

#	Industry	Action	Cat.	Type	Agency	Comments	Tax Dept Fiscal Impact
1	Overall	Develop aggregate impacts of each sector and the industry as a whole to serve as an education, marketing and recruitment tool for North Dakota.	2	Funding	Commerce	Many studies are already being worked on or have been completed. Funding for new studies may be necessary.	
2	Overall	(Federal) Encourage Congress to base any legislation impacting North Dakota's energy industries on sound science and sound economics.		Federal			
3	Overall	(Federal) Provide sufficient lead time for industry to adapt to new regulatory standards affecting production or product.		Federal			
4	Wind	The state should address boundary issues and property owner's rights (wind wake issues).	2	Legislation		Have conducted meetings with PSC staff and will conduct additional meetings	
5	Wind	Review siting standards for transmission lines to encourage growth of transmission infrastructure.	3	Legislation	PSC	Have conducted meetings with PSC staff	
6	Wind	Support sufficient funding for the Renewable Energy Development Program to leverage private sector dollars for wind research including using wind for alternative energy uses such as converting wind to hydrogen or compressed air.	2	Funding		Analyzing whether current funding needs to be increased.	
7	Wind	(Federal) Support the extension of the wind energy production tax credit.		Federal			
8	Wind	Study the property taxation of wind farms based upon installed capacity and production.	3	Study	Tax	Legislatively sanctioned & funded study - Cost is yet to be determined	
9	Wind	Study the use and effectiveness of existing incentives and the costs associated with proposed tax incentives.	3	Study	Tax	Legislatively sanctioned & funded study - Cost is yet to be determined	
10	Wind	Extend the reduction of taxable value to 1 ½% for wind generating units until 2015. This action is only applicable if the above action, capacity/production based taxation, is not accepted before the 2009 legislative session.	1	Legislation	Tax		No fiscal impact in 2009-2011 biennium (sunset date change)
11	Wind	Make permanent the sales and use tax exemptions for building materials, production equipment, and other tangible personal property used in the construction of a wind-powered facility.	1	Legislation	Tax		No fiscal impact in 2009-2011 biennium (make permanent the exemption)
12	Wind	Extend the 15% income tax credit (3% for first five years for a total of 15%) on the costs associated with installing a wind, biomass, geothermal, or solar energy device until 2015 and extend the income tax credit carry forward from five to ten years. The income tax credit is currently set to expire in 2011. The proposed extension of the carry forward is supported assuming that the sellable tax credit provisions for wind will sunset in 2011.	1	Legislation	Tax		No fiscal impact in 2009-2011 biennium (sunset date change)
13	Transmission	(Federal) Encourage Congress to support a tax exempt status for state issued revenue bonds issued by the ND Transmission Authority.		Federal			
14	Transmission	The Transmission Authority will take an active role in working with regional transmission owners, Midwest Independent System Operators (MISO), Integrated System (IS) and Federal Energy Regulatory Commission (FERC).		Executive Branch Action	Transmission Authority	TA is undertaking this initiative	
15	Transmission	The Transmission Authority will assess the value of any regional transmission initiative and support those that will actually benefit North Dakota.		Executive Branch Action	Transmission Authority	TA is undertaking this initiative	
16	Transmission	The Transmission Authority will facilitate discussions between energy developers and transmission owners about transmission issues by initiating round table meetings.		Executive Branch, Action	Transmission Authority	TA is undertaking this initiative	
17	Transmission	The Transmission Authority will continue to work with regional transmission owners, MISO, IS and FERC on cost allocation issues.		Executive Branch Action	Transmission Authority	TA is undertaking this initiative	

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18	Lignite	Incorporate the tools already created by the Energy and Environmental Research Center (EERC) and the North Dakota CO ₂ Storage Work Group.		Executive Branch Action			
