

**STATE OF NORTH DAKOTA**  
**PUBLIC SERVICE COMMISSION**

**Public Service Commission  
Resource Plans and Cyber Security  
Rulemaking**

**Case No. PU-22-163**

**STAFF TESTIMONY**

**May 26, 2022**

My name is Adam Renfandt. I am a public utility analyst with the Public Service Commission. The purpose of my testimony is to explain and provide support for a new Chapter to North Dakota Administrative Code 69-09-12 regarding resource plans and cybersecurity. The purpose of this new chapter is to guide the process of resource planning and annual cybersecurity reporting for investor-owned utilities in the state. The proposed rulemaking provides further clarification for the implementation of SB 2313 enacted during the most recent legislative session.

The proposed resource planning rules include a requirement that an investor-owned utility must file a resource plan on a three-year cycle that would identify the resources to meet its forecasted capacity and energy needs over a horizon of at least fifteen years. Such a requirement would provide a forward-looking and proactive opportunity for the Commission to assess and influence a utility's plan for power plant additions and retirements and a utility's plan for providing reliable and resilient electric service.

The proposed resource planning rules include a requirement that each utility shall identify a mix of supply- and demand-side resources that would comprise a North Dakota preferred resource plan. Such resources would be selected after weighing

several scenarios against one another and analyzing each one using a variety of sensitivities. The rules require that such a plan would be the least-cost plan for providing adequate, safe, and reliable electric service consistent with North Dakota energy policy. The proposed rules also require each utility to consider several types of generation along with the additional transmission facilities necessitated by such generation. Upon request of a utility, the Commission may approve, reject, or modify the resource plan, and if the Commission were to make such a determination, the decision could be presented as prima facie evidence in other proceedings.

The proposed resource planning rules also require a utility to assess new technologies, the availability of natural gas in meeting electricity demand, the ability to maintain system resilience and reliability, and opportunities to develop North Dakota's energy infrastructure. Furthermore, the rules require the utility to assess the reliability and resilience of its resources during extreme weather events and correlated outages of natural gas units.

The proposed resource planning rules would allow the Commission to determine the benefits and costs a resource plan offers ratepayers over several years, to participate in a utility's resource planning efforts that operate across several state jurisdictions, and to engage each utility in development of investment and retirement plans that are made years in advance.

Also included is a proposed rule requiring each utility to meet with the Commission annually to report on their cybersecurity preparedness. The report would detail information related to processes and procedures used to inform management of cybersecurity risks, activities to monitor, detect and analyze cybersecurity threats,

protections in place to secure informational and operational systems, and plans to limit potential damage while maintaining business continuity. The utility would deliver the report to the Commission in a closed meeting, unless the Commission orders otherwise.

This concludes my testimony. I would be happy to answer any questions at this time. Thank you.