

1.1 ..... moves to amend H.F. No. 4122 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2025 Supplement, section 216B.16, subdivision 15, is  
1.4 amended to read:

1.5 Subd. 15. **Low-income affordability programs.** (a) The commission must consider  
1.6 ability to pay as a factor in setting utility rates and may establish affordability programs for  
1.7 low-income residential ratepayers in order to ensure affordable, reliable, and continuous  
1.8 service to low-income utility customers. A public utility serving low-income residential  
1.9 ratepayers who use natural gas or service from a thermal energy network, as defined in  
1.10 section 216B.2427, subdivision 1, for heating must file an affordability program with the  
1.11 commission.

1.12 (b) Any affordability program the commission orders a utility to implement must:

1.13 (1) lower the percentage of income that participating low-income households devote to  
1.14 energy bills;

1.15 (2) increase participating customer payments over time by increasing the frequency of  
1.16 payments;

1.17 (3) decrease or eliminate participating customer arrears;

1.18 (4) lower the utility costs associated with customer account collection activities; and

1.19 (5) coordinate the program with other available low-income bill payment assistance and  
1.20 conservation resources.

1.21 (c) In ordering affordability programs, the commission may require public utilities to  
1.22 file program evaluations that measure the effect of the affordability program on:

1.23 (1) the percentage of income that participating households devote to energy bills;

2.1 (2) service disconnections; and

2.2 (3) frequency of customer payments, utility collection costs, arrearages, and bad debt.

2.3 (d) The commission must issue orders necessary to implement, administer, and evaluate  
2.4 affordability programs, and to allow a utility to recover program costs, including  
2.5 administrative costs, on a timely basis. The commission may not allow a utility to recover  
2.6 administrative costs, excluding start-up costs, in excess of five percent of total program  
2.7 costs, or program evaluation costs in excess of two percent of total program costs. The  
2.8 commission must permit deferred accounting, with carrying costs, for recovery of program  
2.9 costs incurred during the period between general rate cases.

2.10 (e) Public utilities may use information collected or created for the purpose of  
2.11 administering energy assistance to administer affordability programs.

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

2.13 Sec. 2. **[216B.2429] THERMAL ENERGY NETWORKS.**

2.14 **Subdivision 1. Definitions.** For the purposes of this section, "thermal energy network"  
2.15 or "TEN" has the meaning given in section 216B.2427, subdivision 1.

2.16 **Subd. 2. Thermal energy network service.** A public utility may offer service by a  
2.17 thermal energy network.

2.18 **Subd. 3. Cost recovery.** A public utility may, subject to commission review and approval,  
2.19 recover reasonable and prudently incurred costs of implementing an approved TEN in a  
2.20 general rate case or, before December 31, 2036, in a thermal energy network service rider.

2.21 **Subd. 4. TEN consumer protection.** A utility's provision of service by a TEN is subject  
2.22 to the same laws, protections, and commission authority to which a utility's provision of  
2.23 natural gas service is subject under this chapter.

2.24 **Subd. 5. TEN siting; priorities.** In assessing locations at which to site a TEN, a utility  
2.25 must give preference to an area:

2.26 (1) whose residents have expressed a desire to have a TEN installed;

2.27 (2) whose characteristics resemble those of an area in which a successful TEN was  
2.28 completed under a natural gas innovation plan filed under section 216B.2427; or

2.29 (3) that includes or is within an defined in section 116.065, subdivision 1e.

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

2.31 Amend the title accordingly