19	Lignite	(Federal) Encourage Congress to oppose any cap and trade legislation that fails to recognize the need to time the implementation of law with the development of cost-effective and deployable CO ₂ capture and sequestration technology.		Federal			
20	Lignite	(Federal) Encourage Congress to support pre-emption of state and local regulation of CO ₂ emissions.		Federal			
21	Lignite	(Federal) Encourage Congress to support legislative solutions to global climate change that include equitable funding for each coal type to encourage research, development, demonstration and deployment of CO ₂ capture and sequestration technologies.		Federal			
22	Lignite	Examine the opportunity and funding mechanism for a carbon capture and storage technical fund.	2	Study			
23	Lignite	Support state legislation to direct a portion of any allowances allocated to the state under a federal cap and trade program to the lignite research program.	2	Legislation			
24	Lignite	Seek state financial support to conduct an analysis of the cost/benefits of building a synfuels plant and the cost/benefits of retro-fitting an existing lignite-fired electric generating plant.	2	Funding			
25	Lignite	(Federal) Support a regional demonstration approach to CO ₂ sequestration that can help prove the viability of CO ₂ sequestration across multiple states.		Federal			
26	Lignite	Conduct an evaluation of the traditional tax framework for lignite and electric generation projects and determine which incentives should be expanded to provide for new projects that allow for the future growth of the lignite industry.	2	Study	Tax	Informal study working with industry.	
27	Lignite	Make the tertiary extraction tax exemption permanent on any projects using CO ₂ for enhanced oil recovery. The sunset may create a disincentive to continue injecting CO ₂ in the long run when the tax rate increases in the future.	1	Legislation	Tax		No fiscal impact in 2009-2011 biennium (make permanent the exemption)
28	Lignite	Support the long-term sequestration proposals developed by the North Dakota CO ₂ Storage Workgroup.	2	Legislation			
29	Lignite	Support efforts of PCO ₂ R to expedite research efforts on the long-term impacts associated with CO ₂ sequestration.		Executive Branch Action			
30	Lignite	Continue to engage political leaders in other states in discussions regarding the regional economic impact of generation standards on the North Dakota lignite industry and consumers of lignite-based electric generations.		Executive Branch Action			
31	Lignite	Draft legislation to clean up the definition of coal in statute to address the changes in uses of coal.	1	Legislation	Tax		No fiscal impact in 2009-2011 biennium (definitional change)
32	Lignite	Draft legislation to amend the current coal severance tax exemption to include beneficiated coal that ultimately is used in North Dakota agricultural commodity processing facilities.	1	Legislation	Tax		No fiscal impact in 2009-2011 biennium (definitional change)
33	Lignite	Ensure coal conversion tax addresses hybrid plants (plants that may be comprised of more than one type of coal conversion facility).	2	Legislation	Tax	Tax working on forming study group	
34	Lignite	Draft state legislation so these new industries/technologies have "certainty" in tax legislation. Current statutes need to clarify how these new processes will be taxed so these new processes can build their business plans and provide a clear financial picture to potential investors.	2	Legislation	Tax	Tax workign on forming study group	

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35	Lignite	Support state legislation that will address tax issues for repowering generation facilities due to new environmental changes.	1	Legislation	Tax		No fiscal impact in 2009-2011 biennium (definitional change)
36	Ethanol	Request the North Dakota Tax Department to analyze existing state tax credits intended to encourage growth of the ethanol industry and associated spin-off industries. Specific issues to address: 1. Identify which incentives are being effectively used to encourage the production and consumption of ethanol. 2. Analyze the livestock investment tax credits and other applicable business tax credits to determine if they have been utilized effectively. 3. Recommend changes in tax policy to improve the state's overall ethanol incentive package.	3	Study	Tax	Legislatively sanctioned & funded study - Cost is yet to be determined	
