

# House Research Act Summary

**CHAPTER:** 296

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## Article 1: Utilities

- 1 **[115C.04] Subd. 3. Cost recovery; subrogation.** Specifies that the attorney general may recover from a responsible party the costs of investigation and cleanup incurred by the Pollution Control Agency on behalf of the Petroleum Tank Compensation Board.  
  
Specifies that the board, not, as under current law, the agency, is:
  - subrogated to the rights of a responsible party if the latter is insured against the liability for the cost of a corrective action; and
  - may request the attorney general to bring an action in district court against the insurer to enforce this subrogation right.
- 2 **[115C.09] Subd. 3h. Reimbursement; aboveground tanks in bulk plants.** Strikes language directing the board to reimburse 90 percent of an applicant's cost, up to \$10,000, for upgrades or closures made between June 1, 1998, and November 1, 2003, that were necessary to comply with state rules governing tank and piping standards and standards for corrosion and overflow protection. Applications under this provision were to be submitted prior to 2006.
- 3 **[115C.09] Subd. 3k. PVC piping at residential locations.** Specifies that the purpose of this subdivision is to assist homeowners who installed PVC fill piping to their heating oil tank to avoid a release of heating oil that may result if the oil dissolves certain glues that bind the piping.

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Requires the board to reimburse a qualified contractor 90 percent of the reasonable cost of replacing PVC fill piping with metal piping at single family homes heating with heating oil between May 1, 2008, and September 1, 2011. The maximum reimbursement per household is \$250. No more than \$1.5 million may be spent for this purpose.

Specifies that a heating oil vendor is not a responsible person with respect to a heating oil spill inside a residence if the spill was caused solely by the failure of a tank or tank equipment owned by the homeowner.

- 4 **[117.054] Copies of appraisal to landowner.** Requires a public utility, municipal utility, electric cooperative, and a pipeline company transporting natural gas, crude oil or petroleum products to provide an appraisal of a property it intends to acquire to the property owner prior to presenting a petition to acquire the property under an eminent domain proceeding.
- 5 **[216B.16] Subd. 7b. Transmission cost adjustment.** Authorizes the Public Utilities Commission to approve, reject or modify an automatic annual tariff adjustment for charges incurred by a utility for transmission of electricity over lines owned by others that have been determined by the Midwest Independent System Operator to benefit Minnesota.
- 6 **[216B.1645] Subd. 1. Commission authority.** Authorizes the commission to approve or disapprove expenditures that provide storage facilities for renewable energy generation facilities.
- 7 **[216B.1645] Subd. 2. Cost recovery.** Authorizes the commission to approve or disapprove a rate schedule for costs approved under section 6.
- 8 **[216B.1645] Subd. 2a. Cost recovery for owned renewable facilities.** Allows a utility to petition the commission to approve a rate schedule for costs determined to be reasonable and prudent under section 13.
- 9 **[216B.241] Subd. 5a. Qualifying solar energy project.** Specifies that a utility or association may include the costs of installing a qualifying solar energy project in its Conservation Improvement Program (CIP) plan, provided that the total costs of renewable electricity generation amount to no more than five percent of its CIP expenditures. Cost-effectiveness for these projects may be measured differently from that in other CIP projects. Energy savings from these projects cannot contribute toward the initial one percent of the utility's 1.5 percent energy savings goal, but may count toward the remaining 0.5 percent.
- 10 **[216B.2411] Subd. 1. Generation projects.** Authorizes municipal and rural cooperative electric utilities to spend up to five percent of their allocated Conservation Improvement Program expenditures on qualifying solar projects.
- 11 **[216B.2411] Subd. 2. Definitions.** Defines "qualifying solar energy project" for purposes of sections 9 and 10.
- 12 **[216B.2424] Subd. 1. Farm-grown closed-loop biomass.** Defines the term.
- 13 **[216B.243] Subd. 9. Renewable energy standard facilities.** Exempts wind and solar electric generation facilities determined by the commission to be a reasonable and prudent approach to meeting a utility's renewable energy standard obligation from obtaining a certificate of need before construction.
- 14 **[216C.051] Legislative Energy Commission.**

**Subd. 2. Establishment.** Establishes the Legislative Energy Commission to study energy issues and recommend legislation. Specifies membership, staffing and election of co-chairs.

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**Subd. 2a. Subcommittees.** Authorizes establishment of subcommittees.

