

WESTERN DAKOTA ENERGY ASSOCIATION

March 18, 2021

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Supt. Brad Rinas Washburn PSD Coal Conversion Counties Testimony of: Geoff Simon, Lobbyist #144 in support of SB 2313 House Energy and Natural Resources Committee

Chairman Porter and Committee members:

On behalf of the city, county and school district members of the Western Dakota Energy Association (WDEA), we wish to express the urgent need for Senate Bill 2313.

Energy policy in America is a mess, particularly as it pertains to the electric markets. And there are indications it will only get worse under the Biden administration. One would have hoped that the rolling blackouts in mid-February would be a ringing wake-up call to energy policy makers. But predictably, even though the evidence indicates that over-reliance on renewable resources and failure to maintain reliable baseload plants were to blame, the White House chose to assign blame to a few coal and natural gas plant outages in Texas. Even worse, rather than recognizing that poor energy policy and poor planning were responsible for the outages, we witnessed elements of the mainstream media blaming "climate change" for the blackouts.

Policy makers at the federal level will try to deflect from this very real and serious problem to continue pursuit of their climate agenda. But every North Dakotan should understand this a problem we cannot afford to ignore. WDEA has heard in previous testimony this session that our grid operators, MISO and the Southwest Power Pool, have evaluated the problem with the region's growing penetration of intermittent generation. The grid operators know there are limits to renewable integration, and they will also tell you we need baseload generation to back up the intermittent generation. Therein lies the problem. As more and more wind generation is brought onto the grid, electrons from those wind farms displace electrons that would otherwise be generated by North Dakota's coal fleet. And that takes money out of the pocket of the utilities that operate the plants. So what are federal policy makers, MISO and SPP, doing about compensating coal plants for reliability? Next to nothing.

The Utility Working Group – our state's cooperative and investor-owned utilities – will tell you they did not ask for this bill, and they were successful in watering down the bill in the Senate. Those same utilities have testified on other bills aimed at ensuring electric grid reliability in North Dakota, and told us MISO and SPP have it under control and that we have nothing to be concerned about. But on February 16 we saw rolling blackouts in Bismarck and elsewhere in North Dakota. Capitol Electric Co-op customers experienced an outage when the temperature was 12 below zero. If that's not a wake-up call that North Dakota needs to take measures to prevent a similar occurrence, we're not sure what it will take.

WDEA applauds the initiative of Senator Wardner and Representative Pollert for introducing this important legislation, and urges the committee to restore the original intent of SB 2313.

Thank you for the opportunity to submit testimony.

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