

Minutes of a Meeting of the Industrial Commission of North Dakota

Held on February 19<sup>th</sup>, 2025, beginning at 11:30 a.m.

Governor's Conference Room – State Capitol

Present: Governor Kelly Armstrong, Chairman

Attorney General Drew H. Wrigley

Agriculture Commissioner Doug Goehring

Also Present: This meeting was open through Microsoft Teams so not all attendees are known.

Agency representatives joined various portions of the meeting.

Governor Armstrong called the meeting of the Industrial Commission to order at approximately 11:35 a.m.

Ms. Karen Tyler took roll call, and Governor Armstrong, Commissioner Goehring, and Attorney General Wrigley were present.

Governor Armstrong invited the room to stand and join the Commission in saying the Pledge of Allegiance.

**NORTH DAKOTA MILL AND ELEVATOR**

Mr. Vance Taylor presented the Q2 FY 2025 Operating Results.

Activities in the 2<sup>nd</sup> Quarter of the year resulted in a profit of \$5,634,934 compared to \$4,293,278 last year. For the six months ending December, there was a profit of \$10,758,537 compared to \$9,840,127 last year. Sales for the 2<sup>nd</sup> Quarter were \$124,191,771 compared to \$130,874,725 last year. Operating costs for the 2<sup>nd</sup> Quarter were \$13,815,722 compared to \$11,866,253 last year.

Ms. Cathy Dub presented for consideration of approval a Capital Project.

**Roll Chill Grinding, Corrugating and Roll Journal Machine**

**\$800,000**

This project includes the purchase and installation of a CNC roll grinding machine and a CNC roll corrugating machine. This will increase the ability to recondition the roll chills that are taken out of service during normal operation and will lessen their reliance on outside vendors supplying this service, saving on roll machining costs of approximately \$200,000 per year. The fabrication of the roll journals is a new undertaking for the Mill to complete in-house, as they do not currently have this capability.

Purchasing and installing this new equipment will allow the Mill to have the capabilities to complete all their own roll reconditioning in-house, without needing to rely on a third party to complete this work for them.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the proposed North Dakota Mill and Elevator capital project to purchase and install a CNC roll grinding machine and a CND roll corrugating machine at an**

**estimated cost of \$800,000, in order to move roll re-conditioning in-house and reduce down-time and expense associated with offsite services.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.**

Mr. Taylor gave a legislative update. The following bills are being tracked: SB 2014

Under other business, Mr. Taylor mentioned that they will be holding a meeting to discuss Union Contracts in the near future.

**It was moved by Attorney General Wrigley that under the authority of North Dakota Century Code Sections 6-09-35, 44-04-19.1, and 44-04-19.2, the Industrial Commission enter executive session for the purpose of Bank of North Dakota confidential business and the discussion of exempt attorney work product.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.**

**The Commission is meeting in executive session regarding Bank of North Dakota confidential business pursuant to N.D.C.C. 6-09-35 and 44-04-19.2 to consider those items listed on the agenda under Bank of North Dakota confidential business. Only Commission members, their staff, Commission staff, and BND staff will participate in this executive session.**

**Following the Bank of North Dakota Executive Session, the Commission is meeting in executive session to pursuant to 44-04-19.1 and 44-04-19.2 to discuss the item on the agenda related to exempt attorney work product and an open records request. Only Commission members, their staff, and Commission staff will participate in this executive session.**

**Any formal action taken by the Commission will occur after it reconvenes in open session.**

**Governor Armstrong reminded the Commission members and those present in the executive session that the discussion must be limited to the announced purposes. The executive session is anticipated to last approximately one hour and will begin at 11:53 a.m.**

**Meeting Closed to the Public for Executive Session Pursuant to NDCC 6-09-35, 44-04-19.1, and 44-04-19.2.**

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## **BANK OF NORTH DAKOTA EXECUTIVE SESSION**

