.... moves to amend H.F. No. 2081 as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2014, section 116C.779, subdivision 1, is amended to read:

Subdivision 1. **~~Renewable development~~ Energy fund account.** (a) The energy fund account is established as a separate account in the special revenue fund in the state treasury. Appropriations and transfers to the account shall be credited to the account. Earnings, such as interest, dividends, and any other earnings arising from assets of the account shall be credited to the account. Funds remaining in the account at the end of a fiscal year are not canceled to the general fund, but remain in the account until expended.

(b) On July 1, 2015, the public utility that owns the Prairie Island nuclear generating plant shall transfer all funds in the renewable development account previously established under this subdivision and managed by the public utility, except funds awarded to grantees in the most recent grant cycle that have not yet been expended, to the energy fund account established in paragraph (a).

(c) The public utility that owns the Prairie Island nuclear generating plant must transfer to ~~a renewable development~~ the energy fund account $500,000 each year for each dry cask containing spent fuel that is located at the Prairie Island power plant for each year the plant is in operation, and $7,500,000 each year the plant is not in operation if ordered by the commission pursuant to paragraph (c). The fund transfer must be made if nuclear waste is stored in a dry cask at the independent spent-fuel storage facility at Prairie Island for any part of a year.

~~(b)~~ (d) The public utility that owns the Monticello nuclear generating plant must transfer to the ~~renewable development~~ energy fund account account $350,000 each year for each dry cask containing spent fuel that is located at the Monticello nuclear power plant for each year the plant is in operation, and $5,250,000 each year the plant is not in operation if ordered by the commission pursuant to paragraph (c). The fund transfer must be made if nuclear waste is stored in a dry cask at the independent spent-fuel storage facility at Monticello for any part of a year.

~~(c)~~ (e) After discontinuation of operation of the Prairie Island nuclear plant or the Monticello nuclear plant and each year spent nuclear fuel is stored in dry cask at the discontinued facility, the commission shall require the public utility to pay $7,500,000 for the discontinued Prairie Island facility and $5,250,000 for the discontinued Monticello facility for any year in which the commission finds, by the preponderance of the evidence, that the public utility did not make a good faith effort to remove the spent nuclear fuel stored at the facility to a permanent or interim storage site out of the state. This determination shall be made at least every two years.

~~(d)~~ (f) Funds in the account are appropriated to the commissioner of commerce and may be expended only ~~for any of the following purposes~~ to pay incentives and rebates under the following programs, and to reimburse the reasonable costs of the Department of Commerce to administer these programs:

~~(1) to increase the market penetration within the state of renewable electric energy resources at reasonable costs;~~

~~(2) to promote the start-up, expansion, and attraction of renewable electric energy projects and companies within the state;~~

~~(3) to stimulate research and development within the state into renewable electric energy technologies; and~~

~~(4) to develop near-commercial and demonstration scale renewable electric projects or near-commercial and demonstration scale electric infrastructure delivery projects if those delivery projects enhance the delivery of renewable electric energy.~~

(1) renewable energy production incentives, as authorized in subdivision 2;

(2) "Made in Minnesota" solar energy production incentives to generators under section 216C.415;

(3) solar energy production incentives under section 116C.7792;

(4) compressed natural gas vehicle rebates under section 216C.391; and

(5) electric vehicle rebates under section 216B.1616.

~~The utility that owns a nuclear generating plant is eligible to apply for renewable development account grants.~~

~~(e) Expenditures authorized by this subdivision from the account may be made only after approval by order of the Public Utilities Commission upon a petition by the public utility. The commission may approve proposed expenditures, may disapprove proposed expenditures that it finds to be not in compliance with this subdivision or otherwise not in the public interest, and may, if agreed to by the public utility, modify proposed~~

~~expenditures. The commission may approve reasonable and necessary expenditures for administering the account in an amount not to exceed five percent of expenditures. Commission approval is not required for expenditures required under subdivisions 2 and 3, section 116C.7791, or other law.~~

