty percent of the revenue collected under subsection 1 of section 57-33.2-04 from wind farms for which local siting was completed after August 1, 2017, to the state treasurer for deposit in the general fund and the remaining revenue to the state treasurer for deposit in the electric generation, transmission, and distribution tax fund.
- b. Forty percent of the revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, construction was completed after December 31, 2014, and is twenty years or more from that wind farm's date of first assessment, to the state treasurer for deposit in the general fund and the remaining revenue to the state treasurer for deposit in the electric generation, transmission, and distribution tax fund.
- c. Sixty percent of the revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, construction was complete after December 31, 2014, and is twenty-five years or more from that wind farm's date of first assessment, to the state treasurer for deposit in the general fund and the remaining revenue to the state treasurer for deposit in the electric generation, transmission, and distribution tax fund.
- d. Sixty percent of the revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, construction was complete before January 1, 2015, and is twenty years or more from that wind farm's date of first assessment, to the state treasurer for deposit in the general fund and the remaining revenue to the state treasurer for deposit in the electric generation, transmission, and distribution tax fund.

3."

Renumber accordingly

February 15, 2017

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2-15-17
p. 1 of 2

PROPOSED AMENDMENTS TO SENATE BILL NO. 2209

Page 1, after line 6, insert:

"1."

Page 1, line 7, remove "seventy percent of the"

Page 1, remove line 8

Page 1, line 9, remove "commissioner shall transfer the remaining revenue collected under"

Page 1, line 10, after the period insert:

"2. Notwithstanding subsection 1, the commissioner shall transfer revenue collected under subdivisions a through e to the state treasurer for deposit as follows:

- a. Eighty percent of the revenue collected under subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed after August 1, 2017, and is five years or less from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.
- b. Forty percent of the revenue collected under subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed after August 1, 2017, and is more than five years from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.
- c. Sixty percent of the revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, construction was completed after December 31, 2014, and is no less than twenty years and no more than twenty-four years from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.
- d. Forty percent of the revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, construction was complete after December 31, 2014, and is twenty-five years or more from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.
- e. Forty percent of the revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, construction was complete before January 1, 2015, and is twenty years or more from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.

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2-15-17
p- 2 of 2

- f. The remaining revenue collected under subdivisions a through e, for deposit in equal amounts in the renewable energy development fund and the general fund.

3."

Renumber accordingly

Date: 2-8-2017
Roll Call Vote #: 1

2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2209

Senate _____ Finance and Taxation _____ Committee

☐ Subcommittee

Amendment LC# or Description: 17.01637.01003

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 Unruh Seconded By Bekkedahl

| Senators | Yes | No | Senators | Yes | No |
|---------------------------|-----|----|-----------------------|-----|----|
| Chairman Dwight Cook | X | | Senator Jim Dotzenrod | X | |
| Vice Chair Brad Bekkedahl | X | | | | |
| Senator Lonnie J. Laffen | X | | | | |
| Senator Jessica Unruh | X | | | | |
| Senator Scott Meyer | X | | | | |
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Total (Yes) 6 No 0

Absent 0

Floor Assignment _____

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

Date: 2-8-2017
Roll Call Vote #: 2

2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2209

Senate _____ Finance and Taxation _____ Committee

☐ Subcommittee

Amendment LC# or Description: 17.0637.01003

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 Unruh Seconded By Bekkedahl

| Senators | Yes | No | Senators | Yes | No |
|---------------------------|-----|----|-----------------------|-----|----|
| Chairman Dwight Cook | | | Senator Jim Dotzenrod | | |
| Vice Chair Brad Bekkedahl | | | | | |
| Senator Lonnie J. Laffen | | | | | |
| Senator Jessica Unruh | | | | | |
| Senator Scott Meyer | | | | | |
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Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

Date: 2-15-17
Roll Call Vote #: 1

2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2209

Senate _____ Finance and Taxation _____ Committee

☐ Subcommittee

Amendment LC# or Description: 17.0637.01003

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 Unruh Seconded By Bekkedahl

| Senators | Yes | No | Senators | Yes | No |
|---------------------------|-----|----|-----------------------|-----|----|
| Chairman Dwight Cook | | | Senator Jim Dotzenrod | | |
| Vice Chair Brad Bekkedahl | | | | | |
| Senator Lonnie J. Laffen | | | | | |
| Senator Jessica Unruh | | | | | |
| Senator Scott Meyer | | | | | |
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Total (Yes) _____ No _____
Absent _____
Floor Assignment _____

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

Date: 2-15-17
Roll Call Vote #: 2

2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2209

Senate _____ Finance and Taxation _____ Committee

☐ Subcommittee

Amendment LC# or Description: Attachment #1 - 17.0637.01007

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 Unruh Seconded By Bekkedahl

| Senators | Yes | No | Senators | Yes | No |
|---------------------------|----------|----|-----------------------|----------|----|
| Chairman Dwight Cook | <u>X</u> | | Senator Jim Dotzenrod | <u>X</u> | |
| Vice Chair Brad Bekkedahl | <u>X</u> | | | | |
| Senator Lonnie J. Laffen | <u>X</u> | | | | |
| Senator Jessica Unruh | <u>X</u> | | | | |
| Senator Scott Meyer | <u>X</u> | | | | |
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Total (Yes) 6 No 0

Absent 0

Floor Assignment _____

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

Date: 2-15-17
Roll Call Vote #: 3

2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2209

Senate _____ Finance and Taxation _____ Committee

☐ Subcommittee

Amendment LC# or Description: 17.0637.01007 Title. 02000

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 Bekkedahl Seconded By Unruh

| Senators | Yes | No | Senators | Yes | No |
|---------------------------|-----|----|-----------------------|-----|----|
| Chairman Dwight Cook | X | | Senator Jim Dotzenrod | | X |
| Vice Chair Brad Bekkedahl | X | | | | |
| Senator Lonnie J. Laffen | | X | | | |
| Senator Jessica Unruh | X | | | | |
| Senator Scott Meyer | | X | | | |
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Total (Yes) 3 No 3
Absent 0
Floor Assignment Failed