**Subd. 3. Duties.** Strikes duties of precursor Legislative Electric Energy Task Force. The commission must continuously evaluate state energy policies, and monitor the state's progress in achieving its Renewable Energy Standards and greenhouse gas emissions reduction goals.

**Subd. 4a. Report and recommendations.** Stricken.

**Subd. 6. Assessment.** Stricken.

**Subd. 7. Guidelines; preferred electric generation sources; definitions.** Stricken.

**Subd. 8. Subpoena power.** Gives the commission power of subpoena.

**Subd. 8a. Manitoba Hydro information.** Stricken.

**Subd. 9. Expiration.** Stricken.

**Subd. 10. Data from state agencies.** Requires state agencies to reply promptly to data requests from the commission.

**Subd. 11. Assessment; appropriation.** Directs the commissioner of commerce to assess up to \$250,000 annually to electric and gas utilities and bulk terminals distributing petroleum products for sale in the state, based on their respective shares of gross operating revenues from energy sold in the state, and appropriates the funds to the director of the Legislative Coordinating Commission.

**15 [216E.03] Subd. 3a. Project notice.** Requires an applicant for a certificate of need for a large electric generating plant or high voltage transmission line to provide notice to each local unit of government within the site or route at least 90 days before the application is filed.

**16 [216E.03] Subd. 3b. Preapplication consultation meetings.** Provides that a local unit of government receiving a notice under section 15 may request a meeting with the applicant within 30 days of receiving the notice.

**17 [216E.03] Subd. 4. Application notice.** Requires the applicant to send a copy of the application to any town (striking township) within the site or route.

**18 [216F.012] Size election.** Provides that the owner of a wind energy conversion system under 25 megawatts of nameplate capacity may, before July 1, 2009, elect to be classified as a small wind energy conversion system for siting purposes. Notwithstanding this provision, a system below five megawatts capacity that proposes to locate within a wind access buffer adjacent to state lands that are part of the outdoor recreation system is a large wind energy conversion system. The DNR is required to negotiate with such a system regarding siting, and may support its application for a variance from the setback requirements if a variance is found to be in the public interest.

The Public Utilities Commission must report annually to the legislature regarding variances

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applied for but not granted.

**19 [216F.09] WECS aggregation program.**

**Subd. 1. Program established.** Directs the entity selected to implement a Rural Wind Energy Development Assistance program in 2007 (Laws 2007, art. 2, § 3, subd. 6) to establish a wind aggregation program, i.e., a clearinghouse to coordinate and arrange umbrella purchases of wind turbines and other equipment for individuals, community-based energy developers, and political subdivisions.

**Subd. 2. Responsibilities.** Directs the entity to:

- establish application procedures;
- set minimum standards with respect to price, quality, performance, etc. for equipment to be considered for purchase under the program;
- set eligibility requirements for purchasers;
- provide a framework for contacting manufacturers on behalf of participants; and
- coordinate purchase agreements.

**Subd. 3. Report.** Directs the commissioner of commerce to report to the legislature by February 1, 2009, on program activities and results.

**Subd. 4. Assessment; appropriation.** Specifies that up to \$100,000 annually may be assessed by the Public Utilities Commission under the administrative costs of the Reliability Administrator for a grant to the entity in subdivision 1 to carry out this section's purposes.

**20 [216H.07] Greenhouse gas emissions reductions attainment; policy development process.**

**Subd. 1. Definition.** "Reductions" means the greenhouse gas emissions reduction goals in section 216H.02, subdivision 1.

**Subd. 2. Purpose.** States that this section is to create a nonexclusive mandated process to develop greenhouse gas emissions reduction policies.

**Subd. 3. Biennial reduction progress report.** Requires the commissioners of Commerce and the PCA to report to the legislature, by January 1 of each odd-numbered year, evidence regarding reductions achieved and those remaining to be made in order to meet the state's goals.

**Subd. 4. Annual legislative proposal.** Requires the commissioners of commerce and PCA to submit a report to the legislature, by January 1 of each odd-numbered

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year, on proposed legislation needed to achieve the reduction goals.

**Subd. 5. Reduction principles.** Sets forth principles on which legislation proposed under subdivision 4 must be based.

21 **[216H.10] Definitions.**

**Subd. 6. Global warming potential or GWP.** “Global warming potential” or “GWP” means a quantitative measure of the potential of an emission of a greenhouse gas to contribute to global warming over a 100-year period, expressed in terms of the equivalent emission of carbon dioxide needed to produce the same 100-year warming effect.

