

State of South Dakota

NINETIETH SESSION
LEGISLATIVE ASSEMBLY, 2015

870W0635

HOUSE BILL NO. 1203

Introduced by: Representatives Haggar (Don), Deutsch, May, Novstrup (Al), Peterson (Kent), Qualm, Rounds, Russell, Stalzer, Verchio, Wiik, Willadsen, and Wollmann and Senators Rampelberg, Greenfield (Brock), Haggar (Jenna), Jensen (Phil), Lederman, Monroe, Olson, and Tieszen

1 FOR AN ACT ENTITLED, An Act to provide for a state assessment and report on the effects
2 of implementing the Clean Air Act.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. Terms used in this Act mean:

- 5 (1) "Covered electric generating unit," an existing fossil fuel-fired electric generating
6 unit within the state that is subject to regulation under the federal emission
7 guidelines;
- 8 (2) "Department," the Department of Water and Natural Resources, which is the agency
9 responsible for implementing the section 111(d) program;
- 10 (3) "EPA," the United States Environmental Protection Agency;
- 11 (4) "Federal emission guidelines," any final rules, regulations, guidelines, or other
12 requirements that the EPA may adopt for regulating carbon dioxide emissions from
13 covered electric generating units pursuant to section 111(d) of the federal Clean Air
14 Act;



1 (5) "State plan," any plan to establish and enforce carbon dioxide emission control
2 measures that the department may adopt to implement the obligations of the state
3 under the federal emission guidelines.

4 Section 2. If the department elects to develop a state plan for regulating carbon dioxide
5 emissions from covered electric generating units, the department shall provide notice and an
6 opportunity to comment on the plan and take into account the findings of the report prepared
7 in section 3 of this Act.

8 Section 3. In developing a state plan pursuant to section 2 of this Act, the department shall
9 prepare a report, subject to notice and comment, that assesses, to the extent feasible, the effects
10 of the state plan concerning:

- 11 (1) The electric power sector, including:
 - 12 (a) The ability of the state to provide affordable electricity through diversified
13 sources of electricity generation;
 - 14 (b) The type and amount of electric generating capacity within the state that is
15 likely to retire or switch to another fuel;
 - 16 (c) Stranded investment in electric generating capacity and other infrastructure;
 - 17 (d) The amount of investment necessary to offset retirements of electric
18 generating capacity and maintain generation reserve margins;
 - 19 (e) Potential risks to electric reliability, including resource adequacy risks and
20 transmission constraints; and
 - 21 (f) The amount by which retail electricity prices within the state are forecast to
22 increase;
- 23 (2) Electricity consumers within the state, including any disproportionate impacts of
24 electricity and other energy price increases on middle-income and lower-income

1 households;

2 (3) Employment within the state, including direct and indirect employment effects and
3 jobs lost within affected sectors of the state's economy;

4 (4) Economic development within the state, including effects on manufacturing,
5 commercial, and other sectors of the state's economy;

6 (5) The competitive position of the state relative to neighboring states and other
7 economic competitors;

8 (6) State and local governments, including potential impacts resulting from changes in
9 tax revenues; and

10 (7) State law, including any new laws necessary to implement the state plan.

11 Section 4. The department may not submit any state plan to the EPA until the department
12 has prepared a report assessing the impacts of the state plan in accordance with the requirements
13 of section 3 of this Act and has submitted the report to the Executive Board of the Legislative
14 Research Council.