

# HOUSE RESEARCH

## Bill Summary

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### Overview

Exempts electric utility generation personal property that meets certain criteria. (Exemption is for a proposed 290 megawatts plant in Cannon Falls; Goodhue County.) Effective for assessment year 2006, payable 2007 and thereafter.

#### Section

**1 Electric generation facility personal property.** (a) Exempts attached machinery and other personal property which is part of a proposed simple-cycle combustion-turbine electric generation facility that exceeds 290 megawatts of installed capacity, that meets the following criteria at the time of construction:

- ▶ be designed to utilize natural gas as a primary fuel;
- ▶ not be owned by a public utility as defined in section 216B.02, subd. 4;
- ▶ be located within 15 miles of the mainline existing interstate natural gas pipeline and within five miles of an existing electrical transmission substation;
- ▶ be located outside of the seven county metropolitan area; and
- ▶ be designed to provide peaking capacity energy and ancillary services and have satisfied the certificate of need requirements.

(b) Provides that construction of facility must be commenced after January 1, 2005, and before January 1, 2009. The exemption does not include electric transmission lines and

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interconnections or gas pipelines and interconnections appurtenant to the property or the facility.

Effective for assessment year 2006, taxes payable in 2007, and thereafter.