

WESTERN DAKOTA ENERGY ASSOCIATION

March 19, 2021

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Geoff Simon, Lobbyist #144 in support of HB 1455 Senate Energy and Natural Resources Committee

Chairman Kreun and Committee members:

On behalf of the city, county and school district members of the Western Dakota Energy Association (WDEA), notably those in the coal-producing counties, we wish to express our support for the original intent of House Bill 1455 to provide a hearing and public comment process upon the planned closure of a coal-fired power plant, and to establish rules for the reclamation of the site where a plant is closed.

As has happened with every bill this session aimed at addressing growing electric reliability concerns, HB 1455 was "watered down" to simply require utilities to include notice in their 10-year plans if they are considering a plant closure. The PSC would also be empowered to request any reliability study developed with its regional transmission organization to determine the impact of the plant closure. This is hardly adequate to address the scenario we witnessed last year with the announcement that Great River Energy intended to shut down Coal Creek Station by the end of 2022.

The announcement sent shock waves through central North Dakota. The 1,100-megawatt plant and the associated Falkirk Mine are the major employer in McLean County, providing roughly 700 jobs. But the potential blow to the region's economy is only half the story. Citizens were left wondering what the effect of shutting down a huge baseload coal plant will have on the reliability of the electric grid. The original language of HB 1455 would establish a process to address these public concerns by directing the Public Service Commission to gather information about the economic impact of the plant retirement on the affected cities, counties and the state, as well as its impact on electric rates, reliability, and most importantly, potential options that would allow the plant to remain in operation. Shutting down a massive plant like Coal Creek, leaving the public figuratively (and perhaps literally) in the dark about the future consequences of the decision is unacceptable. The public deserves to have their questions answered, and deserves the opportunity to offer comments that could perhaps lead to alternative solutions to either preserve the plant's operation and ensure grid reliability, or lead to other options to ease the economic damage.

WDEA wishes to thank Representative Nehring for introducing this important legislation, and urges the committee to restore some semblance of the original intent of HB 1455.

Thank you for the opportunity to submit testimony.

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