### **Industrial Commission Members Present**

Governor Kelly Armstrong

Attorney General Drew H. Wrigley

Agriculture Commissioner Doug Goehring

### **BND Members Present**

Don Morgan

Kelvin Hullet

Kirby Evanger

Others in attendance

Jacy Schafer	Governor's Office
Chris Joseph	Governor's Office
Karen Tyler	Industrial Commission Office
Jordan Kannianen	Industrial Commission Office
Brenna Jessen	Industrial Commission Office

**CONSIDERATION OF WAIVER OF THE EXEMPTION FOR ATTORNEY WORK PRODUCT THAT IS  
EXEMPT UNDER N.D.C.C. SECTION 44-04-19.1**

**Industrial Commission Members Present**

Governor Kelly Armstrong  
Attorney General Drew H. Wrigley  
Agriculture Commissioner Doug Goehring

Others in attendance

Matt Sagsveen	Attorney General's Office
Courtney Titus	Attorney General's Office
Jacy Schafer	Governor's Office
Chris Joseph	Governor's Office
Karen Tyler	Industrial Commission Office
Jordan Kannianen	Industrial Commission Office
Brenna Jessen	Industrial Commission Office

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The executive session ended at approximately 1:10 p.m. and the Commission reconvened in open session.

Between the Bank of North Dakota executive session and the Attorney Work executive session, the Commission took a brief recess from 12:22pm to 12:57pm.

During the Bank of North Dakota executive session, the Commission discussed those items listed on the agenda under Bank of North Dakota confidential business. No formal actions were taken.

During the second executive session, the Commission provided direction on the exemption for certain attorney work product that is exempt pursuant to 44-04-19.1. No formal actions were taken.

**BANK OF NORTH DAKOTA**

Mr. Don Morgan presented for consideration of approval a BND Officer Designation.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the request of BND President Don Morgan, made pursuant to**

**NDCC 6-09-02.2 and BND operating policy, to appoint Mr. Rick Geloff, CPA, as an officer of the Bank of North Dakota.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.**

Mr. Morgan and Mr. Kelvin Hullet gave a legislative update. The categories of bills that BND is tracking varies from Fintech/Crypto, Revolving Loan Funds, Carbon Capture, Energy, Agriculture, Pipelines, and Property Tax.

Mr. Morgan presented the Non-Confidential Committee and Advisory Board Minutes for December 18<sup>th</sup> and 19<sup>th</sup>, 2024 meetings for the Commission member's review.

#### **NORTH DAKOTA PUBLIC FINANCE AUTHORITY**

Ms. DeAnn Ament presented for consideration of approval the following Loans:

- i. **City of Jamestown – Clean Water - \$2,790,000** – The purpose of this loan is to close the existing Cell 4A and open a new Cell 4B in the northcentral portion of the approved project area. PFAS would continue to be trucked from the leachate pond to the lagoon. The requested loan term is 20 years, and the City will issue revenue bonds payable with sanitation and solid waste fund revenues. The average annual payment will be \$102,198.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the Clean Water State Revolving Fund Loan request of \$2,790,000 for the City of Jamestown.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.**

A RESOLUTION WAS MADE

#### **RESOLUTION APPROVING LOAN FROM CLEAN WATER STATE REVOLVING FUND**

WHEREAS, the Industrial Commission has heretofore authorized the creation of a Clean Water State Revolving Fund Program (the "Program") pursuant to N.D.C.C. chs. 6-09.4 and 61-28.2; and

WHEREAS, the Clean Water State Revolving Fund is governed in part by the Master Trust Indenture dated as of July 1, 2011 (the "Indenture"), between the North Dakota Public Finance Authority (NDPFA) and the Bank of North Dakota (the Trustee); and

WHEREAS, the City of Jamestown (the "Political Subdivision") has requested a loan in the amount of \$2,790,000 from the Program to close the existing municipal solid waste landfill Cell 4A and open a new Cell 4B in the north central portion of the approved project area; and

WHEREAS, the NDPFA's Advisory Committee is recommending approval of the Loan; and

WHEREAS, there has been presented to this Commission a form of Loan Agreement proposed to be adopted by the Political Subdivision and entered into with the NDPFA;

NOW, THEREFORE, BE IT RESOLVED by the Industrial Commission of North Dakota as follows:

1. The Loan is hereby approved, as recommended by the Advisory Committee.
2. The form of Loan Agreement to be entered into with the Political Subdivision is hereby approved in substantially the form on file and the Executive Director is hereby authorized to execute the same with all such changes and revisions therein as the Executive Director shall approve.
3. The Executive Director is authorized to fund the Loan from funds on hand in the Clean Water Loan Fund established under the Indenture upon receipt of the Municipal Securities described in the Political Subdivisions bond resolution, to submit to the Trustee a NDPFA Request pursuant to the Indenture, and to make such other determinations as are required under the Indenture.
4. The Commission declares its intent pursuant to Treasury Regulations '1.150-2 that any Loan funds advanced from the Federally Capitalized Loan Account shall be reimbursed from the proceeds of bonds issued by the NDPFA under the Indenture.

Adopted: February 19, 2025

- ii. **City of New Town – Clean Water - \$5,114,000** – The purpose of this loan is to complete Phase 2 of replacement of water mains, sanitary sewer mains, and storm water infrastructure. The requested loan term is 30 years, and the City will issue revenue bonds payable with city sales tax fund revenues. The average annual payment will be \$214,147.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the Clean Water State Revolving Fund Loan request of \$5,114,000 for the City of New Town.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.**

A RESOLUTION WAS MADE

RESOLUTION APPROVING  
LOAN FROM CLEAN WATER STATE REVOLVING FUND

WHEREAS, the Industrial Commission has heretofore authorized the creation of a Clean Water State Revolving Fund Program (the "Program") pursuant to N.D.C.C. chs. 6-09.4 and 61-28.2; and

WHEREAS, the Clean Water State Revolving Fund is governed in part by the Master Trust Indenture dated as of July 1, 2011 (the "Indenture"), between the North Dakota Public Finance Authority (NDPFA) and the Bank of North Dakota (the Trustee); and

WHEREAS, the City of New Town (the "Political Subdivision") has requested a loan in the amount of \$5,114,000 from the Program for phase two replacement of water mains, sanitary sewer mains and storm water infrastructure; and

WHEREAS, the NDPFA's Advisory Committee is recommending approval of the Loan; and

WHEREAS, there has been presented to this Commission a form of Loan Agreement proposed to be adopted by the Political Subdivision and entered into with the NDPFA;

NOW, THEREFORE, BE IT RESOLVED by the Industrial Commission of North Dakota as follows:

1. The Loan is hereby approved, as recommended by the Advisory Committee.
2. The form of Loan Agreement to be entered into with the Political Subdivision is hereby approved in substantially the form on file and the Executive Director is hereby authorized to execute the same with all such changes and revisions therein as the Executive Director shall approve.
3. The Executive Director is authorized to fund the Loan from funds on hand in the Clean Water Loan Fund established under the Indenture upon receipt of the Municipal Securities described in the Political Subdivisions bond resolution, to submit to the Trustee a NDPFA Request pursuant to the Indenture, and to make such other determinations as are required under the Indenture.
4. The Commission declares its intent pursuant to Treasury Regulations '1.150-2 that any Loan funds advanced from the Federally Capitalized Loan Account shall be reimbursed from the proceeds of bonds issued by the NDPFA under the Indenture.

Adopted: February 19, 2025

- iii. **City of New Town – Drinking Water - \$4,009,000** – The purpose of this loan is to complete Phase 2 of replacement of water mains, sanitary sewer mains, and storm water infrastructure. The requested loan term is 30 years, and the City will issue revenue bonds payable with city sales tax fund revenues. The average annual payment will be \$184,724.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the Drinking Water State Revolving Fund Loan request of \$4,009,000 for the City of New Town.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.**

A RESOLUTION WAS MADE

RESOLUTION APPROVING  
LOAN FROM DRINKING WATER STATE REVOLVING FUND

WHEREAS, the Industrial Commission has heretofore authorized the creation of a Drinking Water State Revolving Fund Program (the “Program”) pursuant to N.D.C.C. chs. 6-09.4, 61-28.1, and 61-28.2; and