37	Ethanol	Maintain continuing appropriations for the state's innovative Counter-Cyclical Ethanol Production Incentive program that helps producers during adverse times when ethanol prices are unusually low and/or corn prices are unusually high. (The program experienced its first payout in Q4 of 2007 in the amount of \$468,000.)		Continuation			
38	Ethanol	(Federal) Advocate for/support federal legislation that standardizes the labeling of pumps so consumers can clearly identify gasoline that includes ethanol.		Federal			
39	Ethanol	(Federal) If the federal government establishes national renewable fuel standards, those standards need to be consistent and have clearly identified timeframes that allow industry, including the refinery industry which operates on a 10-year capital plan, to make the infrastructure investments needed to support the standards.		Federal			
40	Ethanol	Establish a North Dakota Ethanol Utilization Council for ethanol promotion funded by check-off dollars from ethanol plants.	2	Legislation	Commerce	Being worked on by the ethanol producers	
41	Ethanol	Provide cost-sharing grants for retailers to install new pumps (i.e. E85 pumps, blender pumps, etc.) for new kinds of fuels that come into the market.	2	Funding Legislation	Commerce	Being worked on by the ethanol producers	
42	Ethanol	(Federal) Support continuation of the federal blender's credit that is set to expire December 31, 2010.		Federal			
43	Ethanol	(Federal) Encourage the building of blending facilities on the East and West Coast to significantly expand the markets for selling ethanol in population-dense areas.		Federal			
44	Ethanol	(Federal) Support increased federal research to improve the transportation of ethanol via pipeline and ensure that North Dakota secures access to ethanol pipelines.		Federal			
45	Ethanol	State institutions should increase research into potential products derived from ethanol byproducts.		Higher Ed Action	NDUS		
46	Ethanol	Study the permitting process for livestock feeding facilities to evaluate ways to streamline the permitting process and consider ways to expand the use of byproducts from ethanol production as a feedstock.	3	Study		Legislative Council Study	
47	Biodiesel	Initiate a Tax Department analysis of the use of biodiesel tax credits to determine their effectiveness.	3	Study	Tax	Legislatively sanctioned & funded study	
48	Biodiesel	Develop tax incentives to encourage the purchase of biodiesel by North Dakota consumers.	2	Legislation	Commerce	Legislation currently being analyzed by soybean and canola groups.	
49	Biodiesel	Evaluate and develop alternative incentive programs instead of income tax credits to support infrastructure for blending and transport, retail, and production facilities.	2	Legislation	Commerce	Legislation currently being analyzed by soybean and canola groups.	
50	Biodiesel	Continue the sales tax exemption on biodiesel equipment.		Continuation			
51	Biodiesel	Develop a Biodiesel Counter Cyclical Production Incentive, similar to the Ethanol Counter Cyclical Production Incentive, to provide a safety net for the producers.	2	Legislation	Commerce	Legislation currently being analyzed by soybean and canola groups.	
52	Biodiesel	(Federal) Lengthen the time-span on federal incentives to provide long-term security for investors in the industry. Support the continuation of the blender's tax credit at the federal level, and the continuation of the Commodity Credit Corporation (CCC) program in the farm bill.		Federal			

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53	Biodiesel	(Federal) Eliminate the loophole that allows foreign produced biodiesel to take advantage of the domestic biodiesel tax credit.		Federal			
54	Biomass	(Federal and State) Continue federal and state programs that promote biomass energy development.		Continuation			
55	Biomass	Increase funding for the Renewable Energy Development Fund and the Biomass Incentive Research Fund.	2	Funding	Commerce	Analyzing whether current funding needs to be increased.	
