Sixty-sixth Legislative Assembly of North Dakota

SENATE BILL NO. 2038

Introduced by

Legislative Management

(Natural Resources Committee)

- 1 A BILL for an Act to amend and reenact sections 49-22-03, 49-22-14.1, 49-22-16, 49-22.1-01,
- 2 49-22.1-12, and subsection 2 of section 49-22.1-13 of the North Dakota Century Code, relating
- 3 to energy conversion and transmission facility siting, gas and liquid energy conversion, and gas
- 4 and liquid transmission facility siting.

5 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

6 SECTION 1. AMENDMENT. Section 49-22-03 of the North Dakota Century Code is

7 amended and reenacted as follows:

8 **49-22-03. Definitions.**

9 In this chapter, unless the context or subject matter otherwise requires:

- "Certificate" means the certificate of site compatibility or the certificate of corridor
 compatibility issued under this chapter.
- 12 2. "Commission" means the North Dakota public service commission.
- "Construction" includes anya clearing of land, excavation, or other action that would
 affectaffecting the environment of the site after April 9, 1975, but does not include
 activities:
- a. Conducted wholly within the geographic location for which a utility has previously
 obtained a certificate or permit under this chapter, or on which a facility was
 constructed before April 9, 1975, if:
- 19 (1) The activities are for the construction of the same type of facility as the
 20 existing type of facility as identified in a subdivision of subsections 5 or 12 of
 21 this section and the activities are:
- 22 (a) Within the geographic boundaries of a previously issued certificate or
 23 permit;

1			(b)	For	an electric energy conversion facility constructed before April 9,
2				197	5, within the geographic location on which the facility was built; or
3			(C)	For	an electric transmission facility constructed before April 9, 1975,
4				with	nin a width of three hundred fifty feet [106.68 meters] on either side
5				of t	he centerline;
6		(2)	Exce	ept as	s provided in subdivision b, the activities do not affect any known
7			excl	usion	or avoidance area;
8		(3)	The	activ	ities are for the construction:
9			(a)	Of a	a new electric energy conversion facility;
10			(b)	Of a	a new electric transmission facility;
11			(C)	To i	mprove the existing electric energy conversion facility or electric
12				trar	nsmission facility; or
13			(d)	To i	ncrease or decrease the capacity of the existing electric energy
14				con	version facility or electric transmission facility; and
15		(4)	Befo	ore co	nducting any activities, the utility certifies in writing to the
16			com	missi	on that:
17			(a)	The	e activities will not affect anya known exclusion or avoidance area;
18			(b)	The	e activities are for the construction:
19				[1]	Of a new electric energy conversion facility;
20				[2]	Of a new electric transmission facility;
21				[3]	To improve the existing electric energy conversion or electric
22					transmission facility; or
23				[4]	To increase or decrease the capacity of the existing electric
24					energy conversion facility or electric transmission facility; and
25			(C)	The	e utility will comply with all applicable conditions and protections in
26				sitir	ng laws and rules and commission orders previously issued for any
27				par	t of the facility.
28	b.	Oth	erwise	e qua	lifying for exclusion under subdivision a, except that the activities
29		are	expec	cted to	o affect a known avoidance area and the utility before conducting
30		any	activi	ties:	
31		(1)	Cert	ifies i	n writing to the commission that:

1				(a)	The activities will not affect anya known exclusion area;
2				(b)	The activities are for the construction:
3					[1] Of a new electric energy conversion facility;
4					[2] Of a new electric transmission facility;
5					[3] To improve the existing electric energy conversion facility or
6					electric transmission facility; or
7					[4] To increase or decrease the capacity of the existing electric
8					energy conversion facility or electric transmission facility; and
9				(C)	The utility will comply with all applicable conditions and protections in
10					siting laws and rules and commission orders previously issued for any
11					part of the facility;
12			(2)	Noti	fies the commission in writing that the activities are expected to impact
13				an a	voidance area and provides information on the specific avoidance area
14				expe	ected to be impacted and the reasons why impact cannot be avoided;
15				and	
16			(3)	Rec	eives the commission's written approval for the impact to the avoidance
17				area	a, based on a determination that there is no reasonable alternative to the
18				expe	ected impact. If the commission does not approve impacting the
19				avoi	dance area, the utility must obtain siting authority under this chapter for
20				the a	affected portion of the site or route. If the commission fails to act on the
21				notif	ication required by this subdivision within thirty days of the utility's filing
22				the	notification, the impact to the avoidance area is deemed approved.
23		C.	Incie	dent t	o preliminary engineering or environmental studies.
24	4.	"Co	orridor	" mea	ans the area of land in which <u>where</u> a designated route may be
25		est	tablish	ed foi	an electric transmission facility.
26	5.	"El	ectric	energ	y conversion facility" means anya plant, addition, or combination of
27		pla	int and	l addi	tion, designed for or capable of:
28		a.	Ger	neratio	on by wind energy conversion exceeding one-half megawatt of
29			elec	ctricity	; or
30		b.	Ger	neratio	on by any means other than wind energy conversion exceeding fifty
31			meg	gawat	ts of electricity.

1	6.	"Electric transmission facility" means an electric transmission line and associated							
2		facilities with a design in excess of one hundred fifteen kilovolts. "Electric transmission							
3		facility" does not include:							
4		a. A temporary electric transmission line loop that is:							
5		(1) Connected and adjacent to an existing electric transmission facility that was							
6		sited under this chapter;							
7		(2) Within the corridor of the sited facility and does not cross known exclusion							
8		or avoidance areas; and							
9		(3) In place for less than one year; or							
10		b. An electric transmission line that is less than one mile [1.61 kilometers] long.							
11	7.	"Facility" means an electric energy conversion facility, electric transmission facility, or							
12		both.							
13	8.	"Permit" means the permit for the construction of an electric transmission facility within							
14		a designated corridor issued under this chapter.							
15	9.	"Person" includes anyan individual, firm, association, partnership, cooperative,							
16		corporation, limited liability company, or any department, agency, or instrumentality of							
17		a state or of the federal government, or any subdivision thereof.							
18	10.	"Power emergency" means an electric transmission line and associated facilities that							
19		have been damaged or destroyed by natural or manmade causes resulting in a loss of							
20		power supply to consumers of the power.							
21	11.	"Road use agreement" means permits required for extraordinary road use, road-							
22		access points, approach or road crossings, public right-of-way setbacks, building-							
23		rules, physical addressing, dust control measures, or road maintenance and any repair-							
24		mitigation plans.							
25	12.	"Route" means the location of an electric transmission facility within a designated							
26		corridor.							
27	13.<u>12.</u>	"Site" means the location of an electric energy conversion facility.							
28	14.<u>13.</u>	"Utility" means anya person engaged in and controlling the electric generation, the							
29		transmission of electric energy, or the transmission of water from or to any electric							
30		energy conversion facility.							