WHEREAS, the State Revolving Fund is governed in part by the Master Trust Indenture dated as of July 1, 2011 (the “Indenture”), between the North Dakota Public Finance Authority (the “NDPFA”) and the Bank of North Dakota (the “Trustee”); and

WHEREAS, the City of New Town (the “Political Subdivision”) has requested a loan in the amount of \$4,009,000 from the Program for Phase 2 replacement of water mains, sanitary sewer mains and storm water infrastructure; and

WHEREAS, NDPFA’s Advisory Committee is recommending approval of the Loan; and

WHEREAS, there has been presented to this Commission a form of Loan Agreement proposed to be adopted by the Political Subdivision and entered into with the NDPFA;

NOW, THEREFORE, BE IT RESOLVED by the Industrial Commission of North Dakota as follows:

1. The Loan is hereby approved, as recommended by the Advisory Committee.
2. The form of Loan Agreement to be entered into with the Political Subdivision is hereby approved in substantially the form on file and the Executive Director is hereby authorized to execute the same with all such changes and revisions therein as the Executive Director shall approve.

3. The Executive Director is authorized to fund the Loan from funds on hand in the Drinking Water Loan Fund established under the Indenture upon receipt of the Municipal Securities described in the Political Subdivisions bond resolution, to submit to the Trustee a NDPFA Request pursuant to the Indenture, and to make such other determinations as are required under the Indenture.

4. The Commission declares its intent pursuant to Treasury Regulations '1.150-2 that any Loan funds advanced from the Federally Capitalized Loan Account shall be reimbursed from the proceeds of bonds issued by the NDPFA under the Indenture.

Adopted: February 19, 2025

Ms. Ament presented a Memo of State Revolving Fund Loans Approved by the PFA Advisory Committee pursuant to policy:

- i. City of Turtle Lake – Clean Water - \$452,000 – The purpose of this loan is to rehabilitate the manholes to eliminate infiltration and inflow, and to install three blocks of new sanitary sewer main. This will ensure services are properly connected to the main line, making maintenance easier and more efficient. The requested loan term is 30 years, and the City will issue revenue bonds payable with sewer user fees. The average annual payment will be \$18,931.

Ms. Ament gave a legislative update. The following bills are being tracked: SB 2014, HB 1537, HB 1577, HB 1016, HB 1176, SB 2151, and SB 2372.

#### **NORTH DAKOTA BUILDING AUTHORITY**

Ms. Ament presented for consideration of approval the appointment of Joe Morrisette, OMB Director, as a new Authorized Officer for NDBA.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission name Joe Morrisette, Director of the Office of Management and Budget, as an Authorized Officer of the North Dakota Building Authority, and rename DeAnn Ament, Executive Director of the Public Finance Authority and Karen Tyler, Executive Director of the Industrial Commission as Authorized Officers of the North Dakota Building Authority.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.**

#### **INDUSTRIAL COMMISSION OF NORTH DAKOTA DESIGNATION OF AUTHORIZED OFFICERS**



WHEREAS, the Industrial Commission of North Dakota, acting as the North Dakota Building Authority (the Commission), pursuant to and in accordance with N.D.C.C. Chapter 54-17.2, has issued evidences of indebtedness, and

WHEREAS, the Commission has previously named Susan Sisk, Director of the Office of Management and Budget, DeAnn Ament, Executive Director of the Public Finance Authority and Karen Tyler, Industrial Commission Executive Director as its Authorized Officers: and

WHEREAS, Joe Morrisette was named Director of the Office of Management and Budget on December 15, 2025;

THEREFORE, BE IT RESOLVED:

1. The Commission names Joe Morrisette and renames DeAnn Ament and Karen Tyler as its Authorized Officers to do all things necessary and convenient jointly or severally to carry out and perform the obligations of the Commission as required under any outstanding North Dakota Building Authority documents and as set out in N.D.C.C. Chapter 54-17.2 effective February 19, 2025.

Dated this 19th day of February, 2025.

## **DEPARTMENT OF MINERAL RESOURCES**

Mr. Ed Murphy presented a Geological Survey Quarterly Report.