**Subd. 7. High-GWP greenhouse gas.** “High-GWP greenhouse gas” means hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

22 **[216H.11] High-GWP greenhouse gas reporting.**

**Subd. 1. Gas manufacturers.** Requires a manufacturer of a high-GWP greenhouse gas to report to the agency annually, beginning October 1, 2008, the total amount sold in Minnesota the previous year.

**Subd. 2. Purchases.** Requires a person who purchases more than 100 metric tons of a high-GWP greenhouse gas in this state to report to the agency annually, beginning October 1, 2008, the total amount of each gas and the purpose for which it was used.

**Subd. 3. Acceptance of federal filing.** Provides that a copy of a federal greenhouse gas emissions report filing satisfies this section, if approved by the commissioner.

23 **[216H.12] Mobile air conditioner leakage rates; disclosure.**

**Subd. 1. Leakage disclosure.** Requires manufacturers selling a new motor vehicle in Minnesota after January 1, 2009, that uses HFC-134a as a mobile air conditioner refrigerant to report, 90 days prior to initial sale, the leakage rate of the air conditioner to the commissioner of PCA. The rate is to be calculated using a specified SAE International document.

**Subd. 2. Posting.** Beginning January 1, 2009, both the PCA and the Office of the Attorney General must post the leakage rates reported under subdivision 1 on their Web sites, along with a statement warning consumers that mobile air conditioner leakages contribute to global warming.

24 **[216H.15] Enforcement.** Provides that sections 21 to 23 may be enforced under section 116.072.

25 **[500.30] Subd. 2. Like any conveyance.** Strikes language stating that a wind easement, option or lease of wind rights terminates after seven years if a wind energy project on the property to which the easement applies has not begun commercial operation.

26 **Report.** Requires the commissioner to submit a report to the legislature by February 1, 2009, identifying the uses and emissions sources of high-GWP gases and suggests options

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for reducing or eliminating those uses and the costs of doing so.

- 27 Solar rating and certification laboratory.** Requires the director of the Office of Energy Security to convene stakeholders with technical knowledge of solar system design, manufacturing and installation to develop criteria for a Minnesota-based solar rate and certification laboratory, and to issue a RFP for such an entity by September 15, 2008. The director must report to the legislature on responses to the RFP and recommended actions by January 15, 2009.
- 28 Size election stakeholder group.** Requires the commissioner of commerce to convene a stakeholder group by July 30, 2008, to evaluate the effect of section 18 on the process of obtaining a wind siting permit for systems between five and 25 megawatts capacity. A report to the legislature is due by January 15, 2009.
- 29 State video franchising study.**

**Subd. 1. Study contents.** Requires the commissioner of commerce to contract with the University of Minnesota to study the impact of statewide video franchising in at least three states that have enacted such legislation. Specifies report contents.

**Subd. 2. Report.** Requires the Department of Commerce to submit the report under subdivision 1 to the legislature by February 1, 2009.

- 30 Broadband mapping project.**

**Subd. 1. Project.** Requires the commissioner of commerce to contract with a nonprofit organization to produce GIS maps displaying levels of broadband service and capability statewide.

**Subd. 2. Mapping.** Specifies that data from broadband providers must be entered into a GIS system to produce maps that for specific geographic areas show:

- the number of providers;
- the location of towers sending and receiving broadband signals; and
- actual upstream and downstream transmission speeds.

The data must be integrated with demographic data to show the characteristics of areas receiving different levels of service. Data provided by broadband providers is nonpublic; the maps are public data. The initial maps must be provided by February 1, 2009.

- 31 Wind property interest mediation and report.** Requires the commissioner of commerce to convene a work group by July 1, 2008, to investigate and determine whether there is a factual basis for concerns that wind development may be hindered if property interests such as wind options and wind rights are not required to terminate if development has not occurred within a given period of time. The commissioner is required to report the results of the investigation to the legislature by January 15, 2009.
- 32 Appropriation; Department of Commerce.** Appropriates \$175,000 and \$85,000, respectively, from the telecommunications access Minnesota fund account to the

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commissioner of commerce for the studies under sections 30 and 29.

- 33** **Authorization.** Directs the director of the Legislative Coordinating Commission to expend funds appropriated for the use of the Legislative Electric Energy Task Force for the purposes of the Legislative Energy Commission created under section 14.

**Article 2: Outdoor Lighting**

- 1** **[16B.328] Subd. 3. Standards for state-funded outdoor lighting fixtures.** Specifies conditions under which an outdoor lighting fixture may be installed or replaced using state funds.