

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 2883

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**Subject:** Greenhouse gas emissions

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### Overview

House File 2883 modifies language prohibiting the construction of an electric generating facility in the state after 2006 or the purchase of electricity from such a plant located in other states unless: (1) a comprehensive law substantially reducing statewide carbon dioxide emissions from power plants is operating; or (2) the carbon dioxide emissions associated with the new sources of electricity are offset; or (3) other existing statutory exemptions apply.

#### Section

- 1 [216H.03] Subd. 2. Definition; statewide power sector carbon dioxide emissions.**  
Defines “statewide power sector carbon dioxide emissions” as emissions from both in-state electric generation and emissions tied to generation procured outside the state by a retail supplier under an agreement to purchase capacity or power. Specifies that emissions associated with electricity purchased for retail sale in Minnesota from an RTO or ISO that is not part of such a purchase agreement are excluded from the definition.
- 2 [216H.03] Subd. 3. Long-term increased emissions from power plants prohibited.**  
Prohibits the sale of power from a new large energy facility to Minnesota retail customers if the associated emissions would contribute to statewide power sector carbon dioxide emissions, provided that no comprehensive law substantially reducing statewide emissions is operating. Specifies that long-term power purchase agreements prohibited by this subdivision include agreements to purchase power as well as capacity.

**Section**

**3**      **[216H.03] Subd. 4. Exception for facilities that offset emissions.** Exempts from prohibitions in subdivision 3, a proponent of a new large energy facility in Minnesota or a supplier of electricity to Minnesota retail customers who demonstrates that it will offset the new contributions to statewide power sector carbon dioxide emissions.

Clarifies that one method of offsetting emissions is to purchase carbon dioxide allowances from a carbon dioxide cap and trade system operated by one or more states.