



Statement of Support for the Fair Allocation of Interstate Rates (FAIR) Act

North Dakota Farm Bureau (NDFB), which represents 28,000 member-families and works to enhance the livelihood of North Dakota's individuals, families, and communities, supports the Fair Allocation of Interstate Rates (FAIR) Act.

Under the Federal Energy Regulatory Commission's (FERC) cost-sharing rule (order no. 1920), states with aggressive climate and renewable energy mandates are allowed to shift the cost of policy-driven energy onto neighboring states. North Dakota and other states have challenged the order as it leads to unfair cost allocation. The order also encourages the overbuilding of long-distance transmission lines. This overbuilding would place burdens on landowners through expanded use of eminent domain, the loss of productive farmland, reduced property values, and infrastructure that does not serve North Dakota's needs.

NDFB policy prioritizes reliable, baseline energy sources for North Dakota citizens and opposes the misuse of eminent domain. Our members should not bear the costs or lose productive farmland to fulfill another state's energy policy priorities.

The FAIR Act will help address some of these issues by preventing the costs of policy-driven transmission projects from being imposed on another state without that state's consent and by requiring the FERC to issue and implement regulations in a timely manner. Most importantly, it is intended to protect landowners and ratepayers from being forced to host or subsidize infrastructure which does not benefit them and would not be built without unfair cost-allocation incentives.

For these reasons, NDFB supports the FAIR Act as introduced. States have the right to establish their own energy policies and the responsibility to bear the costs of those decisions. The FAIR Act reinforces this principle by providing accountability for regional transmission planning processes. It will also strengthen protections for rural communities whose land and electricity costs are impacted by policy-driven transmission mandates. The FAIR Act is a step toward ensuring North Dakota citizens are treated fairly, landowners are respected, and states are responsible to pay for their own energy policy decisions.

Fargo

1101 1st Ave. N. | PO Box 2064, Fargo, ND 58107-2064
Phone: 701-298-2200 | 1-800-367-9668

Bismarck

4900 Ottawa St. | PO Box 2793, Bismarck, ND 58502-2793
Phone: 701-224-0330 | 1-800-932-8869