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

Date: _____
Roll Call Vote #: _____

2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2209

| | | |
|--------|----------------------|-----------|
| Senate | Finance and Taxation | Committee |
|--------|----------------------|-----------|

☐ Subcommittee

Amendment LC# or Description: 17.0637.01007 Title 02000

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 Waters Seconded By Dotzenrod

[illegible]

Total (Yes) 3 No 3

Absent 

Floor Assignment

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

Date: 2-15-17
Roll Call Vote #: 5

2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2209

Senate _____ Finance and Taxation _____ Committee

☐ Subcommittee

Amendment LC# or Description: 17.0637.01007 Title. 02000

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 Unruh Seconded By Laffen

| Senators | Yes | No | Senators | Yes | No |
|---------------------------|-----|----|-----------------------|-----|----|
| Chairman Dwight Cook | | X | Senator Jim Dotzenrod | X | |
| Vice Chair Brad Bekkedahl | X | | | | |
| Senator Lonnie J. Laffen | X | | | | |
| Senator Jessica Unruh | X | | | | |
| Senator Scott Meyer | X | | | | |
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Total (Yes) 5 No 1

Absent 0

Floor Assignment Unruh

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

REPORT OF STANDING COMMITTEE

SB 2209: Finance and Taxation Committee (Sen. Cook, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends BE PLACED ON THE CALENDAR WITHOUT RECOMMENDATION (5 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). SB 2209 was placed on the Sixth order on the calendar.

Page 1, after line 6, insert:

"1."

Page 1, line 7, remove "seventy percent of the"

Page 1, remove line 8

Page 1, line 9, remove "commissioner shall transfer the remaining revenue collected under"

Page 1, line 10, after the period insert:

- "2. Notwithstanding subsection 1, the commissioner shall transfer revenue collected under subdivisions a through e to the state treasurer for deposit as follows:
- a. Eighty percent of the revenue collected under subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed after August 1, 2017, and is five years or less from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.
 - b. Forty percent of the revenue collected under subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed after August 1, 2017, and is more than five years from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.
 - c. Sixty percent of the revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, construction was completed after December 31, 2014, and is no less than twenty years and no more than twenty-four years from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.
 - d. Forty percent of the revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, construction was complete after December 31, 2014, and is twenty-five years or more from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.
 - e. Forty percent of the revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, construction was complete before January 1, 2015, and is twenty years or more from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.
 - f. The remaining revenue collected under subdivisions a through e, for deposit in equal amounts in the renewable energy development fund and the general fund.

3."

Renumber accordingly

2017 TESTIMONY

SB 2209

1/18/17

SB 2209

Testimony #1 pg 1

Testimony of Senator Jessica Unruh

Explanation of the bill

-The bill is a very simple one with just one line, but as you can see by the amount of people in the room, it is a big change. Last session we changed the way wind farms were taxed, changing them all over to an in lieu of property tax based on both energy production and capacity to produce energy over the course of the next 20 years. The only taxes paid regarding construction of wind farms are these property taxes. When we made that change, we did not look at the way the revenue was distributed. This bill addresses that. It takes 70% of the revenue from the production/capacity tax and deposits it in the general fund, with the remaining 30% going into the electric generation, transmission and distribution tax fund to be distributed back to the local political subdivisions.

-Different wind farms are taxed at different rates depending on the date the wind farm was approved. This bill doesn't affect the distribution of taxes of all wind farms, only those newer farms that fall under the new law passed last session that are taxed at the 4.5% rate equivalent. Over the course of the next twenty years, all wind farms will be on this schedule, so while it will hit some of the newer farms harder early on, the extended time frame will allow for a smoother transition for older farms.

Fiscal note discussion

-As you can see, the fiscal note is a positive one for the state. It will have an impact on local budgets as it is implemented. While not included in the bill, I would be amenable to a change that would delay the implementation of the bill until the local political subdivision's next budget cycle.

Points

-One could argue that this bill is about parity. Oil production tax is distributed with 70% to the state and 30% to the locals. Oil extraction tax doesn't go back to the locals at all. Coal conversion tax is distributed with 85% to the state and 15% to the locals. The coal severance tax is distributed with 30% to the state's Constitutional Trust Fund and 70% to the locals.

-County commissioners feel a fiduciary responsibility to approve wind farms with so much revenue at stake for them. I feel like this is an undue burden placed on them. A single farm can produce over a million dollars of annual revenue, and that can be very difficult to say no to, even if landowners object.

-Other states have moved to a similar tax distribution system and it has resulted in siting approval decisions that are more focused on the land and the landowner than the revenue it will produce.

-You will hear about large dollar amounts that will affect many local political subdivisions and their budgets. I want to be clear - my intent is not to punish these political subdivisions, but hopefully to find some compromise and begin the transition to the new revenue distribution.

4/18/17

SB 2209

Attachment #2

pg 1

Wind Generation Tax - One Year

| County | Company | Capacity kW | kW Generated | Tax | 70% Reduction | Remaining 30% |
|---------|-------------|----------------|--------------|-------------|---------------|------------------|
| Adams | MDU | 107,500 | 11,174,220 | \$274,337 | \$205,753 | \$68,584 |
| Barnes | MPC | 900 | 2,646,551 | \$3,573 | \$2,680 | \$893 |
| Morton | Allete, Inc | 208,500 | 588,244,034 | \$815,372 | \$611,529 | \$203,843 |
| Nelson | MPC | 900 | 2,302,395 | \$3,401 | \$2,551 | \$850 |
| Oliver | Allete, Inc | 288,100 | 951,355,666 | \$1,195,928 | \$896,946 | \$298,982 |
| ROLETTE | NSP/XCEL | 150,000 | 31,559,941 | \$390,780 | \$293,085 | \$97,695 |
| | | | | \$2,683,391 | \$2,012,544 | \$670,848 |

1/30/2017

SB 2209

Attachment #1

Pg 1

17.0637.01002
Title.

Prepared by the Legislative Council staff for
Senator Unruh

January 30, 2017

PROPOSED AMENDMENTS TO SENATE BILL NO. 2209

Page 1, after line 6, insert:

"1."

