Sixty-eighth
Legislative Assembly
of North Dakota

HOUSE CONCURRENT RESOLUTION NO. 3014

Introduced by

Representatives Novak, D. Anderson, Hagert, Heinert

A concurrent resolution urging the Southwest Power Pool and Midcontinent Independent System Operator to take prompt and decisive actions to maintain the reliability of the Bulk Power System by correcting market failures that have allowed capacity retirements to outpace replacement.

WHEREAS, the welfare of the citizens and economic security of this state depend on the affordability, reliability, and resilience of the electric power supply; and

WHEREAS, the North American Electric Reliability Corporation's 2022 long-term reliability assessment shows several United States regions with serious generation capacity shortfalls and a failure to meet established reliability criteria, and the Midcontinent Independent System Operator (MISO) and the Southwest Power Pool (SPP), which serve North Dakota, have experienced multiple maximum generation alerts in recent years and load-shedding events to address capacity shortfalls; and

WHEREAS, the Legislative Assembly is greatly concerned about the ability of regional grid operators to meet peak demand during extreme weather events because dispatchable thermal generation resources are retiring much faster than generating capacity is being replaced, and this gap will continue to widen as weather-dependent generation saturates the grid; and

WHEREAS, the trend of announced dispatchable generation retirements is scheduled to increase in the 15-state MISO to more than 30 gigawatts by 2030, not including retirements caused by new Environmental Protection Agency rules; and

WHEREAS, electric power markets are distorted significantly by direct and indirect subsidies that erode the economics of dispatchable thermal electric power plants and increase the likelihood of early retirement of the power plants; and

WHEREAS, state and federal renewable energy mandates further drive investment decisions toward weather-dependent generation without considering the full impacts to the system; and

WHEREAS, the Biden Administration's 2035 clean energy mandate fails to consider the land use impacts, permitting processes, supply chains, and construction time lines necessary to build new generation and transmission infrastructure needed to meet the goals and reliably operate the Bulk Power System; and

WHEREAS, North Dakota supports developing thermal and renewable resources in tandem as well as new technologies, such as hydrogen and carbon capture and storage to maintain an affordable, reliable, and resilient grid that is essential to a strong economy, safe communities, and geopolitical security;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF NORTH DAKOTA, THE SENATE CONCURRING THEREIN:

That the Sixty-eighth Legislative Assembly urges the SPP and MISO to take prompt and decisive actions to maintain the reliability of the Bulk Power System by correcting market failures that have allowed capacity retirements to outpace replacement; and

BE IT FURTHER RESOLVED, because North Dakota does not have renewable energy mandates that drive policies at the regional transmission organization level but has aggressive carbon neutral goals by 2030 which involve commercializing carbon capture storage technology, the Public Service Commission and North Dakota Transmission Authority are urged to advocate at MISO and SPP for policies that fairly compensate dispatchable energy resources, properly value all generators based on their contributions to grid reliability, and ensure the availability of generation resources at all hours to meet demand; and

BE IT FURTHER RESOLVED, that the Secretary of State forward a copy of this resolution to the Federal Energy Regulatory Commission, Public Service Commission, North Dakota Transmission Authority, North Dakota Congressional Delegation, ~~Midwest~~Midcontinent Independent System Operator, and Southwest Power Pool.