

House Research Act Summary

CHAPTER: 179

SESSION: 2012 Regular Session

TOPIC: Electric transmission

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Overview

Prior to the issuance of Order 1000 by the Federal Energy Regulatory Commission in the fall of 2011, utilities and incumbent owners of high-voltage electric transmission lines had a "right of first refusal" with respect to the construction and ownership of such lines. That is, once the need for a new transmission line was established through a regional transmission planning process, these incumbents were given the opportunity to declare they wanted to build and own the line; only if this opportunity were rejected would a non-incumbent entity have a chance to do so.

Order 1000 abolished this federal right of first refusal, although it allowed states to establish an identical state right. That is what Chapter 179 does.

1 [216B.246] Federally-approved transmission lines; incumbent transmission lineowner rights.

Subd. 1. Definitions. Defines an "electric transmission line" as one with a capacity of 100 kilovolts or more.

Defines an "incumbent electric transmission owner" as a public utility that owns, operates, and maintains an electric transmission line in this state, or a municipal utility, generation and transmission cooperative, municipal power agency, or transmission company, irrespective of their ownership of a transmission line in Minnesota.

Subd. 2. Incumbent electric transmission owner rights. Provides an incumbent electric transmission owner the right to own, construct, and maintain a transmission line connected to its facilities that has been approved for construction in a federally-registered transmission plan.

Subd. 3. Commission procedure. Requires an incumbent electric transmission owner, within 90 days of approval of construction of an electric transmission line contained in a federally-registered transmission plan, to notify the Minnesota Public Utilities Commission of its intent to construct and own the transmission line.

If the incumbent electric transmission owner intends to construct the transmission line, it must,

within 18 months of filing its notice to the commission, file an application for a certificate of need (unless the line is exempt) or for certification of the line in its transmission progress report filed under section 216B.2425.

If the incumbent electric transmission owner does not intend to construct the transmission line, it must explain the basis of its decision to the commission, which may order the incumbent electric transmission owner or another entity to construct the line. (The commission has this authority under section 216B.79.) In determining the need for the transmission line and who should build it, the commission must consider cost, efficiency, reliability, and other issues.