1	SEC	TION 2. AMENDMENT. Section 49-22-14.1 of the North Dakota Century Code is								
2	amended and reenacted as follows:									
3	49-22-14.1. Cooperation with state and federal agencies and political subdivisions.									
4	The commission may, and is encouraged to, cooperate with and receive and exchange									
5	technica	I information and assistance from and with any department, agency, or officer of any								
6	state or	of the federal government to eliminate duplication of effort, to establish a common								
7	databas	e, or for any other purpose relating to the provisions of this chapter and in furtherance								
8	of the st	atement of policy contained herein. The commission shall cooperate and exchange-								
9	technica	I information with directly impacted political subdivisions as outlined in subsection 2 of								
10	section 4	19-22-16.								
11	SEC	TION 3. AMENDMENT. Section 49-22-16 of the North Dakota Century Code is								
12	amende	d and reenacted as follows:								
13	49-2	2-16. Effect of issuance of certificate or permit - Local land use, zoning, or								
14	building	rules, regulations, or ordinances - State agency rules.								
15	1.	The issuance of a certificate of site compatibility or a route permit shall, subject to								
16		subsections 2 and 3, be the sole site or route approval required to be obtained by the								
17		utility.								
18	2.	a. A certificate of site compatibility for an electric energy conversion facility may								
19		not supersede or preempt any local land use, zoning, or building rules, regulations, or								
20		ordinances and noa site may not be designated which violates local land use, zoning,								
21		or building rules, regulations, or ordinances.								
22		b. Except as provided in this section, a <u>A</u> permit for the construction of a gas or								
23		liquid oran electric transmission facility within a designated corridor supersedes and								
24		preempts anya local land use or, zoning regulations, or building rule, regulation, or								
25		ordinance, upon a finding by the commission that the rule, regulation, or ordinance, as								
26		applied to the proposed route, is unreasonably restrictive in view of existing								
27		technology, factors of cost or economics, or needs of consumers regardless of								
28		location. Without such a finding by the commission, a route may not be designated								
29		which violates a local land use, zoning, or building rule, regulation, or ordinance.								
30		c. Before a gas or liquid transmission facility is approved, the commission shall								
31		require the applicant to comply with the road use agreements of the impacted								

1			political subdivision. A permit may supersede and preempt the requirements of a
2			political subdivision if the applicant shows by a preponderance of the evidence
3			the regulations or ordinances are unreasonably restrictive in view of existing-
4			technology, factors of cost or economics, or needs of consumers regardless of
5			their location, or are in direct conflict with state or federal laws or rules.
6		d.	When an application for a certificate for a gas or liquid transmission facility is
7			filed, the commission shall notify the townships with retained zoning authority,-
8			cities, and counties in which any part of the proposed corridor is located. The
9			commission may not schedule a public hearing sooner than forty-five days from
10			the date notification is sent by mail or electronic mail. Upon notification, a political
11			subdivision shall provide a listing to the commission of all local requirements
12			identified under this subsection. The requirements must be filed at least ten days-
13			before the hearing or the requirements are superseded and preempted.
14		e.	An applicant shall comply with all local requirements provided to the commission
15			pursuant to subdivision d, which are not otherwise superseded by the-
16			commission.
17	3.	Utili	ities subject to this chapter shall obtain state permits that may be required to
18		con	struct and operate electric energy conversion facilities and electric transmission
19		faci	
20			lities. A state agency in processing a utility's facility permit application shall be
		bou	lities. A state agency in processing a utility's facility permit application shall be and to the decisions of the commission with respect to the site designation for the
21			
21 22		eleo	and to the decisions of the commission with respect to the site designation for the
		eleo trar	and to the decisions of the commission with respect to the site designation for the ctric energy conversion facility or the corridor or route designation for the electric
22	4.	eleo trar grai	and to the decisions of the commission with respect to the site designation for the ctric energy conversion facility or the corridor or route designation for the electric insmission facility and with respect to other matters for which authority has been
22 23	4.	eleo trar grai No<u>/</u>	and to the decisions of the commission with respect to the site designation for the ctric energy conversion facility or the corridor or route designation for the electric insmission facility and with respect to other matters for which authority has been inted to the commission by this chapter.
22 23 24	4.	eleo tran grai No <u>/</u> age	and to the decisions of the commission with respect to the site designation for the ctric energy conversion facility or the corridor or route designation for the electric insmission facility and with respect to other matters for which authority has been inted to the commission by this chapter.
22 23 24 25	4.	elec tran gran No <u>/</u> age pres	and to the decisions of the commission with respect to the site designation for the electric energy conversion facility or the corridor or route designation for the electric assession facility and with respect to other matters for which authority has been inted to the commission by this chapter. A site or route shallmay not be designated which violates the rules of anya state ency. A state agency with jurisdiction over any aspect of a proposed facility shall
22 23 24 25 26	4.	elec tran grai No <u>/</u> age pres	and to the decisions of the commission with respect to the site designation for the electric energy conversion facility or the corridor or route designation for the electric insmission facility and with respect to other matters for which authority has been inted to the commission by this chapter. A site or route shallmay not be designated which violates the rules of anya state ency. A state agency with jurisdiction over any aspect of a proposed facility shall sent the position of the agency at the public hearing on an application for a
22 23 24 25 26 27	4.	elec tran gran No <u>/</u> age pres cert site	and to the decisions of the commission with respect to the site designation for the electric energy conversion facility or the corridor or route designation for the electric insmission facility and with respect to other matters for which authority has been inted to the commission by this chapter. A site or route shallmay not be designated which violates the rules of anya state ency. A state agency with jurisdiction over any aspect of a proposed facility shall sent the position of the agency at the public hearing on an application for a tificate, a permit, or a waiver, which position shallmust clearly state whether the
22 23 24 25 26 27 28	4.	elec tran gran No <u>/</u> age pres cert site age	and to the decisions of the commission with respect to the site designation for the electric energy conversion facility or the corridor or route designation for the electric insmission facility and with respect to other matters for which authority has been inted to the commission by this chapter. A site or route shallmay not be designated which violates the rules of anya state ency. A state agency with jurisdiction over any aspect of a proposed facility shall sent the position of the agency at the public hearing on an application for a tificate, a permit, or a waiver, which position shallmust clearly state whether the ency, or route being considered for designation will be in compliance with such

