

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 2541
Version: As introduced

DATE: March 3, 2014

Authors: Hortman

Subject: Miscellaneous energy provisions

Analyst: Bob Eleff

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: www.house.mn/hrd/.

Section

- 1 **[216C.41] Subd. 4. Payment period.** Extends the period during which an on-farm biogas recovery facility may receive renewable energy incentive (REPI) payments from the end of 2015 to the end of 2017.
- 2 **[216C.436] Subd. 4. Financing terms.** For the PACE program (Property Assessed Clean Energy), which allows property owners to repay investments in energy conservation or renewable energy systems through increased property tax assessments, increases the upper limit of a loan from ten to 20 percent of the property's assessed value.
- 3 **[216C.436] Subd. 9. Supplemental funding sources.** Amends the PACE program to allow local units of government to finance the energy loans from the issuance of general obligation bonds and other alternative funding sources, in addition to the issuance of revenue bonds currently permitted to be used.
- 4 **Repealer.**
 - Subd. 1. Weatherization assistance.** Repeals rules associated with a state program providing weatherization assistance to low-income households under a statute that was repealed in 1998.
 - Subd. 2. Energy conservation loan program.** Repeals all the rules for a program making loans to municipalities for energy conservation investments in municipal facilities.
 - Subd. 3. Electric utilities; extended forecasts.** Repeals a rule that names nine utilities that must annually file with the commissioner of commerce extended (15-year)

Section

forecasts of energy demand and the facilities that will meet that demand.

(The corresponding Minnesota Statutes, section 216C.17, subdivision 2, requires all utilities, coal and petroleum suppliers, and large energy facilities (including large pipelines and high-voltage transmission lines) to report five-, ten-, and 15-year forecasts.)

Subd. 4. Cooling systems replacement; energy efficiency criteria.

Repeals rules establishing energy-efficiency criteria for the replacement of once-through cooling systems; the law granting that authority was repealed in 1998.

(Once-through cooling systems were used by electric generating plants to draw water from rivers, lakes, and underground aquifers to cool the steam that passed through a turbine to create electricity back to liquid form, so it could be reused to produce additional electricity. Concern over the attendant disruption to local ecosystems and reduction of groundwater supplies led to the cessation of once-through cooling: Minnesota Statutes, section 103G.271, subdivision 5, enacted in 1990, required that permits for water appropriations for once-through cooling systems using more than five millions gallons of water annually be terminated by the end of 2010.)