

HOUSE RESEARCH

Bill Summary

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Overview

House File 72 repeals section 216H.03, a component of greenhouse gas emissions legislation enacted in 2007. This provision prohibits, with certain exceptions, both the construction in Minnesota of a 50-megawatt or larger electric generating plant that emits carbon dioxide and the long-term importation of electricity from such a plant located outside the state until Minnesota adopts a statewide plan to limit greenhouse gas emissions from all electric generating plants.

Specifically exempted from the prohibition are projects that were proposed at the time the legislation was passed. They include:

- The Essar Steel Minnesota facility near Nashwauk, which began construction in August 2010;
- Mesabi Nugget, located near Hoyt Lakes, which began production in January 2010;
- The Big Stone II power plant in South Dakota, which was cancelled in November 2009; and
- The proposed Excelsior coal gasification plant.

General exemptions from the prohibition include:

- Plants primarily fueled by natural gas;
- Plants that inject carbon dioxide emissions underground to prevent their release;
- Plants that offset their greenhouse gas emissions by reducing an existing plant's emissions or purchasing carbon dioxide allowances; and
- Plants or outstate purchases found by the Public Utilities Commission to be essential to:
 - § ensure the long-term reliability of the state's electric system;
 - § meet increased industrial demand; or
 - § avoid placing a substantial financial burden on Minnesota ratepayers.

Any order by the Commission under this last general exemption is stayed until the following legislative session is concluded, giving the legislature an opportunity to reject it.