~~(f) The account shall be managed by the public utility but the public utility must consult about account expenditures with an advisory group that includes, among others, representatives of its ratepayers. The commission may require that other interests be represented on the advisory group. The advisory group must be consulted with respect to the general scope of expenditures in designing a request for proposal and in evaluating projects submitted in response to a request for proposals. In addition to consulting with the advisory group, the public utility must utilize an independent third-party expert to evaluate proposals submitted in response to a request for proposal, including all proposals made by the public utility. A request for proposal for research and development under paragraph (d), clause (3), may be limited to or include a request to higher education institutions located in Minnesota for multiple projects authorized under paragraph (d), clause (3). The request for multiple projects may include a provision that exempts the projects from the third-party expert review and instead provides for project evaluation and selection by a merit peer review grant system. The utility should attempt to reach agreement with the advisory group after consulting with it but the utility has full and sole authority to determine which expenditures shall be submitted to the commission for commission approval. In the process of determining request for proposal scope and subject and in evaluating responses to request for proposals, the public utility must strongly consider, where reasonable, potential benefit to Minnesota citizens and businesses and the utility's ratepayers.~~

~~(g) Funds in the account may not be directly appropriated by the legislature by a law enacted after January 1, 2012, and unless appropriated by a law enacted prior to that date may be expended only pursuant to an order of the commission according to this subdivision.~~

~~(h) A request for proposal for renewable energy generation projects must, when feasible and reasonable, give preference to projects that are most cost-effective for a particular energy source.~~

~~(i) The public utility must annually, by February 15, report to the chairs and ranking minority members of the legislative committees with jurisdiction over energy policy on projects funded by the account for the prior year and all previous years. The report must, to the extent possible and reasonable, itemize the actual and projected financial benefit to the public utility's ratepayers of each project.~~

~~(j) A project receiving funds from the account must produce a written final report that includes sufficient detail for technical readers and a clearly written summary for~~

~~nontechnical readers. The report must include an evaluation of the project's financial, environmental, and other benefits to the state and the public utility's ratepayers.~~

~~(k) Final reports, any mid-project status reports, and renewable development account financial reports must be posted online on a public Web site designated by the commission.~~

~~(l) All final reports must acknowledge that the project was made possible in whole or part by the Minnesota renewable development fund, noting that the fund is financed by the public utility's ratepayers.~~

Sec. 2. **[216B.1616] ELECTRIC VEHICLE REBATES.**

Subdivision 1. **Definition.** For the purposes of this section, "electric vehicle" has the meaning given in section 169.011, subdivision 26a, paragraph (a).

Subd. 2. **Program.** (a) The commissioner of commerce shall develop and implement a program to provide rebates to electric vehicle owners who meet the eligibility requirements of subdivision 3.

(b) Applications for rebates under this section shall be filed with the commissioner on a form developed by the commissioner. The commissioner shall develop administrative procedures governing the application and rebate award process. Applications will be reviewed and rebates awarded on a first-come first-served basis.

Subd. 3. **Eligibility.** The purchaser of an electric vehicle is eligible for a $2,500 rebate under this section if:

(1) the electric vehicle:

(i) has not been previously owned;

(ii) has not been modified from the original manufacturer's specifications; and

(iii) is purchased after the effective date of this act for use by the purchaser and not for resale; and

(2) the purchaser:

(i) is a natural person who is a resident of Minnesota, as defined in section 290.01, subdivision 7, paragraph (a), when the electric vehicle is purchased;

(ii) has not received a rebate or tax credit for the purchase of the same electric vehicle from another state;

(iii) registers the electric vehicle in Minnesota; and

(iv) is an electric service customer of the utility subject to section 116C.779.

Subd. 4. **Appropriation.** $5,000,000 in fiscal year 2016 and $5,000,000 in fiscal year 2017 are appropriated from the energy fund account established in section 116C.779 to the commissioner of commerce to pay rebates to eligible electric vehicle owners under this section.

Sec. 3. **[216C.391] COMPRESSED NATURAL GAS VEHICLES; REBATE PROGRAM.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms below have the meanings given them.