### Wilson M. Laird Core and Sample Library

During the fourth quarter of 2024, geologists from three oil companies, the Geological Survey, the Energy and Environmental Research Center, as well as graduate students from the University of Saskatchewan and the University of North Dakota studied 16,316 feet of core. A total of 3,679 feet of core was photographed generating 4,328 standard photographs and 10,625 feet of core was photographed with a tripod generating 540 photographs for the subscription site.

### Handheld X-Ray Fluorescence Analyzer

In 2022, a handheld x-ray fluorescence analyzer was purchased with funds from the Williston Basin Petroleum Conference to be used primarily to analyze cores and samples in the core library. To date, the analyzer has been used to detect critical minerals in cores and cuttings from weathered and non-weathered Precambrian rocks in the Red River Valley, to evaluate salt mineralogy in the Opeche Formation, and to examine the clay content and overall mineralogy of the middle Three Forks reservoir to understand the lateral variation in oil charge within the unit.

### The Oil Potential of the Middle Three Forks Formation

The Geological Survey released two studies (Report of Investigation nos. 135 and 136) at the end of December regarding the oil potential of the middle (2nd bench) Three Forks Formation authored by

Tim Nesheim and Ted Starns. A total of 593 oil wells in fifty-one 1,280-acre spacing units were studied in and around McKenzie County. By comparing the production in spacing units with similar geology, completion techniques, etc., they were able to quantify the impact that the addition of middle Three Forks wells, at the proper well spacing, made to the overall oil production of that spacing unit. As a result, they estimated that 600 plus middle Three Forks wells could be drilled within the 275,000-acre development area that they identified with the potential to add up to 400 million barrels of oil that would not otherwise be produced. Their study determined that middle Three Forks co-development added to long-term oil production rather than producing the same amount of oil, but just at a higher rate.

### Phase III Landslide Project

The Geological Survey began a landslide mapping program in 2003 with one geologist mapping landslides when not busy with other projects. In 2018, the program was accelerated when three additional surface geologists were assigned to it along with the addition of the exploration tools of Google Earth and LiDAR. In late 2022, the North Dakota Geological Survey finished the Phase II mapping program, becoming one of the first to map landslides across the entire state at a scale of 1:24,000. Phase III of the landslide mapping program compares two LiDAR coverages (such as the 2008 and 2018 coverages in the Red River Valley) to look for elevation changes characteristic of slope failure. The NDGS anticipates completing Phase III mapping of the oil fields in North Dakota by October of this year.

### Proppant Sand Project

In 2009, the Geological Survey began sampling sandstones in 11 counties across western and central North Dakota. Samples were obtained from 45 localities with the goal of finding a local source of frac sand to be used in oil wells in the Williston Basin. While some of the sandstones approached industry standards, none met industry specifications. In 2018, the oil industry revised their specifications and looked for a finer sand grain. NDGS focused sampling on the major windblown deposits in eastern and central North Dakota, collecting 87 sand samples from 75 locations and generating 28 maps and reports on these deposits. As a result of this work, industry started up five sand pit operations, one in McHenry County (now closed) and four in Mercer County.

### Alumina-Rich Claystones for Ceramic Proppant

Ceramic proppant was an important component of Bakken completions in and around 2010. The primary components of ceramic proppant are bauxite (an aluminum-rich rock) and kaolinite. The Geological Survey initiated a study in 2011 to determine if two alumina-rich claystones in North Dakota could be used to manufacture ceramic proppant. Throughout the 2011 field season into January 2012, 237 claystone samples were collected from 61 sites spread across 10 counties in southwestern and west-central North Dakota. The majority of these rock samples (219) were collected from two, bright-white paleosols (the Bear Den Member of the Golden Valley Formation and the Rhame bed at the top of the Slope Formation). Thirteen additional claystone samples were collected from the Sentinel Butte, Bullion Creek, and Camels Butte Member of the Golden Valley Formation. The alumina concentrations of the Bear Den Member and the Rhame bed ranged from 6-34% in individual samples.