1 present its position on the proposed site, corridor, or route at the appropriate public 2 hearing. 3 SECTION 4. AMENDMENT. Section 49-22.1-01 of the North Dakota Century Code is 4 amended and reenacted as follows: 5 49-22.1-01. Definitions. 6 In this chapter, unless the context or subject matter otherwise requires: 7 1. "Certificate" means the certificate of site compatibility or the certificate of corridor 8 compatibility issued under this chapter. 9 2. "Commission" means the North Dakota public service commission. 10 3. "Construction" includes anya clearing of land, excavation, or other action that would-11 affectaffecting the environment of the site after April 9, 1975, but does not include 12 activities: 13 Conducted wholly within the geographic location for which a utility has previously a. 14 obtained a certificate or permit under this chapter, or on which a facility was 15 constructed before April 9, 1975, if: 16 The activities are for the construction of the same type of facility as the (1) 17 existing type of facility as identified in subsection 5 or 12 and the activities 18 are: 19 (a) Within the geographic boundaries of a previously issued certificate or 20 permit; 21 (b) For a gas or liquid energy conversion facility constructed before 22 April 9, 1975, within the geographic location on which the facility was 23 built; or 24 (C) For a gas or liquid transmission facility constructed before April 9, 25 1975, within a width of three hundred fifty feet [106.68 meters] on 26 either side of the centerline; 27 (2) Except as provided in subdivision b, the activities do not affect any known 28 exclusion or avoidance area; 29 The activities are for the construction: (3) 30 (a) Of a new gas or liquid energy conversion facility; Of a new gas or liquid transmission facility; 31 (b)

