



March 4, 2021

Chairman Lefor and House IBL Committee Members,

On behalf of the members of the Lignite Energy Council, I am submitting testimony today in support of Senate Bill 2317 which has the potential to deliver savings for retail electric customers by lowering the cost of operating a lignite mine.

SB2317 creates a coal mine reclamation trust at the direction of the public service commission (PSC) by utilizing private assets pledged as collateral to fulfill performance bond obligations. Performance bonds are accepted by the commission in order to protect the state with adequate bond coverage to complete the reclamation of lands if a mining company is unable to complete the reclamation in a worst case scenario.

There are currently three types of performance bonds that are accepted by the PSC, under ND Administrative Code 69-05.2-12-02: surety, collateral and self-bonds. This legislation would allow for the use of private assets to provide additional assurances for collateral bonds.

Our state's lignite mines provide high paying jobs for thousands of working families and serve as the lifeblood of many counties and communities in central North Dakota. This legislation will help improve the economics for an important industry, protect thousands of jobs and safeguard the taxpayer.

For these reasons, the Lignite Energy Council supports SB2317 and we respectfully ask that the committee provide this legislation with a favorable "Do-Pass" recommendation.

Thank you for your consideration,

Jason Bohrer

President and CEO



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