

1.1 ..... moves to amend H.F. No. 257 as follows:

1.2 Page 1, before line 7, insert:

1.3 "Section 1. Minnesota Statutes 2020, section 216B.164, subdivision 3, is amended to read:

1.4 Subd. 3. **Purchases; small facilities.** (a) This paragraph applies to cooperative electric  
 1.5 associations and municipal utilities. For a qualifying facility having less than 40-kilowatt  
 1.6 capacity, the customer shall be billed for the net energy supplied by the utility according to  
 1.7 the applicable rate schedule for sales to that class of customer. A cooperative electric  
 1.8 association or municipal utility may charge an additional fee to recover the fixed costs not  
 1.9 already paid for by the customer through the customer's existing billing arrangement. Any  
 1.10 additional charge by the utility must be reasonable and appropriate for that class of customer  
 1.11 based on the most recent cost of service study. The cost of service study must be made  
 1.12 available for review by a customer of the utility upon request. In the case of net input into  
 1.13 the utility system by a qualifying facility having less than 40-kilowatt capacity, compensation  
 1.14 to the customer shall be at a per kilowatt-hour rate determined under paragraph (c), (d), or  
 1.15 (f).

1.16 (b) This paragraph applies to public utilities. For a qualifying facility having less than  
 1.17 1,000-kilowatt capacity, the customer shall be billed for the net energy supplied by the  
 1.18 utility according to the applicable rate schedule for sales to that class of customer. In the  
 1.19 case of net input into the utility system by a qualifying facility having: (1) more than  
 1.20 40-kilowatt but less than 1,000-kilowatt capacity, compensation to the customer shall be at  
 1.21 a per kilowatt-hour rate determined under paragraph (c); or (2) less than 40-kilowatt capacity,  
 1.22 compensation to the customer shall be at a per-kilowatt rate determined under paragraph  
 1.23 (c) or (d).

1.24 (c) In setting rates, the commission shall consider the fixed distribution costs to the  
 1.25 utility not otherwise accounted for in the basic monthly charge and shall ensure that the

2.1 costs charged to the qualifying facility are not discriminatory in relation to the costs charged  
 2.2 to other customers of the utility. The commission shall set the rates for net input into the  
 2.3 utility system based on avoided costs as defined in the Code of Federal Regulations, title  
 2.4 18, section 292.101, paragraph (b)(6), the factors listed in Code of Federal Regulations,  
 2.5 title 18, section 292.304, and all other relevant factors.

2.6 (d) Notwithstanding any provision in this chapter to the contrary, a qualifying facility  
 2.7 having less than 40-kilowatt capacity may elect that the compensation for net input by the  
 2.8 qualifying facility into the utility system shall be at the average retail utility energy rate.  
 2.9 "Average retail utility energy rate" is defined as the average of the retail energy rates,  
 2.10 exclusive of special rates based on income, age, or energy conservation, according to the  
 2.11 applicable rate schedule of the utility for sales to that class of customer.

2.12 (e) If the qualifying facility or net metered facility is interconnected with a nongenerating  
 2.13 utility ~~which has a sole source contract with a municipal power agency or a generation and~~  
 2.14 ~~transmission utility~~, the nongenerating utility may elect to treat its purchase of any net input  
 2.15 under this subdivision as being made on behalf of its supplier or suppliers and shall be  
 2.16 reimbursed proportionately by its supplier or suppliers for any additional costs incurred in  
 2.17 making the purchase. Qualifying facilities or net metered facilities having less than  
 2.18 1,000-kilowatt capacity if interconnected to a public utility, or less than 40-kilowatt capacity  
 2.19 if interconnected to a cooperative electric association or municipal utility may, at the  
 2.20 customer's option, elect to be governed by the provisions of subdivision 4.

2.21 (f) A customer with a qualifying facility or net metered facility having a capacity below  
 2.22 40 kilowatts that is interconnected to a cooperative electric association or a municipal utility  
 2.23 may elect to be compensated for the customer's net input into the utility system in the form  
 2.24 of a kilowatt-hour credit on the customer's energy bill carried forward and applied to  
 2.25 subsequent energy bills. Any kilowatt-hour credits carried forward by the customer cancel  
 2.26 at the end of the calendar year with no additional compensation.

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

2.28 Sec. 2. Minnesota Statutes 2020, section 216B.164, is amended by adding a subdivision  
 2.29 to read:

2.30 **Subd. 12. Customer's access to electricity use data.** A utility shall provide a customer's  
 2.31 electricity usage data to the customer within ten days of receipt of a request from the customer  
 2.32 that is accompanied by evidence that the energy usage data is relevant to the interconnection  
 2.33 of a qualifying facility on behalf of the customer. For the purposes of this subdivision,  
 2.34 "electricity usage data" includes, but is not limited to, the total amount of electricity used

3.1 by a customer monthly, usage by time period if the customer operates under a tariff where  
3.2 costs vary by time-of-use, and usage data that is used to calculate a customer's demand  
3.3 charge.

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

3.5 Renumber the sections in sequence and correct the internal references

3.6 Amend the title accordingly