

147.23 **ARTICLE 10**147.24 **GREENHOUSE GAS EMISSIONS**

147.25 Section 1. Minnesota Statutes 2014, section 216H.01, is amended by adding a  
147.26 subdivision to read:

147.27 Subd. 1a. **Cogeneration facility or combined heat and power facility.**

147.28 "Cogeneration facility" or "combined heat and power facility" means a facility that: (1)  
147.29 has the meaning given in United States Code, title 16, section 796, clause (18), paragraph  
147.30 (A); and (2) meets the applicable operating and efficiency standards contained in Code of  
147.31 Federal Regulations, title 18, part 292.205.

148.1 Sec. 2. Minnesota Statutes 2014, section 216H.02, subdivision 1, is amended to read:

148.2 Subdivision 1. **Greenhouse gas emissions-reduction goal.** It is the goal of the state  
148.3 to reduce statewide greenhouse gas emissions across all sectors producing those emissions  
148.4 to a level at least 15 percent below 2005 levels by 2015, to a level at least 30 percent  
148.5 below 2005 levels by 2025, and to a level at least 80 percent below 2005 levels by 2050.  
148.6 The levels shall be reviewed based on the climate change action plan study to the level  
148.7 proposed in the plan approved under section 216H.077.

148.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.

148.9 Sec. 3. Minnesota Statutes 2014, section 216H.03, subdivision 1, is amended to read:

148.10 Subdivision 1. **Definition; new large energy facility.** For the purpose of this  
148.11 section, "new large energy facility" means a large energy facility, as defined in section  
148.12 216B.2421, subdivision 2, clause (1), that is not in operation as of January 1, 2007,  
148.13 but does not include a facility that (1) uses natural gas as a primary fuel, (2) is a  
148.14 cogeneration facility or combined heat and power facility, or is designed to provide  
148.15 peaking, intermediate, emergency backup, or contingency services, (3) uses a simple cycle  
148.16 or combined cycle turbine technology, and (4) is capable of achieving full load operations  
148.17 within 45 minutes of startup for a simple cycle facility, or is capable of achieving  
148.18 minimum load operations within 185 minutes of startup for a combined cycle facility.

148.19 Sec. 4. Minnesota Statutes 2014, section 216H.03, subdivision 3, is amended to read:

148.20 Subd. 3. **Long-term increased emissions from power plants prohibited.** Unless  
148.21 preempted by federal law, until a comprehensive and enforceable state law or rule  
148.22 pertaining to greenhouse gases that directly limits and substantially reduces, over time,  
148.23 statewide power sector carbon dioxide emissions is enacted and in effect, and except as  
148.24 allowed in subdivisions 4 to 7, on and after August 1, 2009, no person shall:

148.25 (+) construct within the state a new large energy facility that would contribute to  
148.26 statewide power sector carbon dioxide emissions;

148.27 ~~(2) import or commit to import from outside the state power from a new large energy~~  
148.28 ~~facility that would contribute to statewide power sector carbon dioxide emissions; or~~  
148.29 ~~(3) enter into a new long-term power purchase agreement that would increase~~  
148.30 ~~statewide power sector carbon dioxide emissions. For purposes of this section, a long-term~~  
148.31 ~~power purchase agreement means an agreement to purchase 50 megawatts of capacity~~  
148.32 ~~or more for a term exceeding five years.~~

148.33 **EFFECTIVE DATE.** This section is effective the day following final enactment.

149.1 Sec. 5. Minnesota Statutes 2014, section 216H.03, subdivision 7, is amended to read:

149.2 Subd. 7. **Other exemptions.** The prohibitions in subdivision 3 do not apply to:

149.3 (1) a new large energy facility under consideration by the Public Utilities  
149.4 Commission pursuant to proposals or applications filed with the Public Utilities  
149.5 Commission before April 1, 2007, or to any power purchase agreement related to a facility  
149.6 described in this clause. The exclusion of pending proposals and applications from the  
149.7 prohibitions in subdivision 3 does not limit the applicability of any other law and is not an  
149.8 expression of legislative intent regarding whether any pending proposal or application  
149.9 should be approved or denied;