### Critical Minerals Drilling Project

Fifty-three sites (53 pilot holes and 30 core holes) were drilled from September 3 – 20 and October 9 in six counties in western North Dakota. The average hole depth was 133 feet, and the average core length was 32 feet. Coring was concentrated on coals and organic-rich mudstones in the lower half of, or just beneath, two ancient soil horizons that are 1,000 feet apart stratigraphically (the Bear Den Member of the Golden Valley Formation and the Rhame bed at the top of the Slope Formation).

NDGS spent more than 400 hours choosing 75 potential drill sites across 10 western counties. One of the greatest challenges going into the drilling project was the possible difficulty intercepting either the Bear Den Member or the Rhame bed in drillholes. The targeted weathering zone was encountered in 37 of our 53 sites. Of the 16 sites where NDGS did not drill into the targeted zone, nine were the result of glacial erosion having removed the Bear Den Member, two resulted from removal of the paleosols by channel sandstones, and a modeling error caused a miss at five drill sites – although one of these sites contained a thin coal enriched in rare earth elements. The lack of subsurface control in many of these areas made it even more difficult to predict if any lignites would be encountered with the 20 – 30-foot-thick zone being targeted at each drill site. Fortunately, enriched lignites were encountered at 14 of the drill sites.

A handheld x-ray fluorescence (xrf) analyzer was used in the field to determine yttrium concentrations in samples and core to guide the coring program. NDGS work has shown that yttrium typically accounts for 10% of the rare earth element concentrations in North Dakota coals. In the lab, yttrium readings were taken at 5,100 points to determine which core samples should be submitted for critical mineral analysis. Based on those results, 242 core samples were submitted.

Mr. Murphy presented a report on the 2024 Geological Strategic Plan and also presented for consideration of approval the Geological Survey proposed 2025 Strategic Plan.

The 2024 Geological Strategic Plan contained 86 one-year goals, and 76 were completed as planned. In addition to those 76 original projects, they also completed 30 new projects for a total of 106 completed projects.

The 2025 Geological Survey Strategic Plan contains 86 one-year goals and 69 long-term goals. These goals impact Subsurface Assessments, Core and Sample Library, Geothermal Assessments, Lignite Assessments, Geological Mapping, Mineral Resource Mapping, Geologic Hazards Mapping, Paleontological Activities, State Fossil Collection, State Rock and Mineral Collection, Geologic and Palaeontologic Reviews of Infrastructure Projects, Regulatory Activities, Outreach Activities, Survey Web Page, Computerized Geologic Database, and Information Dissemination.

**It was moved by Attorney General Wrigley and seconded by Commissioner Goehring that the Industrial Commission approve the Department of Mineral Resources Geological Survey 2025 Strategic Plan.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.**

Mr. Nathan Anderson gave a legislative update. DMR is currently tracking 54 bills, but the following 17 are of highest priority: SB2014, HB1210, HB1292, HB1295, HB1306, HB1414, HB1429, HB1434, HB1573, SB2285, SB2313, SB2320, SB2322, HB1089, HB1459, HB1483, HB1574.

## **NORTH DAKOTA TRANSMISSION AUTHORITY**

Mr. Claire Vigesaa presented a NDTA Annual Report on the status of Electric Grid in North Dakota and an update on the DOE Transmission and IJJA Grid Resiliency Grant programs.

### Resilience of the Electric Grid

- The ND Transmission shall deliver a written report on the status of the resilience of the electric grid to the legislative council and the industrial commission by Sept 1, 2022, and annually thereafter.
- This report also serves as a section of the North Dakota State Energy Security Plan

### Threats to the Electric Grid

- Extreme Weather Events
- Changing Generation Fuel Mix
- Resource Adequacy (**Public Policy**)
- Supply Chain Interruptions
- Aging Infrastructure
- Physical Attacks
- Cyber Attacks

### RTO Planning

- Reliability
- Congestion Relief – Economic Relief
- Generation Interconnections
- Transmission Service Requests
- New Load Requests

### Challenges

- Unprecedented Demand Growth
- Transmission Planning – Complex at Best
- Energy Policy & Long-term Planning/Investment
- Landowner Fatigue - Siting
- Supply Chain Management

