

1.1 Senator moves to amend S.F. No. 4942, in conference committee, as follows:

1.2 On R1, Energy Policy, Senate language, (S4942-3)

1.3 Page 99, after line 6, insert:

1.4 "Section 1. Minnesota Statutes 2022, section 103I.621, subdivision 1, is amended to read:

1.5 Subdivision 1. **Permit.** (a) Notwithstanding any department or agency rule to the contrary,
1.6 the commissioner shall issue, on request by the owner of the property and payment of the
1.7 permit fee, permits for the reinjection of water by a properly constructed well into the same
1.8 aquifer from which the water was drawn for the operation of a groundwater thermal exchange
1.9 device.

1.10 (b) As a condition of the permit, an applicant must agree to allow inspection by the
1.11 commissioner during regular working hours for department inspectors.

1.12 (c) Not more than 200 permits may be issued for small systems having maximum
1.13 capacities of 20 gallons per minute or less and that are compliant with the natural resource
1.14 water-use requirements under subdivision 2. ~~The small systems are subject to inspection~~
1.15 ~~twice a year.~~

1.16 (d) Not more than ~~ten~~ 100 permits may be issued for larger systems having maximum
1.17 capacities ~~from over 20 to 50~~ gallons per minute and that are compliant with the natural
1.18 resource water-use requirements under subdivision 2. ~~The larger systems are subject to~~
1.19 ~~inspection four times a year.~~

1.20 (e) A person issued a permit must comply with this section ~~for the permit to be valid.~~
1.21 and permit conditions deemed necessary to protect public health and safety of the
1.22 groundwater, which conditions may include but are not limited to:

1.23 (1) notification to the commissioner at intervals specified in the permit conditions;

1.24 (2) system operation and maintenance;

1.25 (3) system location and construction;

1.26 (4) well location and construction;

1.27 (5) signage requirements;

1.28 (6) reports of system construction, performance, operation, and maintenance;

1.29 (7) removal of the system upon termination of use or failure;

1.30 (8) disclosure of the system at the time of property transfer;

2.1 (9) requirements to obtain approval from the commissioner prior to deviation from the
2.2 approval plan and conditions;

2.3 (10) groundwater level monitoring; and

2.4 (11) groundwater quality monitoring.

2.5 (f) The property owner or the property owner's agent must submit to the commissioner
2.6 a permit application on a form provided by the commissioner, or in a format approved by
2.7 the commissioner, that provides any information necessary to protect public health and
2.8 safety of the groundwater.

2.9 (g) A permit granted under this section is not valid if a water-use permit is required for
2.10 the project and is not approved by the commissioner of natural resources.

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

2.12 Sec. 2. Minnesota Statutes 2022, section 103I.621, subdivision 2, is amended to read:

2.13 Subd. 2. **Water-use requirements apply.** Water-use permit requirements and penalties
2.14 under chapter ~~103F~~ 103G and related rules adopted and enforced by the commissioner of
2.15 natural resources apply to groundwater thermal exchange permit recipients. A person who
2.16 violates a provision of this section is subject to enforcement or penalties for the noncomplying
2.17 activity that are available to the commissioner and the Pollution Control Agency.

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

2.19 On R5, Energy Policy, Senate language, (S4942-3)

2.20 Page 103, after line 31, insert:

2.21 "Sec. 4. Minnesota Statutes 2023 Supplement, section 116C.7792, is amended to read:

2.22 **116C.7792 SOLAR ENERGY PRODUCTION INCENTIVE PROGRAM.**

2.23 (a) The utility subject to section 116C.779 shall operate a program to provide solar
2.24 energy production incentives for solar energy systems of no more than a total aggregate
2.25 nameplate capacity of 40 kilowatts alternating current per premise. The owner of a solar
2.26 energy system installed before June 1, 2018, is eligible to receive a production incentive
2.27 under this section for any additional solar energy systems constructed at the same customer
2.28 location, provided that the aggregate capacity of all systems at the customer location does
2.29 not exceed 40 kilowatts.

3.1 (b) The program is funded by money withheld from transfer to the renewable development
3.2 account under section 116C.779, subdivision 1, paragraphs (b) and (e). Program funds must
3.3 be placed in a separate account for the purpose of the solar energy production incentive
3.4 program operated by the utility and not for any other program or purpose.

3.5 (c) Funds allocated to the solar energy production incentive program in 2019 and 2020
3.6 remain available to the solar energy production incentive program.

3.7 (d) The following amounts are allocated to the solar energy production incentive program:

3.8 (1) \$10,000,000 in 2021;

3.9 (2) \$10,000,000 in 2022;

3.10 (3) \$5,000,000 in 2023;

3.11 (4) \$11,250,000 in 2024; ~~and~~

3.12 (5) \$6,250,000 in 2025; and

3.13 (6) \$5,000,000 each year in years 2026 through 2035.