56	Biomass	Encourage market studies on the development possibilities of biomass.		Executive Branch Action	Commerce	Could be encouraged through the Renewable Energy Council	
57	Biomass	Ensure language in the North Dakota Century Code includes cellulosic ethanol in existing ethanol tax incentives.	1	Legislation	Tax	We believe this is already taken care of	
58	Biomass	(Federal) Encourage Congress to authorize the Secretary of Agriculture to allow Conservation Reserve Program (CRP) lands to be harvested for biomass, including the possibility of planting new, perennial grasses in CRP land for future biomass feedstock.		Federal			
59	Biomass	(Federal) Continue Clean Renewable Energy Bonds for biomass.		Federal			
60	Efficiency	Develop a state energy building code.	1	Legislation	Commerce		
61	Efficiency	Develop a North Dakota state government carpooling program.		Executive Branch Action			
62	Efficiency	Promote the use of public transportation.		Executive Branch Action			
63	Efficiency	Recommend that the Resource Trust Fund, originally created for water and energy conservation projects, be used to promote energy conservation while maintaining a priority for water projects. Today this fund is used only for water projects. To preserve the priority for water, perhaps a trigger could be placed on the balance of the fund such that water projects receive 100% of the fund below the trigger, and a split allocation of the fund above the trigger.	2	Legislation	Commerce		
64	Efficiency	Initiate a statewide education plan to teach consumers how to save energy and consider providing financial incentives for businesses and individuals who adapt successful energy efficiency efforts.	2	Legislation	Commerce		
65	Efficiency	Promote energy efficiency education in high school and higher education construction programs.		Executive Branch Action	Career & Tech Ed		
66	Efficiency	Recommend the Public Service Commission secure the necessary authority to approve energy efficiency programs that are cost effective and initiated by the utilities. The plan should include cost recovery and a return on investment comparable to supply side investment.		Executive Branch Action	PSC	Have conducted meetings with PSC staff	
67	Efficiency	Consider putting the North Dakota geothermal tax credit on the ND-1 short form.	2	Legislation	Tax		Fiscal impact not yet determined
68	Efficiency	(Federal) Continue and enhance federal programs that promote energy efficiency and increase federal energy efficiency tax incentives.		Federal			
69	Refining	Continue sufficient funding for the Industrial Commission research programs.		Continuation			
70	Refining	Continue the sales tax exemption for new or expanded refining capacity.		Continuation			
71	Refining	Continue the sales tax exemption for environmental upgrades.		Continuation			
72	Oil & Gas	Examine the taxation of the oil and gas industry and consider a flatter tax that is more competitive on the high-end and provides more revenue to the state on the low end. Any new tax structure should provide for stability, predictable state revenue, a competitive business climate, and help sustain long-term oil development in North Dakota. A flatter tax structure might include fewer rates ranging between 7% to 9.5% rather than the current range of 5% to 11.5% and would make budgeting and planning easier for both the industry and the state.	3	Study	Tax	Legislatively sanctioned & funded study - Cost is yet to be determined	

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73	Oil & Gas	Streamline the permitting process for upgrading oil and gas pipelines to eliminate the need for completing a full-scale permitting or siting process on an upgrade of an existing facility.	2	Legislation	PSC	Have conducted meetings with PSC staff	
74	Oil & Gas	Clarify the sales tax exemption (HB 1462) to include gas gathering systems from oil wells in order to encourage the connection of more gas and eliminate flaring.	1	Legislation	Tax	Same as #79	Fiscal impact not yet determined
75	Oil & Gas	Examine the impact of the Bakken formation tax incentive on the first 75,000 barrels produced during the first 18 months. This exemption expires July 1, 2008. Consider the value of this type of exemption to stimulate new wells in any underperforming areas of the state.	2	Study	Tax		-\$13.1 million in extraction tax rate reduction to date as of mid-June. -146 wells qualified for the bakken incentive. -3.1 million barrels produced from those wells.