(b) "Bus" has the meaning given in section 168.002, subdivision 4.

(c) "Compressed natural gas vehicle" means a truck, van, or bus that is fueled entirely from natural gas compressed to less than one percent of the volume it occupies at standard atmospheric pressure.

(d) "Converted" means a vehicle, originally manufactured to be fueled with diesel fuel, that has been modified, by the installation of new equipment, including, but not limited to, injectors, regulators, and a fuel tank, to enable the vehicle to be fueled entirely with compressed natural gas.

(e) "Heavy-duty vehicle" means a truck, van, or bus with a gross vehicle weight rating of 26,001 pounds or greater.

(f) "Incremental cost" means the difference between the purchase cost of a natural gas vehicle and the purchase cost of the same or similar vehicle manufactured to operate exclusively on diesel fuel.

(g) "Light-duty vehicle" means a truck, van, or bus with a gross vehicle weight rating up to 6,000 pounds.

(h) "Medium-duty vehicle" means a truck, van, or bus with a gross vehicle weight rating of 6,001 pounds to 26,000 pounds.

(i) "Truck" has the meaning given in section 168.002, subdivision 37.

(j) "Van" has the meaning given in section 168.002, subdivision 40.

Subd. 2. **Program.** (a) The commissioner of commerce shall develop and implement a program to provide rebates to eligible compressed natural gas vehicle owners for the purchase of vehicles that are:

(1) new vehicles that have not been modified from the original manufacturer's specifications and that are fueled entirely with compressed natural gas; or

(2) converted from vehicles fueled with diesel fuel to vehicles fueled entirely with compressed natural gas.

(b) Applications for rebates under this section shall be filed with the commissioner on a form developed by the commissioner. The commissioner shall develop administrative procedures governing the application and rebate award process. Applications will be reviewed and rebates awarded on a first-come first-served basis.

Subd. 3. **Eligibility.** The owner of a compressed natural gas vehicle is eligible for a rebate under this section if:

(1) the owner of the compressed natural gas vehicle:

(i) is a business that has a valid address in Minnesota from which business is conducted;

(ii) registers the compressed natural gas vehicle in Minnesota; and

(iii) has not received a rebate or tax credit for the purchase or conversion of the same compressed natural gas vehicle from another state; and

(2) the compressed natural gas vehicle:

(i) is purchased or converted after the effective date of this act; and

(ii) is used to perform business functions that are integral to the operations of the business that owns the compressed natural gas vehicle; and

(3) the conversion system installed in a converted compressed natural gas vehicle:

(i) is certified by the Environmental Protection Agency or the California Air Resources Board;

(ii) is installed by a person who has been certified to install the conversion system by the manufacturer of the conversion system or a state that certifies persons to install conversion systems; and

(iii) is installed in compliance with the National Fire Protection Association's Vehicular Fuel Systems Code (NFPA 52).

Subd. 4. **Rebate amounts.** (a) A rebate awarded under this section to a purchaser of a new compressed natural gas vehicle under this section may amount to no more than 50 percent of the incremental cost of:

(1) a light-duty vehicle, not to exceed $5,000;

(2) a medium-duty vehicle, not to exceed $8,000; and

(3) a heavy-duty vehicle, not to exceed $20,000.

(b) A rebate awarded under this section to an owner of a converted compressed natural gas vehicle may amount to no more than 50 percent of the equipment and installation costs to convert the vehicle, and may not exceed $5,000.

Subd. 5. **Maximum rebate amounts.** The maximum amount of rebates allowed to a single business per year under this section are as follows:

(1) no more than $50,000 for light- and medium-duty vehicles; and

(2) no more than $100,000 for heavy-duty vehicles.

Subd. 6. **Appropriation.** $5,000,000 in fiscal year 2016 and $5,000,000 in fiscal year 2017 are appropriated from the energy fund account established in section 116C.779, subdivision 1, to the commissioner of commerce for the purpose of awarding compressed natural gas vehicle rebates under this section and to pay the reasonable costs incurred by the department to administer this section."

Amend the title accordingly