

**FIRST ENGROSSMENT
with Senate Amendments
ENGROSSED HOUSE BILL NO. 1382**

Introduced by

Representatives Laning, Boe, Kempenich

Senators Burckhard, Campbell, O'Connell

1 A BILL for an Act to create and enact a new section to chapters 10-13 and 40-33 of the North
2 Dakota Century Code, relating to the construction of electric transmission lines by cooperatives
3 and municipal power agencies; and to provide for application.

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

5 **SECTION 1.** A new section to chapter 10-13 of the North Dakota Century Code is created
6 and enacted as follows:

7 **Right of rural electric cooperative to construct, own, and maintain electric**
8 **transmission lines.**

- 9 1. For purposes of this section, the terms electric transmission provider, electric
10 transmission line, electric public utility, and rural electric cooperative have the same
11 meanings as in section 49-03-01.5.
- 12 2. Except as provided in subsection 3, an electric transmission provider or designee may
13 not construct an electric transmission line interconnecting with an existing electric
14 transmission line owned, leased, or operated by a rural electric cooperative, unless the
15 electric transmission provider or designee has provided written notice to the rural
16 electric cooperative of its intention to do so. If the rural electric cooperative provides
17 written notification to the electric transmission provider or designee within one hundred
18 eighty days from receipt of the written notice under this subsection, that the rural
19 electric cooperative is willing and able to construct and operate a similar electric
20 transmission line, the rural electric cooperative shall have the right to construct the
21 line.
- 22 3. If an electric transmission line would interconnect facilities owned, leased, or operated
23 by a rural electric cooperative and facilities owned, leased, or operated by a municipal

1 utility, a municipal power agency, or an electric public utility doing business in this state
2 the following conditions apply:

3 a. The rural electric cooperative and municipal utility, municipal power agency, or
4 the electric public utility shall attempt to agree on all terms and conditions,
5 including design, construction, ownership, and operation of the electric
6 transmission line.

7 b. If parties are unable to agree, this subsection does not compel a party to
8 participate in the project or be construed as a waiver by any party of its right to
9 establish and enforce any requirements for interconnection of transmission
10 facilities to its transmission system.

11 4. For purposes of this section, a "municipal utility" means anything a municipality is
12 allowed to possess under section 40-33-01 and a "municipal power agency" has the
13 meaning provided in section 40-33.2-02.

14 **SECTION 2.** A new section to chapter 40-33 of the North Dakota Century Code is created
15 and enacted as follows:

16 **Right of municipal electric utilities and municipal power agencies to construct, own,**
17 **and maintain electric transmission lines.**

18 1. For purposes of this section, the terms electric transmission provider, electric
19 transmission line, and electric public utility, have the same meanings as in section
20 49-03-01.5. Municipal power agency has the meaning provided in section 40-33.2-02
21 and also includes a municipal power agency of which any municipality in this state is a
22 member.

23 2. Except as provided in subsection 3, an electric transmission provider or designee may
24 not construct an electric transmission line interconnecting with an existing electric
25 transmission line owned, leased, or operated by a municipal utility or municipal power
26 agency, unless the electric transmission provider or designee has provided written
27 notice to the municipal utility or municipal power agency of its intention to do so. If the
28 municipal utility or municipal power agency provides written notification to the electric
29 transmission provider or designee within one hundred eighty days from receipt of the
30 written notice under this subsection, that the municipal utility or municipal power
31 agency is willing and able to construct and operate a similar electric transmission line.

1 the municipal utility or municipal power agency shall have the right to construct said
2 line.

3 3. If an electric transmission line would interconnect facilities owned, leased, or operated
4 by a municipal utility or municipal power agency and facilities owned, leased, or
5 operated by a rural electric cooperative or an electric public utility doing business in
6 this state the following conditions apply:

7 a. The municipal utility or municipal power agency and the rural electric cooperative
8 or the electric public utility shall attempt to agree on all terms and conditions,
9 including design, construction, ownership, and operation of the electric
10 transmission line.

11 b. If parties are unable to agree, this subsection does not compel a party to
12 participate in the project or be construed as a waiver by any party of its right to
13 establish and enforce any requirements for interconnection of transmission
14 facilities to its transmission system.

15 **SECTION 3. APPLICATION.** This Act applies to any electric transmission line that is
16 scheduled to begin being constructed after December 31, 2015.