76	Oil & Gas	Maintain the state's stripper well tax provisions as vital to the long-term health of the industry.		Continuation			
77	Oil & Gas	Support research of horizontal drilling, completion and production techniques through the Oil and Gas research fund.		Executive Branch Action	Industrial Commission		
78	Oil & Gas	Consider raising the biennial cap on the Oil and Gas Research Fund. Additional funds could be used to develop a public education program to increase understanding of oil and gas exploration and refining; how oil and gas gets to markets; and the barriers involved in the process. Additional funds could also be used to create an Oil and Gas program similar to the Lignite Vision 21 program to advance economically feasible projects.	2	Legislation	Commerce	Proposed amount to be determined	
79	Natural Gas	Clarify the sales tax exemption (HB 1462) to include gas gathering systems from oil wells in order to encourage the connection of more gas and eliminate flaring.	1	Legislation	Tax	Same as #74	Fiscal impact not yet determined
80	Natural Gas	Continue to promote and provide tax incentives for shallow-well gas production.		Continuation			
81	Natural Gas	Streamline the permitting process for upgrading petroleum and natural gas pipelines to eliminate the need for completing a permitting or siting process on an upgrade when the footprint of infrastructure doesn't change.	2	Legislation	PSC	Have conducted meetings with PSC staff	
82	Natural Gas	Encourage research and development through the Oil and Gas Research Council for shallow natural gas exploration and production in Eastern North Dakota. Possibilities include connecting wells to ethanol plants, to other commercial facilities, or communities or farms for use in heating homes or facilities.		Executive Branch Action			
83	Petroleum Marketers	Provide grants for retailers to install infrastructure for new kinds of fuels that come into the market.	2	Funding Legislation	Commerce	This could encompass biosiesel, ethanol, hydrogen, compressed air and other next generation fuels	
84	Petroleum Marketers	Consider authorizing legislation to allow petroleum marketing to access Industrial Commission research funds to enhance innovation in safety, environment, and education.	2	Legislation	Commerce	Structure/source of fund to be determined	
85	Workforce	Support the continued development and implementation of a comprehensive state workforce strategy, including potential recommendations of the Interim Workforce Committee.	2	Legislation	Commerce	Workforce Committee Recommendations	
86	Workforce	Consider increased funding for workforce marketing efforts in the next biennium.	2	Funding	Commerce	Considering as part of the Commerce Department's budget	
87	Workforce	(Federal) Simplify and streamline requirements for recruiting international workers.		Federal			
88	Workforce	(Federal) Simplify and streamline requirements for states to provide the necessary workforce marketing tools.		Federal			
89	Workforce	Develop an industry-led task force to recommend improvement to state workforce recruitment strategies and streamline jobsnd.com process for energy related jobs.		Executive Branch Action	Commerce	This task force could address action items 90-93.	

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90	Workforce	Support federal and state funding for the establishment of and maintenance of dynamic workforce recruitment tools.	2	Funding	Commerce	The industry led task force in #89 could address this item	
91	Workforce	Continue, enhance and fund state career promotion efforts that direct students to both vocational and degree programs.	2	Funding	Commerce	The industry led task force in #89 could address this item	
92	Workforce	Continue, enhance and fund Operation Intern.	2	Funding	Commerce	The industry led task force in #89 could address this item	
93	Workforce	Continue, enhance and fund demand-driven education and training programs at two-year post-secondary institutions.	2	Funding	Commerce	The industry led task force in #89 could address this item	
94	Infrastructure	Direct the State Water Commission and the EmPower North Dakota Commission to study the effect energy development is having on North Dakota's water resources and to recommend ways to minimize this impact and maximize the available water supply to support future energy growth.	3	Study	Commerce		
95	Infrastructure	Support initiatives to provide economic tools that enhance the development of energy related infrastructure.	2	Legislation	Commerce		
96	Infrastructure	Update the formula used for Energy Impact Grants to reflect newer technologies such as heavier trucks and equipment being used for oil development.	2	Legislation	Commerce		
97	Infrastructure	Establish a fund managed by the Emergency Commission to appropriate funds to counties based on current drilling activities to alleviate some of the up-front infrastructure needs and better correlate road repair funds. The purpose of the fund would be to fill the funding gap until oil taxes revenues are received by the local governments. As oil taxes come in, those revenues would be used to replenish the fund.	2	Legislation	Commerce		
98	Infrastructure	Create an up-front funding mechanism for roads and other infrastructure needs associated with energy development in other segments of the energy industry.	2	Legislation	Commerce	A funding source is needed	