

**Sixty-first Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 6, 2009**

HOUSE BILL NO. 1322
(Representatives Porter, Brandenburg, S. Kelsh)
(Senators Flakoll, Triplett, Wardner)

AN ACT to create and enact a new chapter to title 17 of the North Dakota Century Code, relating to an energy policy commission; to provide for a water resources study; and to provide for a legislative council study.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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

Energy policy commission.

1. The energy policy commission is composed of:
 - a. The commissioner of commerce;
 - b. A representative of the agriculture community appointed by the governor;
 - c. A representative recommended by the lignite energy council appointed by the governor;
 - d. A representative recommended by the North Dakota petroleum council appointed by the governor;
 - e. A member from the biodiesel industry appointed by the governor;
 - f. A member from the biomass industry appointed by the governor;
 - g. A member from the wind industry appointed by the governor;
 - h. A member from the ethanol industry appointed by the governor;
 - i. A representative recommended by the North Dakota petroleum marketers association appointed by the governor;
 - j. A member from the North Dakota investor-owned electric utility industry appointed by the governor;
 - k. A member from the generation and transmission electric cooperative industry appointed by the governor;
 - l. A member from the lignite coal-producing industry appointed by the governor;
 - m. A member from the refining or gas-processing industry appointed by the governor;
and
 - n. Additional nonvoting members appointed by the governor.
2. Each member of the commission shall serve for a term of two years, beginning July first, may be reappointed for additional terms, and serves at the pleasure of the governor.
3. The commissioner of commerce is chairman of the commission.

4. The commission shall meet at least four times per biennium or as often as the chairman deems necessary. The commission shall hold at least two public hearings per biennium, at which time interested parties may present testimony regarding issues pertinent to the development of the policy. The department of commerce shall provide staffing for the commission.
5. The commission shall develop a comprehensive energy policy for the state. The commission shall monitor progress made toward the goals outlined in the energy policy and make changes to the energy policy as needed. The commission shall report biennially to the legislative council.
6. The members of the commission who are not state employees are entitled to mileage and expenses as provided by law for state officers and employees. Unless otherwise provided in this subsection, the expenses of appointed members are to be paid by the department of commerce. A state employee who is a member of the commission must receive that employee's regular salary and is entitled to mileage and expenses, to be paid by the employing agency.

SECTION 2. WATER RESOURCES STUDY - REPORT TO LEGISLATIVE COUNCIL.

1. During the 2009-10 interim, the state water commission shall conduct a study to:
 - a. Determine unit water use for each sector of energy production, including:
 - (1) Petroleum;
 - (2) Ethanol;
 - (3) Electrical generation; and
 - (4) Biodiesel;
 - b. Identify water quality constraints for each energy sector;
 - c. Estimate projected water use in each energy production sector based upon growth projections provided by the energy policy commission; and
 - d. Provide a qualitative assessment of the state's water resources and identify specific sources that have the potential of providing significant quantities of water energy development.
2. The state water commission shall cooperate with the energy policy commission in conducting this study.
3. The water commission shall report its findings and recommendations to the legislative council before September 1, 2010.

SECTION 3. LEGISLATIVE COUNCIL STUDY - LIVESTOCK FEEDING FACILITY PERMITTING PROCESS. The legislative council shall consider studying, during the 2009-10 interim, issues related to the development of livestock feeding facilities and the use of byproducts from biofuels production as a feedstock. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.