3.14 (e) Notwithstanding the Department of Commerce's November 14, 2018, decision in
3.15 Docket No. E002/M-13-1015 regarding operation of the utility's solar energy production
3.16 incentive program, half of the amounts allocated each year under paragraph (d), clauses (3),
3.17 (4), and (5), must be reserved for solar energy systems whose installation meets the eligibility
3.18 standards for the low-income program established in the November 14, 2018, decision or
3.19 successor decisions of the department. All other program operations of the solar energy
3.20 production incentive program are governed by the provisions of the November 14, 2018,
3.21 decision or successor decisions of the department.

3.22 (f) Funds allocated to the solar energy production incentive program that have not been
3.23 committed to a specific project at the end of a program year remain available to the solar
3.24 energy production incentive program.

3.25 (g) Any unspent amount remaining on January 1, 2028, must be transferred to the
3.26 renewable development account.

3.27 (h) A solar energy system receiving a production incentive under this section must be
3.28 sized to less than 120 percent of the customer's on-site annual energy consumption when
3.29 combined with other distributed generation resources and subscriptions provided under
3.30 section 216B.1641 associated with the premise. The production incentive must be paid for
3.31 ten years commencing with the commissioning of the system.

4.1 (i) The utility must file a plan to operate the program with the commissioner of commerce.
4.2 The utility may not operate the program until it is approved by the commissioner. A change
4.3 to the program to include projects up to a nameplate capacity of 40 kilowatts or less does
4.4 not require the utility to file a plan with the commissioner. Any plan approved by the
4.5 commissioner of commerce must not provide an increased incentive scale over prior years
4.6 unless the commissioner demonstrates that changes in the market for solar energy facilities
4.7 require an increase."

4.8 On R51, Energy Policy, Senate language, (S4942-3)

4.9 Page 134, after line 18, insert:

4.10 "Sec. 40. STUDY; CARBON DIOXIDE PIPELINES.

4.11 (a) The commission shall contract with an independent third party to conduct a study
4.12 assessing the human health and environmental impacts resulting from the construction,
4.13 operation, and maintenance of carbon dioxide pipelines and making recommendations
4.14 regarding regulation of those activities. The executive secretary of the commission may
4.15 consult with the executive director of the environmental quality board in selecting the
4.16 contractor to conduct the study. The study must include, at a minimum, the following
4.17 elements:

4.18 (1) identification of geographic areas in the state that, due to their geology or the presence
4.19 of environmentally sensitive resources, are unsuitable sites for the construction and operation
4.20 of carbon dioxide pipelines;

4.21 (2) the amount of energy and water required to operate the equipment used to capture
4.22 the carbon dioxide that is transported in a carbon dioxide pipeline;

4.23 (3) the potential human and environmental impacts of a carbon dioxide pipeline leak or
4.24 rupture, especially to long-term human health, surface water bodies and wetlands, animals
4.25 and their habitat, croplands, and other sensitive resources;

4.26 (4) measures that can be taken to mitigate the impact of a carbon dioxide pipeline leak
4.27 or rupture, including setbacks, protection for wildlife and their habitat, and enhanced local
4.28 emergency response strategies and resources;

4.29 (5) the long-term impacts of pipeline construction on wetlands, soils, crops, and other
4.30 vegetation;

4.31 (6) the lifecycle greenhouse gas emissions resulting from carbon dioxide pipelines,
4.32 including the ultimate disposition of the carbon dioxide, whether it is sequestered, used to

5.1 manufacture other products, or used to extract incremental oil or gas supplies from
5.2 underground reservoirs, in which latter case the greenhouse gas emissions resulting from
5.3 the extractive process and the combustion of those incremental energy sources must also
5.4 be estimated. This analysis should also indicate the degree to which any emission reductions
5.5 are verifiable; and

5.6 (7) recommended provisions for a state regulatory process for the siting, operation,
5.7 maintenance, and abandonment of carbon dioxide pipelines that are transparent, provide
5.8 opportunity for public engagement, and provide pipeline operators with clear signals and
5.9 efficient procedures regarding permitting issues.

5.10 (b) No later than November 1, 2026, a written copy of the report must be submitted to
5.11 the chairs and ranking minority members of the senate and house of representatives
5.12 committees with primary jurisdiction over energy policy and environmental policy, and to
5.13 the Public Utilities Commission. The commission shall consider the report's findings and
5.14 recommendations in issuing siting permits for carbon dioxide pipelines."

5.15 Renumber the sections in sequence and correct the internal references

5.16 Amend the title accordingly