1			(C)	To i	mprove the existing gas or liquid energy conversion facility, or gas
2				or li	quid, transmission facility; or
3			(d)	To i	ncrease or decrease the capacity of the existing gas or liquid
4				ene	rgy conversion facility or gas or liquid transmission facility; and
5		(4)	Befo	ore co	nducting any activities, the utility certifies in writing to the
6			com	missi	on that:
7			(a)	The	activities will not affect anya known exclusion or avoidance area;
8			(b)	The	activities are for the construction:
9				[1]	Of a new gas or liquid energy conversion facility;
10				[2]	Of a new gas or liquid transmission facility;
11				[3]	To improve the existing gas or liquid energy conversion or gas or
12					liquid transmission facility; or
13				[4]	To increase or decrease the capacity of the existing gas or liquid
14					energy conversion facility or gas or liquid transmission facility;
15					and
16			(C)	The	utility will comply with all applicable conditions and protections in
17				sitir	g laws and rules and commission orders previously issued for any
18				part	of the facility.
19	b.	Oth	erwis	e qua	ifying for exclusion under subdivision a, except that the activities
20		are	expe	cted to	o affect a known avoidance area and the utility before conducting
21		any	activi	ities:	
22		(1)	Cer	tifies i	n writing to the commission:
23			(a)	The	activities will not affect any known exclusion area;
24			(b)	The	activities are for the construction:
25				[1]	Of a new gas or liquid energy conversion facility;
26				[2]	Of a new gas or liquid transmission facility;
27				[3]	To improve the existing gas or liquid energy conversion facility or
28					gas or liquid facility; or
29				[4]	To increase or decrease the capacity of the existing gas or liquid
30					energy conversion facility or gas or liquid transmission facility;
31					and

1		(c) The utility will comply with all applicable conditions and protections in
2		siting laws and rules and commission orders previously issued for any
3		part of the facility;
4		(2) Notifies the commission in writing that the activities are expected to impact
5		an avoidance area and provides information on the specific avoidance area
6		expected to be impacted and the reasons why impact cannot be avoided;
7		and
8		(3) Receives the commission's written approval for the impact to the avoidance
9		area, based on a determination that there is no reasonable alternative to the
10		expected impact. If the commission does not approve impacting the
11		avoidance area, the utility must obtain siting authority under this chapter for
12		the affected portion of the site or route. If the commission fails to act on the
13		notification required by this subdivision within thirty days of the utility's filing
14		the notification, the impact to the avoidance area is deemed approved.
15		c. Incident to preliminary engineering or environmental studies.
16	4.	"Corridor" means the area of land in whichwhere a designated route may be
17		established for a gas or liquid transmission facility.
18	5.	"Facility" means a gas or liquid energy conversion facility, gas or liquid transmission
19		facility, or both.
20	6.	"Gas or liquid energy conversion facility" means any plant, addition, or combination of
21		plant and addition, designed for or capable of:
22		a. Manufacture or refinement of one hundred million cubic feet [2831684.66 cubic
23		meters] or more of gas per day, regardless of the end use of the gas;
24		b. Manufacture or refinement of fifty thousand barrels [7949.36 cubic meters] or
25		more of liquid hydrocarbon products per day; or
26		c. Enrichment of uranium minerals.
27	7.	"Gas or liquid transmission facility" means any of the following:
28		a. A gas or liquid transmission line and associated facilities designed for or capable
29		of transporting coal, gas, liquid hydrocarbons, liquid hydrocarbon products, or
30		carbon dioxide. This subdivision does not apply to:
31		(1) An oil or gas pipeline gathering system;

1		(2) A pipeline with an outside diameter of four and one-half inches					
2		[11.43 centimeters] or less which will not be trenched and will be plowed in					
3		with a power mechanism having a vertical knife or horizontally directionally					
4		drilled, and its associated facilities; or					
5		(3) A pipeline that is less than one mile [1.61 kilometers] long. For purposes of					
6		this chapter, a gathering system includes the pipelines and associated					
7		facilities used to collect oil from the lease site to the first pipeline storage					
8		site where pressure is increased for further transport, or pipelines and					
9		associated facilities used to collect gas from the well to the gas processing					
10		facility at which end-use consumer-quality gas is produced, with or without					
11		the addition of odorant.					
12		b. A liquid transmission line and associated facilities designed for or capable of					
13		transporting water from or to an energy conversion facility.					
14	8.	"Permit" means the permit for the construction of a gas or liquid transmission facility					
15		within a designated corridor issued under this chapter.					
16	9.	"Person" includes anyan individual, firm, association, partnership, cooperative,					
17		corporation, limited liability company, or any department, agency, or instrumentality of					
18		a state or of the federal government, or any subdivision thereof.					
19	10.	"Road use agreement" means permits required for extraordinary road use, road					
20		access points, approach or road crossings, public right-of-way setbacks, building					
21		rules, physical addressing, dust control measures, or road maintenance and any repair					
22		mitigation plans.					
23	<u>11.</u>	"Route" means the location of a gas or liquid transmission facility within a designated					
24		corridor.					
25	11.<u>12.</u>	"Site" means the location of a gas or liquid energy conversion facility.					
26	12.<u>13.</u>	"Utility" means anya person engaged in and controlling the generation, manufacture,					
27		refinement, or transmission of gas, liquid hydrocarbons, or liquid hydrocarbon					
28		products, including coal gasification, coal liquefaction, petroleum refinement, uranium					
29		enrichment, and the transmission of coal, gas, liquid hydrocarbons, or liquid					
30		hydrocarbon products, or the transmission of water from or to any gas or liquid energy					
31		conversion facility.					