Page 1, line 7, remove "seventy percent of the"

Page 1, remove line 8

Page 1, line 9, remove "commissioner shall transfer the remaining revenue collected under"

Page 1, line 10, after the period insert:

- "2. Notwithstanding subsection 1, the tax commissioner shall transfer seventy percent of the revenue collected under subsection 1 of section 57-33.2-04 from wind farms for which local siting was completed after August 1, 2017, to the state treasurer for deposit in the general fund. The tax commissioner shall transfer the remaining revenue collected under subsection 1 of section 57-33.2-04 to the state treasurer for deposit in the electric generation, transmission, and distribution tax fund.
3. Revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, and is twenty years or more from that wind farm's date of first assessment, the tax commissioner shall transfer the revenue as provided in subsection 2.
4. "

Renumber accordingly

2/8/2017

SB 2209

Attachment #1

pg 1

17.0637.01003
Title.

Prepared by the Legislative Council staff for
Senator Unruh

February 7, 2017

PROPOSED AMENDMENTS TO SENATE BILL NO. 2209

Page 1, after line 6, insert:

"1."

Page 1, line 7, remove "seventy percent of the"

Page 1, remove line 8

Page 1, line 9, remove "commissioner shall transfer the remaining revenue collected under"

Page 1, line 10, after the period insert:

"2. Notwithstanding subsection 1, the tax commissioner shall transfer:

- a. Sixty percent of the revenue collected under subsection 1 of section 57-33.2-04 from wind farms for which local siting was completed after August 1, 2017, to the state treasurer for deposit in the general fund and the remaining revenue to the state treasurer for deposit in the electric generation, transmission, and distribution tax fund.
- b. Forty percent of the revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, construction was completed after December 31, 2014, and is twenty years or more from that wind farm's date of first assessment, to the state treasurer for deposit in the general fund and the remaining revenue to the state treasurer for deposit in the electric generation, transmission, and distribution tax fund.
- c. Sixty percent of the revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, construction was complete after December 31, 2014, and is twenty-five years or more from that wind farm's date of first assessment, to the state treasurer for deposit in the general fund and the remaining revenue to the state treasurer for deposit in the electric generation, transmission, and distribution tax fund.
- d. Sixty percent of the revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, construction was complete before January 1, 2015, and is twenty years or more from that wind farm's date of first assessment, to the state treasurer for deposit in the general fund and the remaining revenue to the state treasurer for deposit in the electric generation, transmission, and distribution tax fund.

3."

Renumber accordingly

2/8/2017

SB 2209

Attachment

#1A

pg 1

17.0637.01003

Sixty-fifth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2209

Introduced by

Senators Unruh, Armstrong, Erbele

Representatives Boehning, Kasper, Toman

1 A BILL for an Act to amend and reenact section 57-33.2-18 of the North Dakota Century Code,
2 relating to allocation of wind generation tax revenue.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 57-33.2-18 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **57-33.2-18. Deposit of revenue - Report to treasurer.**

7 1. The commissioner shall transfer ~~seventy percent of the~~ revenue collected under
8 ~~subsection 1 of section 57-33.2-04 to the state treasurer for deposit in the general~~
9 ~~fund. The commissioner shall transfer the remaining revenue collected under~~ this
10 chapter to the state treasurer for deposit in the electric generation, transmission, and
11 distribution tax fund.

12 2. Notwithstanding subsection 1, the tax commissioner shall transfer:

13 a. Sixty percent of the revenue collected under subsection 1 of section 57-33.2-04
14 from wind farms for which local siting was completed after August 1, 2017, to the
15 state treasurer for deposit in the general fund and the remaining revenue to the
16 state treasurer for deposit in the electric generation, transmission, and
17 distribution tax fund.

18 b. Forty percent of the revenue collected under section 57-06-14.1 and subsection 1
19 of section 57-33.2-04 from a wind farm for which local siting was completed on or
20 before August 1, 2017, construction was completed after December 31, 2014,
21 and is twenty years or more from that wind farm's date of first assessment, to the
22 state treasurer for deposit in the general fund and the remaining revenue to the
23 state treasurer for deposit in the electric generation, transmission, and
24 distribution tax fund.

2/8/17

SB2209

#1A

Sixty-fifth
Legislative Assembly

- 1 c. Sixty percent of the revenue collected under section 57-06-14.1 and subsection 1
2 of section 57-33.2-04 from a wind farm for which local siting was completed on or
3 before August 1, 2017, construction was complete after December 31, 2014, and
4 is twenty-five years or more from that wind farm's date of first assessment, to the
5 state treasurer for deposit in the general fund and the remaining revenue to the
6 state treasurer for deposit in the electric generation, transmission, and
7 distribution tax fund.
- 8 d. Sixty percent of the revenue collected under section 57-06-14.1 and subsection 1
9 of section 57-33.2-04 from a wind farm for which local siting was completed on or
10 before August 1, 2017, construction was complete before January 1, 2015, and is
11 twenty years or more from that wind farm's date of first assessment, to the state
12 treasurer for deposit in the general fund and the remaining revenue to the state
13 treasurer for deposit in the electric generation, transmission, and distribution tax
14 fund.
- 15 3. With each transfer under this section, the commissioner shall provide a report showing
16 the information necessary for the state treasurer to allocate the revenue under section
17 57-33.2-19.