### Recommendations

- Strengthen Resource Adequacy
- Enhance Infrastructure Resilience

- Centralize Supply Chain Management
- Implement Cybersecurity Measures
- Prioritize Maintenance of Aging Infrastructure
- Establish Continuous Resilience Assessment

#### DOE Transmission Grants

- Minnesota Power Allete – HVDC Modernization \$ 50.0 million
- MISO/SPP (Joint Target Interconnection Queue) \$464.0 million
- North Plains Connector (Grid United-MN Power) \$700.0 million
  - TSED Grant Mott Community Center \$ 14.3 million
  - TSED Grant Amidon Fire Hall \$ .7 million
- MDU (Hettinger to Elgin 115kV upgrade) \$ 15.6 million
- Otter Tail Power (System automation) \$ 19.6 million

#### IIJA Grid Resilience Formula Grant

- IIJA NDTA Formula Grant FY22/23\* \$ 7.5 million
- IIJA NDTA Formula Grant FY24\* \$ 3.8 million
- Application submitted for FY25\* \$ 3.6 million
- One more potential app for FY26

\*Plus 15% State Match

- Requesting 15% State Match for FY24/FY25/FY26
- Est \$583,000/yr or \$1,750,000 total

#### Grant Awards FY22/FY23/FY24

- Capital Electric Cooperative \$ 321,930
- Otter Tail Power Company \$4,432,088
- Northern Plains Electric Cooperative \$ 586,000
- McKenzie Electric Cooperative \$2,843,075
- Burke-Divide Electric Cooperative \$ 550,000
- City of Lakota \$1,707,109
- Verendrye Electric Cooperative \$ 314,250
- KEM Electric Cooperative \$ 620,000
- City of Valley City \$1,053,000

Ms. Karen Tyler presented for consideration of approval a Commission Statement of Support for Transmission Development in North Dakota.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission author a statement of support for planned electrical transmission infrastructure projects in the state and after review by Commission member communication directors, directs the Administrative Office to distribute for media publication.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.**

Mr. Vigesaa gave a legislative update. The following bills are being tracked: SB 2014, HB 1258

### **LEGAL UPDATE**

- A. Challenges to State Law:
  - i. NW Landowners v. State
- B. Challenges to Federal Rules:
  - i. EPA Mercury and Air Toxics Rule (DC Cir)
  - ii. EPA Carbon Rule (DC Cir)
  - iii. EPA Methane Tax Rule (DC Cir)
  - iv. EPA Methane OOOO Rule (DC Cir)
  - v. EPA PM2.5 Rule (DC Cir)
  - vi. EPA WOTUS Rule (DND)
  - vii. EPA/DOT Vehicle Mandate Rules (DC Cir; CA6)
  - viii. BLM Venting and Flaring Rule (CA8)
  - ix. BLM Conservation Rule (DND)
  - x. CEQ NEPA Phase 2 Rule (DND)
- C. Interventions to Defend Against Federal Actions:
  - i. DAPL Operations (DDC)
- D. Other Federal Actions of Concern:
  - i. BLM Resource Management Plan
- E. Other States' Actions of Concern:
  - i. Minnesota Carbon-Free Power Plan
  - ii. New York Climate Superfund Law
  - iii. State Tort Lawsuits Targeting Fossil Fuel Use

### **OFFICE OF THE INDUSTRIAL COMMISSION**

Ms. Tyler presented for consideration of approval the January 28, 2025, Industrial Commission meeting minutes.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the January 28, 2025, Industrial Commission meeting minutes.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.**

Mr. Jordan Kannianen gave a legislative update. The following bills are being tracked: SB 2014, SB 2143, SB 2159, SB 2170, SB 2188, SB 2256, SB 2285, SB 2302, SB 2321, SB 2323, SB 2335, HB 1025, HB 1027, HB 1258, HB 1278, HB 1442, HB 1459, HB 1483, HB 1539, HB 1554, and HB 1592.

With no further business, Governor Armstrong adjourned the meeting of the Industrial Commission at 2:50 p.m.

North Dakota Industrial Commission



Brenna Jessen, Recording Secretary



Karen Tyler, Interim Executive Director



Jordan Kanninen, Deputy Executive Director