1	SECT	ION	5. AMENDMENT. Section 49-22.1-12 of the North Dakota Century Code is					
2	amended and reenacted as follows:							
3	49-22.1-12. Cooperation with state and federal agencies and political subdivisions.							
4	The commission may, and is encouraged to, cooperate with and receive and exchange							
5	technical information and assistance from and with any department, agency, or officer of any							
6	state or of	the	federal government to eliminate duplication of effort, to establish a common					
7	database,	or f	or any other purpose relating to the provisions of this chapter. The commission					
8	shall coop	erat	e and exchange technical information with directly impacted political subdivisions					
9	as outlined	d in	subsection 2 of section 49-22.1-13.					
10	SECT	ION	6. AMENDMENT. Subsection 2 of section 49-22.1-13 of the North Dakota					
11	Century C	ode	is amended and reenacted as follows:					
12	2. <u>a</u>	<u>a.</u>	A certificate of site compatibility for ana gas or liquid energy conversion facility					
13			doesmay not supersede or preempt any local land use; zoning; or building rules,					
14			regulations, or ordinances, and a site may not be designated which violates local					
15			land use; zoning; or building rules, regulations, or ordinances. A					
16	b	<u>).</u>	Except as provided in this section, a permit for the construction of a gas or liquid					
17			transmission facility within a designated corridor may supersedesupersedes and					
18			preemptpreempts any local land use; or zoning; or building rules, regulations, or-					
19			ordinances, upon a finding by the commission that the rules, regulations, or-					
20			ordinances, as applied to the proposed route,.					
21	<u>C</u>	<u>).</u>	Before a gas or liquid transmission facility is approved, the commission shall					
22			require the applicant to comply with the road use agreements of the impacted					
23			political subdivision. A permit may supersede and preempt the requirements of a					
24			political subdivision if the applicant shows by a preponderance of the evidence					
25			the regulations or ordinances are unreasonably restrictive in view of existing					
26			technology, factors of cost or economics, or needs of consumers regardless of					
27			their location. Without that finding by the commission, a route may not be-					
28			designated which violates local land use; zoning; or building rules, regulations, or					
29			ordinances, or are in direct conflict with state or federal laws or rules.					
30	d	<u>1.</u>	When an application for a certificate for a gas or liquid transmission facility is					
31			filed, the commission shall notify the townships with retained zoning authority,					

1		cities, and counties in which any part of the proposed corridor is located. The
2		commission may not schedule a public hearing sooner than forty-five days from
3		the date notification is sent by mail or electronic mail. Upon notification, a political
4		subdivision shall provide a listing to the commission of all local requirements
5		identified under this subsection. The requirements must be filed at least ten days
6		before the hearing or the requirements are superseded and preempted.
7	<u>e.</u>	An applicant shall comply with all local requirements provided to the commission
8		pursuant to subdivision d, which are not otherwise superseded by the
9		commission.