North Dakota Active Wind Projects

Updated 1/12/2017

| Project Name | Owner | Location | Turbines | Capacity (MW) | Manufacturer | Notes |
|--|--|----------------------------|-------------|-----------------|--------------------|--|
| Minot Wind Project | Basin Electric Power Cooperative | S. of Minot | 2 | 2.6 | Nordex N60 | In Service Jan 2002 |
| Edgeley/Kulm Wind Project | FPLE / BEPC | Edgeley | 27 | 40 | GE 1.5 MW | In Service Oct 2003 |
| Edgeley/Kulm Wind Project | FPLE / Otter Tail | Edgeley | 14 | 21 | GE 1.5 MW | In Service Oct 2003 |
| Valley City Wind Project | Minnkota Power Cooperative | Valley City | 1 | 0.9 | NEG Micon NM52/900 | In Service Jan 2002 |
| Petersberg Wind Project | Minnkota Power Cooperative | Petersberg | 1 | 0.9 | NEG Micon NM52/901 | In Service July 2002 |
| | Sacred Heart Monastery | Richardton | 2 | 0.13 | Silver Eagle | In Service |
| Fort Totten Wind Project | Spirit Lake Sioux Nation | Fort Totten | 1 | 0.1 | Micon 108 | In Service |
| Belcourt Wind Project | Turtle Mountain Chippewa Tribe | Belcourt | 1 | 0.1 | Micon 108 | In Service |
| | North Valley Carreer and Technology C | Grafton | 1 | 0.065 | | In Service |
| | 3 Affiliated Tribes | New Town | 1 | 0.065 | | In Service |
| Velva Wind Project | Acciona/ Xcel Energy | Velva | 18 | 12 | Vestas V80 | In Service 2005 |
| | Turtle Mountain Community College | Belcourt | 1 | 0.66 | Vestas V47 | In Service |
| | FPL Burleigh County Wind LLC | Wilton | 33 | 49.5 | GE 1.5 MW | In Service Jan 2006 |
| Wilton II | FPL Burleigh County Wind LLC | Wilton | 33 | 49.5 | GE 1.5 MW | In Service Nov 09 |
| Oliver County Wind | FPL - Oliver County Wind I, LLC | Center | 22 | 50.6 | 2.3 MW Turbines | In Service Dec 06 |
| Oliver County Wind II | FPL - Oliver County Wind II, LLC | Center | 32 | 48 | GE 1.5 MW | In Service DEC 07 |
| Langdon Project | FPL- Langdon Wind, LLC | Cavalier County | 79 | 118.5 | GE 1.5 MW | In Service Dec 07 |
| Langdon Project | Otter Tail Corporation | Cavalier County | 27 | 40.5 | GE 1.5 MW | In Service Dec 07 |
| Langdon Expansion | FPL- Langdon Wind, LLC | Cavalier County | 26 | 40 | GE 1.5 MW | In Service Sept 08 |
| | Tatanka Wind Power, LLC | Dickey/McIntosh County | 60 | 90 | Acciona AW 1500 | In Service 2008 |
| Ashtabula Wind Project | FPL - Ashtabula Wind, LLC | Barnes County | 133 | 200 | GE 1.5 MW | In Service Dec 2008 |
| Prairie Winds Project | BEPC - PrairieWinds ND 1, Inc. | Ward County | 77 | 115.5 | GE 1.5 MW | In Service Dec 2009 |
| Minot Wind 2 | Basin Electric Power Cooperative | Ward County | 3 | 4.5 | GE 1.5 MW | In Service 2009 |
| Luverne Wind Farm | Ashtabula Wind II, LLC/Otter Tail | Griggs/Steele Counties | 105 | 157 | GE 1.5 MW | In Service Oct 2009 |
| Rugby Wind Farm | Iberdrola, Inc. f/k/a PPM Energy | Rugby | 71 | 149.1 | Suzlon 2.1 MW S88 | In Service Dec 2009 |
| Montana-Dakota Utilities | Cedar Hills Project | Rhame | 13 | 19.5 | GE 1.5 MW | In Service June 2010 |
| Baldwin Wind Energy Center | NextEra Energy Resources, LLC | Burleigh County | 64 | 102.4 | GE 1.6 MW | In Service Nov 2010 |
| Ashtabula III | Ashtabula Wind III, LLC | Barnes County | 43 | 70.0 | GE 1.6 MW | In Service Dec 2010 |
| Bison 1 Wind Project | Allete, Inc. (MN Power) | Oliver @ Morton Counties | 33 | 81.8 | Siemens 2.3/3.0 MW | In Service July 2012 |
| Bison 2 Wind Project | Allete, Inc. (MN Power) | Oliver/Morton Counties | 35 | 105.0 | Simons 3.0MW | In Service Jan 2013 |
| Bison 3 Wind Project | Allete, Inc. (MN Power) | Oliver/Morton Counties | 35 | 105.0 | Simons 3.0MW | In Service Jan 2013 |
| Bison 4 Wind Project | Allete, Inc. (MN Power) | Oliver/Morton/Mercer | 64 | 204.8 | Simons 3.0MW | In Service Jan 2015 |
| | Lake Region State College | Ramsey County | 1 | 1.6 | GE 1.6 MW | In Service Jan 2013 |
| Thunder Spirit Project | Thunder Spirit Wind, LLC | Adams County | 43 | 107.5 | Nordex N100 2.5 MW | In Service Dec 2015 |
| Border Winds | Border Winds Energy, LLC | Rolette and Towner Cts | 75 | 150 | Vestas V100 2.0 MW | In Service May 2016 |
| Courtenay Wind Farm | Xcel Energy | Stutsman County | 100 | 200.5 | Vestas V100 2.0 MW | In Service Nov 2016 |
| Brady Wind, LLC | Brady Wind Energy Center | Stark County | 87 | 150.0 | GE 1.715 & 1.79 MW | In Saervice Nov 2016 |
| Brady Wind II, LLC | Brady II Wind Energy Center | Hettinger/Stark County | 72 | 150.0 | GE 1.79 & 2.1 MW | In Service Dec 2016 |
| Sunflower Wind Project | SunflowerWindProjectLLC (Infinity) | Stark/Morton | 52 | 104.0 | Vestas V-100 2MW | In service Dec 2016 |
| Total in Service | | | 1488 | 2743.32 | | |
| | CROWN BUTTE WIND POWER LLC | Adams/Bowman Counties | 133 | 200 | GE 1.5 MW | Letter of Intent Filed February 2008 |
| | Just Wind, LLC | Logan County | 160 | 368 | Mitsubishi 2.4 MW | Permit Issued 4/29/09 |
| Dickey County Wind Farm | Rough Rider Wind 1, LLC | 15 miles NW of Ellendale | 100 | 150 | GE 1.5 MW | Permit Issued 8/12/09 |
| Oliver County Expansion | FPL Energy, LLC | 6 miles NW of Center | 667 | 1,000 | | Letter of Intent Filed June 2008 |
| Hartland Wind Farm | Hartland Wind Farm, LLC | Ward, Burke, Mountrail Cts | | 2,000 | | Letter of Intent Filed July 2008 |
| Allete, Inc. (MN Power) | Bison Wind Project | Oliver County | | 125 | | Letter of Intent Filed October, 2008 |
| Merricourt Project | EDF Renewable Development, Inc. | McIntosh/Dickey cts | | 150 | | Permit Issued June 2011, Amended May 2015 |
| | Just Wind, LLC | Emmons County | | 900 | | Letter of Intent Filed Dec 2008 |
| Ashley Wind Power Project | CPV Ashley Renewable Energy Compar | McIntosh County | | | | Project Cancelled |
| Radiance Wind Farm | North Dakota Winds, LLC | Burleigh County | | 99.0 | | Request Jurisdictional Determination Oct 09 |
| Oliver Wind III | Oliver Wind III, LLC | Oliver County | | 51.0 | | Permit relinquished March 2016 |
| Oliver Wind III | Oliver Wind III, LLC | Oliver/Morton Counties | 48 | 100.0 | GE 2.1MW & 1.79 MW | Permit issued June 2016, under construction |
| M-Power One, LLC | Luverne North Field Extension | Steele County | | 75.2 | | Letter of Intent Filed 11/2010, Amended 3/2013 |
| New Frontier Project | Meadowlark Wind 1, LLC | McHenry County | | 99.0 | | Permit Issued April 2012 |
| Wilton Wind IV | Wilton Wind IV, LLC | Burleigh County | | 112.0 | | Permit Issued Feb 2012, Amended Nov 2012 |
| Clean Energy #1 | ALLETE Clean Energy | Mercer & Morton Counties | | 100.0 | | Permit Issued August 2012 |
| Dickinson Wind Project | Dickinson Wind, LLC | Stark County | | | | Application withdrawn |
| Rolette Wind Project | Rolette Power Development, LLC | Rolette County | | 100.4 | | Permit issued November 2015 |
| Antelope Hills Project | Antelope Hills Wind Project, LLC (Infini | Mercer County | | 172.0 | | Permit Issued Dec 2014, Construction Holding |
| Lindahl Wind Project, LLC | Lindahl Wind Project | Williams County | | 150.0 | | Permit issued Dec 2015, under construction |
| Glacier Ridge Wind Farm, LLC | Glacier Ridge Wind Farm | Barnes County | 87 | 300.2 | | Permit issued Dec 2016 |
| Total (Proposed and In Service) | | | | 8,995.07 | | |

