

1.1 ..... moves to amend H.F. No. 2883 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2012, section 216H.03, subdivision 2, is amended to  
1.4 read:

1.5 Subd. 2. **Definition; statewide power sector carbon dioxide emissions.** For the  
1.6 purpose of this section, "statewide power sector carbon dioxide emissions" means the  
1.7 total annual emissions of carbon dioxide from the generation of electricity within the  
1.8 state and ~~all emissions of carbon dioxide~~ from the generation of electricity ~~imported~~  
1.9 procured by a retail supplier of electricity pursuant to an agreement to purchase capacity  
1.10 or power from outside the state and consumed in for sale to Minnesota retail customers.  
1.11 Carbon dioxide emissions from the generation of power purchased by a retail supplier of  
1.12 electricity for sale to Minnesota customers from a Regional Transmission Authority or  
1.13 Independent System Operator that are not based on any such agreement are not counted as  
1.14 contributing to statewide power sector carbon dioxide emissions. Emissions of carbon  
1.15 dioxide associated with transmission and distribution line losses are included in this  
1.16 definition. Carbon dioxide that is injected into geological formations to prevent its release  
1.17 to the atmosphere in compliance with applicable laws, and emissions of carbon dioxide  
1.18 associated with the combustion of biomass, as defined in section 216B.2411, subdivision  
1.19 2, paragraph (c), clauses (1) to (4), are not counted as contributing to statewide power  
1.20 sector carbon dioxide emissions.

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

1.22 Sec. 2. Minnesota Statutes 2012, section 216H.03, subdivision 3, is amended to read:

1.23 Subd. 3. **Long-term increased emissions from power plants prohibited.** ~~Unless~~  
1.24 ~~preempted by federal law,~~ Until a comprehensive and enforceable state law or rule  
1.25 pertaining to greenhouse gases that directly limits and substantially reduces, over time,

2.1 statewide power sector carbon dioxide emissions is enacted and in effect, and except as  
2.2 allowed in subdivisions 4 to 7, on and after August 1, 2009, no person shall:

2.3 (1) construct within the state a new large energy facility that would contribute to  
2.4 statewide power sector carbon dioxide emissions;

2.5 (2) ~~import or commit to import from outside the state~~ sell power from generated by  
2.6 a new large energy facility ~~that to Minnesota retail customers if such generation would~~  
2.7 contribute to statewide power sector carbon dioxide emissions; or

2.8 (3) enter into a new long-term power purchase agreement that would increase  
2.9 statewide power sector carbon dioxide emissions. For purposes of this section, a long-term  
2.10 power purchase agreement means an agreement to purchase 50 megawatts of capacity or  
2.11 power or more for a term exceeding five years.

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

2.13 Sec. 3. Minnesota Statutes 2012, section 216H.03, subdivision 4, is amended to read:

2.14 Subd. 4. **Exception for facilities that offset emissions.** (a) The prohibitions  
2.15 in subdivision 3 do not apply if the ~~project~~ proponent of a new large energy facility in  
2.16 Minnesota or the supplier of electricity to Minnesota retail customers demonstrates to  
2.17 the Public Utilities Commission's satisfaction that it will offset the new contribution to  
2.18 statewide power sector carbon dioxide emissions with a carbon dioxide reduction project  
2.19 identified in paragraph (b) and in compliance with paragraph (c).

2.20 (b) A ~~project~~ proponent of a new large energy facility in Minnesota or a supplier  
2.21 of electricity to Minnesota retail customers may offset in an amount equal to or greater  
2.22 than the proposed new contribution to statewide power sector carbon dioxide emissions in  
2.23 either, or a combination of both, of the following ways:

2.24 (1) by reducing an existing facility's contribution to statewide power sector carbon  
2.25 dioxide emissions; or

2.26 (2) by purchasing carbon dioxide allowances from ~~a state or group of states that has~~  
2.27 a carbon dioxide cap and trade system ~~in place~~ operated by a state or group of states that  
2.28 produces verifiable emissions reductions.

2.29 (c) The Public Utilities Commission shall not find that a proposed carbon dioxide  
2.30 reduction project identified in paragraph (b), clause (1), acceptably offsets a new  
2.31 contribution to statewide power sector carbon dioxide emissions unless the proposed  
2.32 offsets reductions are permanent, quantifiable, verifiable, enforceable, and would not  
2.33 have otherwise occurred. This section does not exempt emissions that have been offset  
2.34 under this subdivision and emissions exempted under subdivisions 5 to 7 from a cap  
2.35 and trade system if adopted by the state.

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