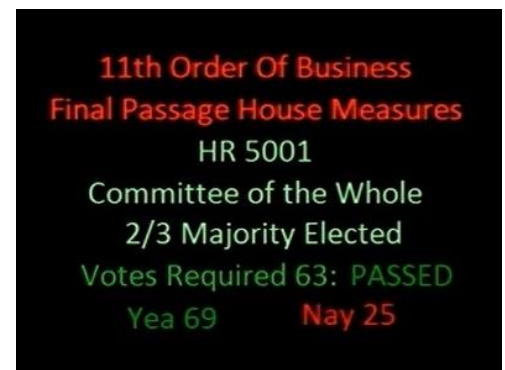




**Western Dakota Energy Association  
Legislative Report #9, March 6, 2021  
[Geoff Simon](#), Executive Director**



There's no denying the major story this week wasn't about a bill or resolution. The House, just before 5:00 p.m. Thursday, expelled one of its members for the first time in state history. Members voted [69-25](#) to approve [HR 5001](#) to expel Dickinson Rep. Luke Simons in the wake of allegations of sexual harassment and inappropriate conduct. Depending on one's perspective, the expulsion was either long overdue or a miscarriage of justice and a violation of Simons' right to due process. Simons denied the allegations in a [statement](#) issued earlier in the week. Legislators who defended him cited the legislature's extensive [workplace harassment policy](#), which provides that allegations are to be investigated by a five-member review panel appointed by the legislature. But there was no legislative panel appointed to investigate the accusations against Simons, which had been documented in a 14-page [file of redacted emails](#) released by Legislative Council in response to an open records request last week. Legislative Council also prepared a [memorandum](#) which explained that due process rights do not have to be considered when a legislator is expelled. It cites Supreme Court precedent that has held that "public office is not property" protected by due process requirements.

The legislature continues to hear repercussions from the rolling blackouts North Dakota experienced in mid-February. Members of the House Appropriations Committee heard a presentation this week from Lynn Helms, Director of the Department of Mineral Resources, who said the blackouts cost the state's oil producers 30,000 barrels of crude per day. Grid operators, who were instructed to reduce load to prevent voltage drops and brownouts, shut off power to oil wells and natural gas compressor stations, cutting off the supply that was feeding natural gas-fired electric peaking plants.

Reliability will be the primary focus of a joint meeting next week of the House and Senate Energy and Natural Resources Committees. Representatives of the two power pools serving North Dakota – the Midcontinent Independent System Operator (MISO), and the Southwest Power Pool – will participate in the meeting to describe what happened during the brutally-cold weather and answer questions from lawmakers. The hearing is scheduled to begin Thursday at 2:30 in the Heritage Center adjacent to the Capitol. The meeting will be live-streamed via [legislative video](#).

A measure that passed this week with little fanfare could have significant implications for the lignite industry. [SB 2287](#) directs the state Insurance Department to study the cause of recent sharp increases in the cost of insurance to the lignite industry and any possible solutions to reduce the cost. The rise in the cost of insurance is just one side effect of the ESG (Environmental, Social and Governance) movement, through which "socially conscious" investors are directing that their investments not be made in companies that produce fossil fuels, and in some cases agricultural commodities. The Department of Commerce will be producing a separate study to develop strategies to help the state of North Dakota and its agriculture and energy companies develop methods to address ESG issues.

Members of the House Transportation Committee heard considerable opposition to [SB 2026](#), a bill which in its current form would grant the governor power to provide an exception to size and weight limits for the operation of road trains. Several individuals representing the ND Association of Counties and county engineers opposed the bill, citing safety issues, potential damage to local roads and bridges, and a lack of county authority to regulate movement of road trains. The committee took no action on the bill, but may consider an [amendment](#) next week proposed by Chairman Dan Ruby.

Expanding natural gas infrastructure is the subject of [HB 1159](#), which passed the Senate yesterday on a 44-3 vote. Despite the fact that North Dakota produces an abundance of natural gas, a study conducted several years ago revealed that there are 21 cities in the state with a population greater than 1,000 that do not have natural gas service. The bill provides for an interim study of natural gas and propane infrastructure development, community needs for gas services, and a cost/benefit analysis of possible state incentives to encourage the development.

The House Energy and Natural Resources Committee heard testimony this week on [SB 2065](#), a bill introduced on behalf of the ND Industrial Commission, which would grant NDIC authority to develop rules for underground storage of oil, natural gas and gas liquids. The legislation anticipates potential development of storage in salt caverns, considered to be an essential infrastructure component that could lead to recruitment of petro-chemical industries to the state.

The House Appropriations Committee will take its first look next week at a couple budget bills followed closely by WDEA. [SB 2014](#) is the budget of the ND Industrial Commission, and will have its initial hearing Monday at 9:00 a.m. [SB 2020](#), which includes budgets of the Upper Great Plains Transportation Institute and NDAWN, will be heard Tuesday at 9:30.