2/8/17

SB 2209

Attach ment # 2 pg 1

2/8/2017

17.9648.01000

SB 2209

3

pg 1

Prepared for Senator Unruh

REVENUE DISTRIBUTIONS UNDER SENATE BILL NO. 2209 (BASED ON PROPOSED AMENDMENTS [17.0637.01003])

The chart below provides a summary of the proposed distribution of revenue collected pursuant to the wind generation and capacity tax under North Dakota Century Code Section 57-33.2-04 and the centrally assessed wind property tax under Section 57-06-14.1 based on the proposed amendments to Senate Bill No. 2209 being considered by the Senate Finance and Taxation Committee.

| | Percentage of Total Revenue Deposited in the General Fund | Percentage of Total Revenue Deposited in the Electric Generation, Transmission, and Distribution Fund |
|--|---|--|
| Revenue collected under the generation and capacity tax for wind farms locally sited after August 1, 2017. | 60% | 40% |
| Revenue collected under the generation and capacity tax and the centrally assessed property tax for wind farms locally sited on or before August 1, 2017, constructed after December 31, 2014, and which are 20 years or more from the date of first assessment. | 40% | 60% |
| Revenue collected under the generation and capacity tax and the centrally assessed property tax for wind farms locally sited on or before August 1, 2017, constructed after December 31, 2014, and which are 25 years or more from the date of first assessment. | 60% | 40% |
| Revenue collected under the generation and capacity tax and the centrally assessed property tax for wind farms locally sited on or before August 1, 2017, constructed before January 1, 2015, and which are 20 years or more from the date of first assessment. | 60% | 40% |

2/8/2017

SENATE BILL 2209 - REVISE DISTRIBUTION
COMPARISON OF TAX DISTRIBUTION
FOR A NORTH DAKOTA WIND PROJECT COMPLETED PRIOR TO AND AFTER DECEMBER 31, 2014
BASIS: 150 MW PROJECT, CAPITAL COST \$2 M PER MW, 45% CAPACITY, WARD COUNTY 2013 MILL LEVY
January 30, 2017

