

Sixty-first  
Legislative Assembly  
of North Dakota

**HOUSE BILL NO.**

Introduced by

Representative Porter

1 A BILL for an Act to create and enact a new chapter to title 17 relating to an energy policy  
2 commission; to provide for an energy policy commission study and a water resources study;  
3 and to provide for a legislative council study.

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

5 **SECTION 1.** A new chapter to title 17 of the North Dakota Century Code is created and  
6 enacted as follows:

7 **Energy policy commission.**

- 8 1. The energy policy commission is composed of:
- 9 a. The commissioner of commerce;
  - 10 b. A representative of the agriculture community appointment by the governor;
  - 11 c. A representative recommended by the lignite energy council and appointed by  
12 the governor;
  - 13 d. A representative recommended by the North Dakota petroleum council and  
14 appointed by the governor;
  - 15 e. A member from the biodiesel industry appointed by the governor;
  - 16 f. A member of the biomass industry appointed by the governor;
  - 17 g. A member from the wind industry appointed by the governor;
  - 18 h. A member from the ethanol industry appointed by the governor;
  - 19 i. A representative recommended by the North Dakota petroleum marketers  
20 association and appointed by the governor;
  - 21 j. A member from the North Dakota investor-owned electric utility industry and  
22 appointed by the governor;
  - 23 k. A member from the generation and transmission electric cooperative industry  
24 and appointed by the governor;



1 commissioner may not be divulged by the department of commerce unless the information is in  
2 the aggregate and in a manner that will not divulge information specific to any taxpayer. The  
3 commission shall report its findings to the legislative council before September 1, 2010. The  
4 scope of the study shall include:

- 5 1. An analysis of this use and effectiveness of existing income and sales tax  
6 incentives to promote energy development.
- 7 2. An analysis of the traditional tax framework for lignite and electric generation  
8 projects to determine which incentives could be expanded to provide for new  
9 projects that allow for the future growth of the lignite industry.
- 10 3. Consideration of property taxation of wind farms based upon installed capacity and  
11 production.

### 12 **SECTION 3. WATER RESOURCES STUDY - REPORT TO THE LEGISLATIVE**

13 **COUNCIL.** During the 2009-10 interim, the water commission shall study the effect energy  
14 development is having on the state's water resources and make recommendations on ways to  
15 minimize this impact and maximize the available water supply to support future energy growth.  
16 The water commission shall cooperate with the energy policy commission in conducting this  
17 study. The water commission shall report its finding to the legislative council before September  
18 1, 2010.

### 19 **SECTION 4. LEGISLATIVE COUNCIL STUDY - LIVESTOCK FEEDING FACILITY**

20 **PERMITTING PROCESS.** During the 2009-11 interim, th legislative council shall consider  
21 studying issues related to the development of livestock feeding facilities and the use of  
22 byproducts from biofuels production as a feedstock. The legislative council shall report is  
23 findings and recommendations, together with any legislation required to implement the  
24 recommendations, to the sixty-second legislative assembly.