149.10 (2) a contract not subject to commission approval that was entered into prior to  
149.11 April 1, 2007, to purchase power from a new large energy facility that was approved by  
149.12 a comparable authority in another state prior to that date, for which municipal or public  
149.13 power district bonds have been issued, and on which construction has begun;

149.14 (3) a new large energy facility ~~or a power purchase agreement between a Minnesota~~  
149.15 ~~utility and a new large energy facility~~ located ~~outside~~ within Minnesota that the Public  
149.16 Utilities Commission has determined is essential to ensure the long-term reliability of  
149.17 Minnesota's electric system, to allow electric service for increased industrial demand,  
149.18 or to avoid placing a substantial financial burden on Minnesota ratepayers. An order  
149.19 of the commission granting an exemption under this clause is stayed until the June 1  
149.20 following the next regular or annual session of the legislature that begins after the date of  
149.21 the commission's final order; or

149.22 (4) a new large energy facility with a combined electric generating capacity of less  
149.23 than 100 megawatts, which did not require a Minnesota certificate of need, which received  
149.24 an air pollution control permit to construct from an adjoining state before January 1, 2008,  
149.25 and on which construction began before July 1, 2008, or to any power purchase agreement  
149.26 related to a facility described in this clause.

149.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

149.28 Sec. 6. Minnesota Statutes 2014, section 216H.07, is amended to read:

149.29 **216H.07 EMISSIONS-REDUCTION ATTAINMENT; POLICY**

149.30 **DEVELOPMENT PROCESS.**

149.31 Subdivision 1. **Definition.** For the purpose of this section, "reductions" means the

149.32 greenhouse gas emissions-reductions ~~goals~~ goal specified in section 216H.02, subdivision

149.33 1.

150.1 Subd. 2. **Purpose.** This section is intended to create a nonexclusive, regular,

150.2 mandated process for the state to develop policies to attain the greenhouse gas reduction

150.3 ~~goals~~ goal specified in section 216H.02.

150.4 Subd. 3. **Biennial report.** (a) By January 15 of each odd-numbered year, the

150.5 commissioners of commerce and the Pollution Control Agency shall jointly report to the

150.6 chairs and ranking minority members of the legislative committees with primary policy

150.7 jurisdiction over energy and environmental issues the most recent and best available

150.8 evidence identifying the level of reductions already achieved and the ~~level necessary to~~

150.9 ~~achieve the prospects for achieving future reductions timetable in section 216H.02.~~

150.10 (b) The report must be in easily understood nontechnical terms.

150.11 Subd. 5. **Reduction principles.** Legislation proposed under subdivision 4 must be

150.12 based on the following principles:

150.13 (1) the greenhouse gas emissions-reduction ~~goals~~ goal specified in section 216H.02,

150.14 subdivision 1, must be ~~attained~~ pursued;

150.15 (2) ~~the reductions must be attained on a schedule that keeps pace with the reduction~~

150.16 ~~timetable required by section 216H.02, subdivision 1;~~

150.17 ~~(3)~~ conservation, including ceasing some activities, doing some activities less, and

150.18 doing some activities more energy efficiently, is the first choice for reduction;

150.19 ~~(4)~~ (3) public education is a key component;

150.20 ~~(5)~~ (4) all levels of government should lead by example;

150.21 ~~(6)~~ (5) strategies that may lead to economic dislocation should be phased in and

150.22 should be coupled with strategies that address the dislocation; and

150.23 ~~(7)~~ (6) there must be coordination with other federal and regional greenhouse gas

150.24 emissions-reduction requirements so that the state benefits and is not penalized from its

150.25 reduction activities.

150.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.

150.27 Sec. 7. **[216H.077] REQUIREMENT FOR LEGISLATIVE APPROVAL.**

- 150.28 The commissioner of the Pollution Control Agency may not submit a plan to the  
150.29 federal Environmental Protection Agency to comply with the proposed rule for the federal  
150.30 Clean Power Plan for Existing Power Plants, as published in the Federal Register on June  
150.31 18, 2014, Docket No. EPA-HQ-OAR-2013-0602, or any final rule issued in that docket or  
150.32 federal order pertaining thereto, unless the plan has been approved by state law.
- 150.33 Sec. 8. **REPEALER.**
- 150.34 Minnesota Statutes 2014, section 216H.02, subdivisions 2, 3, 4, 5, and 6, are repealed.