| WIND PROJECT IN SERVICE PRIOR TO 2015 -ORIGINAL DISTRIBUTION | | | | WIND PROJECT IN SERVICE PRIOR TO 2015 | | | WIND PROJECT IN SERVICE AFTER 2014 | | |
|--|-----------------------------------|------------------------|------|---------------------------------------|---|-----------------|------------------------------------|---|--------------------|
| Total Tax | Distribution Currently in Statute | | | Total Tax | Proposed Distribution if Changed to 30%/70% | | Total Tax | Proposed Distribution if Changed to 30%/70% | |
| 57-06 at 1.5% | County Share | State Share | | 57-06 at 1.5% | County Share | State Share | 57-33.2 - Wind | County Share | State Share |
| 2013 Avg, millage 171 | 100% thru All Years | 0% thru thru All Years | | 2013 Avg, millage 171 | 100% thru Year 19 | 0% thru Year 19 | \$2,500/mw & \$.5/mwh | 30% thru All Years | 70% thru All Years |
| Annual Tax | | | | Annual Tax | 30% Years 20-25 | 70% Years 20-25 | Annual Tax | | |
| Year | All to County | | | All to County | | | All to County | | |
| Year 1 | \$ 452,081 | \$ 452,081 | | \$ 452,081 | \$ 452,081 | | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 2 | \$ 572,636 | \$ 572,636 | | \$ 572,636 | \$ 572,636 | | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 3 | \$ 542,498 | \$ 542,498 | | \$ 542,498 | \$ 542,498 | | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 4 | \$ 512,359 | \$ 512,359 | | \$ 512,359 | \$ 512,359 | | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 5 | \$ 482,220 | \$ 482,220 | | \$ 482,220 | \$ 482,220 | | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 6 | \$ 452,081 | \$ 452,081 | | \$ 452,081 | \$ 452,081 | | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 7 | \$ 421,943 | \$ 421,943 | | \$ 421,943 | \$ 421,943 | | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 8 | \$ 391,804 | \$ 391,804 | | \$ 391,804 | \$ 391,804 | | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 9 | \$ 361,665 | \$ 361,665 | | \$ 361,665 | \$ 361,665 | | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 10 | \$ 331,526 | \$ 331,526 | | \$ 331,526 | \$ 331,526 | | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 11 | \$ 301,388 | \$ 301,388 | | \$ 301,388 | \$ 301,388 | | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 12 | \$ 271,249 | \$ 271,249 | | \$ 271,249 | \$ 271,249 | | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 13 | \$ 241,110 | \$ 241,110 | | \$ 241,110 | \$ 241,110 | | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 14 | \$ 210,971 | \$ 210,971 | | \$ 210,971 | \$ 210,971 | | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 15 | \$ 210,971 | \$ 210,971 | | \$ 210,971 | \$ 210,971 | | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 16 | \$ 210,971 | \$ 210,971 | | \$ 210,971 | \$ 210,971 | | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 17 | \$ 210,971 | \$ 210,971 | | \$ 210,971 | \$ 210,971 | | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 18 | \$ 210,971 | \$ 210,971 | | \$ 210,971 | \$ 210,971 | | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 19 | \$ 210,971 | \$ 210,971 | | \$ 210,971 | \$ 210,971 | | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 20 | \$ 210,971 | \$ 210,971 | | \$ 670,650 | \$ 201,195 | \$ 469,455 | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 21 | \$ 210,971 | \$ 210,971 | | \$ 670,650 | \$ 201,195 | \$ 469,455 | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 22 | \$ 210,971 | \$ 210,971 | | \$ 670,650 | \$ 201,195 | \$ 469,455 | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 23 | \$ 210,971 | \$ 210,971 | | \$ 670,650 | \$ 201,195 | \$ 469,455 | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 24 | \$ 210,971 | \$ 210,971 | | \$ 670,650 | \$ 201,195 | \$ 469,455 | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Year 25 | \$ 210,971 | \$ 210,971 | | \$ 670,650 | \$ 201,195 | \$ 469,455 | \$ 670,650 | \$ 201,195 | \$ 469,455 |
| Sum | \$ 7,866,214 | \$ 7,866,214 | \$ - | \$ 10,624,286 | \$ 7,807,556 | \$ 2,816,730 | \$ 16,766,250 | \$ 5,029,875 | \$ 11,736,375 |

Taxes based on fair market value for entire 25 years.

Taxes based on fair market value for first 19 years.
Taxes based on capacity/generation for years 20-25.

Taxes based on capacity/generation for entire 25 years.

SB 2209

Attachment #14
pg1

pg 1

Attachment #5

2009

6/10/2017

| Ad Valorem under 57-06-14.1 | | |
|-------------------------------------|-------------------|------------------|
| Name of Company | Taxable Value | Total Taxes** |
| | 2013 | 2013 |
| North Dakota Wind, LLC (NextEra) | 689,910 | \$109,496 |
| Velva Windfarm, LLC (Acciona) | 152,120 | \$29,568 |
| Burleigh County Wind, LLC (NextEra) | 454,120 | \$66,019 |
| Oliver Wind I, LLC (NextEra) | 704,490 | \$123,271 |
| Langdon Wind I, LLC (NextEra) | 1,573,290 | \$289,814 |
| Oliver Wind II, LLC (NextEra) | 750,830 | \$131,572 |
| Otter Tail Langdon Wind | 858,600 | \$0 |
| Tatanka Wind* (Acciona) | 1,685,770 | \$309,319 |
| Ashtabula Wind I, LLC (NextEra) | 2,306,760 | \$412,402 |
| Langdon Wind II, LLC (NextEra) | 661,620 | \$121,876 |
| Otter Tail Ashtabula Wind | 1,189,460 | \$0 |
| Ashtabula Wind II, LLC (NextEra) | 2,023,280 | \$354,668 |
| Cedar Hills Wind Project (MDU) | 426,170 | \$0 |
| Otter Tail Luverne Wind | 821,580 | \$199,619 |
| Prairie Winds ND 1 (Basin) | 1,688,700 | \$266,098 |
| Rugby Wind Farm, Inc (Iberdrola) | 1,705,140 | \$389,606 |
| Wilton Wind II, LLC (NextEra) | 829,170 | \$119,568 |
| Ashtabula Wind III, LLC (NextEra) | 1,304,870 | \$245,718 |
| Baldwin Wind, LLC (NextEra) | 1,442,920 | \$208,323 |
| Total | 21,268,800 | 3,376,938 |

