



**BASIN ELECTRIC
POWER COOPERATIVE**

A Touchstone Energy® Cooperative 

Government Relations Update

August 12, 2025

Jean Schafer

Senior Legislative Representative

States

State Legislative Sessions Update

North Dakota

- Wildfire legislation, Public notice modernization, and Transmission parity bills passed
- Coal Conversion Tax Exemption – will need to reconsider in 2027
 - 5-year phase in to paying 100% (10%/20%/30%/40%/65%)
 - Exemption is repealed if the PTCs are repealed (1/1/28 – 100%)

Minnesota

- Right of First Refusal (ROFR) and data center bills monitoring
- Net metering reform and appurtenance tax relief advancing – likely included in omnibus bills
- Upcoming Special Elections for deceased and resigned members of both chambers – seats will not likely change

State Legislative Sessions Update

Montana

- Wildfire liability bill passed
- Reduced property tax rate for data centers extended and now allows behind the meter generation with up to 20% directed to the grid - during emergencies 100% could be available – much more work needed

Iowa

- Energy Omnibus bill remains an uphill battle – Right of First Refusal provision faces opposition; the bill remains a live round going in to 2026
- US Rep. Randy Feenstra (R) declared for Governor in 2026

State Legislative Sessions Update

Wyoming

- Corporations Committee – will take up the 3rd Party Gen Rule discussion on Aug. 14; WEA presenting their proposed PSC rule to stave off legislative action
- Revenue Committee – reviewing Electricity Tax (exemptions and options – proposals forthcoming)
- Blockchain Committee – proposing a bill in September dealing with required interruptible rates or loss of service territory

South Dakota

- SD AG Marty Jackley (R) running for US House in 2026
- Legislator visits to Basin Facilities scheduled for fall 2025

Federal

One Big Beautiful Bill (OBBB) (OB³)

Co-op Issues with the Senate Version

- Direct Pay exemption – SD co-ops help with Sen. Thune
- Asked for a PTC Glidepath vs immediate end
- 45Q Inflation adjustment dates – went backwards

Final Version passed by both Senate and House

- Safe Harbor 12-month allowance starting 7/5/25 (allows 5 years)
 - Begin construction before 7/5/26 – *not subject to the in-service deadline**
 - Be placed in service by 12/31/27
- Heavy lift by Murkowski, Grassley, Ernst, Tillis

Executive Orders

EO to U.S. Treasury – *Ending Market Distorting Subsidies for Unreliable, Foreign Controlled Energy Sources*

- Asking Treasury to develop “new and revised” guidance for the Safe Harbor for wind and solar projects in 45 days – Aug. 18
 - Issuing new guidance on the "beginning of construction" (BOC) to prevent the artificial acceleration or manipulation of eligibility and limit safe harbor provisions unless a substantial portion of a facility is built
 - Paying or incurring 5% or greater of the total project cost – increase %?
 - Physical work of a significant nature, continuous
 - Enhanced restriction on FEOC requirements
- Targets projects under the Safe Harbor umbrella of 5 years
- Senate is holding up Treasury confirmations as a result

Executive Orders

EO 14315 - *Ending Preferential Treatment for Unreliable, Foreign-Controlled Energy Sources in Department Decision-Making*

- Prompts Secretary's Orders (SO's) 3417, 3418, 3437, 3438
- Requires departmental review for decisions, actions, consultations and other undertaking related to wind and solar
 - Leases, rights of way, construction and operation plans, grants and biological opinions, etc. (~ 70 listed)
 - Interesting twist on the use of MBTA/NEPA provisions to halt wind and solar
- Requires submission to:
 - Office of the Executive Secretariat and Regulatory Affairs;
 - Subsequent review by the Office of the Deputy Secretary;
 - Final review by the Secretary of Interior's Office – Doug Burgum

Questions?