



North Dakota House of Representatives

STATE CAPITOL
600 EAST BOULEVARD
BISMARCK, ND 58505-0360



Representative Anna Novak

District 33
1139 Elbowoods Drive
Hazen, ND 58545-4923
anovak@ndlegis.gov

COMMITTEES:

Education
Energy and Natural Resources (Vice Chair)

March 17, 2025

Chairman Weber and Members of the Senate Finance and Taxation Committee,

Thank you for allowing me to testify today in support of House Bill 1279. For the record, I am Representative Anna Novak from District 33, where lignite power plants are more than just facilities—they are lifelines for our communities. This bill isn't just about helping an industry; it's about protecting affordable energy for every North Dakotan and ensuring a reliable power grid that sustains our way of life.

Lignite power plants are the backbone of North Dakota's energy grid, providing power 24/7, rain or shine, cold snap or heatwave. For ratepayers, this means affordable electricity that doesn't fluctuate wildly with market demands or weather conditions. With increasing reliance on intermittent energy sources like wind and solar, it's crucial to maintain a stable, always-available energy source that keeps our grid reliable and energy prices consistent.

The coal severance tax is the tax the coal mines pay for removal of the coal from the ground. That tax is not impacted by this bill, locally or statewide. The tax that this bill targets is the coal conversion tax, which is the tax the lignite power plants pay for converting the coal for electricity generation. The local portion of the coal conversion taxes will not be impacted by this bill; however, the power plant facilities will get a 10-year tax holiday at the state level.

HB1279 provides lignite power plant operators with the financial stability needed to manage the rising costs of maintenance, upgrades, and legal challenges driven by federal overreach and inflation—costs that would otherwise trickle down to ratepayers. By extending the coal conversion tax relief, the bill helps keep these expenses manageable, protecting families and businesses from unexpected increases in their electricity bills. At the same time, the bill is a forward-looking measure that ensures lignite remains a cornerstone of affordable and reliable energy for North Dakota, not just for today but for the next decade and beyond. It supports predictable and fair electricity rates while enabling continued investment in innovative technologies, making this vital resource more sustainable for the future.

I urge this committee to support HB1279, not just for the sake of the industry, but for the sake of the hardworking ratepayers who deserve affordable and reliable power. Let's keep North Dakota's energy affordable, stable, and independent.

Thank you for your time and consideration, Mr. Chairman and members of the committee. With that, I'll stand for any questions.