*Tatanka has 42.75MW of the 180MW in SD. Generation is estimated from the total of 661,000,000 kWh times 76.25%
 ** From Company Annual Reports, MDU & Otter Tail tax dollars not available at the time of report

| Estimated Generation and Capacity Tax Rates under 57-33.02 | | | | | | | | | |
|--|---------------------|--|---|----------------------------------|--|---------|----------------|---------------------|----------------------------------|
| Megawatts | Rated Capacity | Rated Capacity times \$2.50 per kilowatt | Kilowatt Hours Generated During Previous Calendar Year 2013 | Kilowatt hour times \$0.0005/kWh | Total Tax Capacity Tax plus Generation Tax \$2.50 / \$.0005 | % chng | Yrly \$ Change | First year assessed | Taxable Value Percent of Turbine |
| 61.50 | 61,500 | \$153,750.00 | 134,989,000 | \$67,494.50 | \$221,244.50 | 102% | \$111,749 | 2004 | 3% |
| 11.88 | 11,880 | \$29,700.00 | 29,039,000 | \$14,519.50 | \$44,219.50 | 50% | \$14,651 | 2006 | 3% |
| 49.50 | 49,500 | \$123,750.00 | 160,182,000 | \$80,091.00 | \$203,841.00 | 209% | \$137,822 | 2006 | 1.5% |
| 50.60 | 50,600 | \$126,500.00 | 155,192,000 | \$77,596.00 | \$204,096.00 | 66% | \$80,825 | 2007 | 1.5% |
| 118.50 | 118,500 | \$296,250.00 | 418,052,000 | \$209,026.00 | \$505,276.00 | 74% | \$215,462 | 2008 | 1.5% |
| 48.00 | 48,000 | \$120,000.00 | 152,404,000 | \$76,202.00 | \$196,202.00 | 49% | \$64,630 | 2008 | 1.5% |
| 40.50 | 40,500 | \$101,250.00 | 136,020,000 | \$68,010.00 | \$169,260.00 | #DIV/0! | | 2008 | 1.5% |
| 137.25 | 137,250 | \$343,125.00 | 504,012,500 | \$252,006.25 | \$595,131.25 | 92% | \$285,812 | 2008 | 1.5% |
| 148.50 | 148,500 | \$371,250.00 | 467,569,000 | \$233,784.50 | \$605,034.50 | 47% | \$192,633 | 2009 | 1.5% |
| 40.50 | 40,500 | \$101,250.00 | 135,757,000 | \$67,878.50 | \$169,128.50 | 39% | \$47,253 | 2009 | 1.5% |
| 48.00 | 48,000 | \$120,000.00 | 147,319,000 | \$73,659.50 | \$193,659.50 | #DIV/0! | | 2009 | 1.5% |
| 120.00 | 120,000 | \$300,000.00 | 379,852,000 | \$189,926.00 | \$489,926.00 | 38% | \$135,258 | 2010 | 1.5% |
| 19.50 | 19,500 | \$48,750.00 | 54,805,180 | \$27,402.59 | \$76,152.59 | #DIV/0! | | 2010 | 1.5% |
| 49.50 | 49,500 | \$123,750.00 | 169,217,000 | \$84,608.50 | \$208,358.50 | 4% | \$8,740 | 2010 | 1.5% |
| 122.60 | 122,600 | \$306,500.00 | 440,704,000 | \$220,352.00 | \$526,852.00 | 98% | \$260,754 | 2010 | 1.5% |
| 149.10 | 149,100 | \$372,750.00 | 383,784,550 | \$191,892.28 | \$564,642.28 | 45% | \$175,036 | 2010 | 1.5% |
| 49.50 | 49,500 | \$123,750.00 | 189,966,000 | \$94,983.00 | \$218,733.00 | 83% | \$99,165 | 2010 | 1.5% |
| 62.40 | 62,400 | \$156,000.00 | 206,417,000 | \$103,208.50 | \$259,208.50 | 5% | \$13,491 | 2011 | 1.5% |
| 102.40 | 102,400 | \$256,000.00 | 353,730,000 | \$176,865.00 | \$432,865.00 | 108% | \$224,542 | 2011 | 1.5% |
| 1,429.73 | 1,429,730.00 | 3,574,325.00 | 4,619,011,230.00 | 2,309,505.62 | 5,883,830.62 | | | | |

| Generation and Capacity Tax under 57-33.2-04 | Megawatts | 2013 Generation (kWh) | 2014 Tax |
|--|-----------|-----------------------|----------------|
| Allete, Inc | 291.80 | 780,799,000 | \$1,119,899.50 |
| Minnkota Power Coop | 1.8 | 5,069,887 | \$7,034.95 |

| Transmission Line Mile Tax Exemption under 57-06-17.3 | Miles | Operating voltage | Year placed into service | Tax Dollars |
|---|---------|-------------------|--------------------------|-------------|
| Rugby Wind | 10.2352 | 230 kV | 2010 | \$3,070.56 |
| Tatanka | 12.7929 | 230 kV | 2008 | \$3,837.87 |
| Ashtabula Wind I | 9.2 | 230 kV | 2008 | \$2,760.00 |
| Ashtabula Wind II | 12.03 | 230 kV | 2009 | \$3,609.00 |

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SB 2209

Attachment #1

pg 1

17.0637.01006
Title.

Prepared by the Legislative Council staff for
Senator Unruh

February 14, 2017

PROPOSED AMENDMENTS TO SENATE BILL NO. 2209

Page 1, line 1, after "to" insert "create and enact a new section to chapter 49-02 of the North Dakota Century Code, relating to the creation of the wind energy conversion facility reclamation fund; and to"

Page 1, after line 3 insert:

"**SECTION 1.** A new section to chapter 49-02 of the North Dakota Century Code is created and enacted as follows:

Wind energy conversion facility reclamation fund - Continuing appropriation.

The wind energy conversion facility reclamation fund is a special fund in the state treasury. All funds in the wind energy conversion facility reclamation fund are appropriated to the public service commission on a continuing basis for the purpose of providing funding for decommissioning and site restoration for commercial wind energy conversion facility projects for which insufficient funding was collected under section 49-02-27. Interest earned by the fund must be credited to the fund."

Page 1, after line 6, insert:

"1."

Page 1, line 7, remove "seventy percent of the"

Page 1, remove line 8

Page 1, line 9, remove "commissioner shall transfer the remaining revenue collected under"

Page 1, line 10, after the period insert:

"2. Notwithstanding subsection 1, the commissioner shall transfer revenue collected under subdivisions a through e to the state treasurer for deposit as follows:

- a. Eighty percent of the revenue collected under subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed after August 1, 2017, and is five years or less from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.
- b. Forty percent of the revenue collected under subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed after August 1, 2017, and is more than five years from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.
- c. Sixty percent of the revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, construction was completed after December 31, 2014, and is twenty years or more from

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SB 2209

#1

that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.

- d. Forty percent of the revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, construction was complete after December 31, 2014, and is twenty-five years or more from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.
- e. Forty percent of the revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, construction was complete before January 1, 2015, and is twenty years or more from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.
- f. The remaining revenue collected under subdivisions a through e, for deposit in equal amounts in the renewable energy development fund and the wind energy conversion facility reclamation fund.

3."

Renumber accordingly

2/14/17

17.9648.02000

SB 2209

Attachment #2

Prepared for Senator Unruh

Pg 1

REVENUE DISTRIBUTIONS UNDER SENATE BILL NO. 2209 (BASED ON PROPOSED AMENDMENTS [17.0637.01006])

The chart below provides a summary of the proposed distribution of revenue collected pursuant to the wind generation and capacity tax under North Dakota Century Code Section 57-33.2-04 and the centrally assessed wind property tax under Section 57-06-14.1 based on the proposed amendments to Senate Bill No. 2209 being considered by the Senate Finance and Taxation Committee.

| Revenue Collected from Wind Farm | Percentage of Total Revenue Deposited in the Electric Generation, Transmission, and Distribution Fund | Percentage of Total Revenue Deposited in the Renewable Energy Development Fund | Percentage of Total Revenue Deposited in the Wind Energy Conversion Facility Reclamation Fund |
|---|---|---|--|
| Locally sited after August 1, 2017, and within 5 years from 1 st assessment. | 80% | 10% | 10% |
| Locally sited after August 1, 2017, and more than 5 years from 1 st assessment. | 40% | 30% | 30% |
| Constructed after December 31, 2014, and 20 years or more from 1 st assessment. | 60% | 20% | 20% |
| Constructed after December 31, 2014, and 25 years or more from 1 st assessment. | 40% | 30% | 30% |
| Constructed before January 1, 2015, and is 20 years or more from 1 st assessment. | 40% | 30% | 30% |

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SB 2209

Attachment #1 pg 1

DRAFT PROPOSED AMENDMENTS TO SENATE BILL NO. 2209
(Prepared by Legislative Intern Brady Pelton at the request of the Senator Unruh)
February 15, 2017

Page 1, after line 6, insert:

"1."

Page 1, line 7, remove "seventy percent of the"

Page 1, remove line 8

Page 1, line 9, remove "commissioner shall transfer the remaining revenue collected under"

Page 1, line 10, after the period insert:

- "2. Notwithstanding subsection 1, the commissioner shall transfer revenue collected under subdivisions a through e to the state treasurer for deposit as follows:
- a. Eighty percent of the revenue collected under subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed after August 1, 2017, and is five years or less from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.
 - b. Forty percent of the revenue collected under subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed after August 1, 2017, and is more than five years from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.
 - c. Sixty percent of the revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, construction was completed after December 31, 2014, and is twenty years or more from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.

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~~HB~~ 2

- d. Forty percent of the revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, construction was complete after December 31, 2014, and is twenty-five years or more from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.
- e. Forty percent of the revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, construction was complete before January 1, 2015, and is twenty years or more from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.
- f. The remaining revenue collected under subdivisions a through e, for deposit in equal amounts in the renewable energy development fund and the general fund.

3."

Renumber accordingly

2/15/17

SB 2209

Attachment #2 pg1

17.0637.01007
Title.02000

Prepared by the Legislative Council staff for
Senate Finance and Taxation Committee
February 15, 2017

PROPOSED AMENDMENTS TO SENATE BILL NO. 2209

Page 1, after line 6, insert:

"1."

Page 1, line 7, remove "seventy percent of the"

Page 1, remove line 8

Page 1, line 9, remove "commissioner shall transfer the remaining revenue collected under"

Page 1, line 10, after the period insert:

- "2. Notwithstanding subsection 1, the commissioner shall transfer revenue collected under subdivisions a through e to the state treasurer for deposit as follows:
- a. Eighty percent of the revenue collected under subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed after August 1, 2017, and is five years or less from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.
 - b. Forty percent of the revenue collected under subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed after August 1, 2017, and is more than five years from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.
 - c. Sixty percent of the revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, construction was completed after December 31, 2014, and is twenty years or more from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.
 - d. Forty percent of the revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, construction was complete after December 31, 2014, and is twenty-five years or more from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.
 - e. Forty percent of the revenue collected under section 57-06-14.1 and subsection 1 of section 57-33.2-04 from a wind farm for which local siting was completed on or before August 1, 2017, construction was complete before January 1, 2015, and is twenty years or more from that wind farm's date of first assessment, for deposit in the electric generation, transmission, and distribution tax fund.

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SB 2209

2

- f. The remaining revenue collected under subdivisions a through e, for deposit in equal amounts in the renewable energy development fund and the general fund.

3."

Renumber accordingly