

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 3569  
**Version:** As introduced

**DATE:** April 3, 2016

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**Subject:** Renewable Development Fund

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H.F. 3569 ends the obligation Xcel Energy has been under since 1994 to fund the Renewable Development Fund (RDF) account so long as its nuclear generating plants at Prairie Island and Monticello are operational and nuclear waste is stored at the plants. This arrangement was part of the compromise reached when legislation was enacted allowing Xcel to store waste at Prairie Island. The bill would end those payments after \$10,000,000 is contributed to the fund for each plant, measured from July 1, 2016.

Under current law, Xcel must transfer to the fund \$500,000 annually for each storage cask at Prairie Island, and \$350,000 per cask at Monticello. As of June 2015, there were 38 casks at Prairie Island, resulting in a \$19,000,000 annual contribution to the RDF. Monticello contributes an additional \$6,000,000 to \$7,000,000 annually at this time. Xcel has forecasted its RDF contribution will increase from \$27,600,000 in 2017 to \$34,000,000 in 2019. H.F. 3569 would limit Xcel's final Prairie Island contribution in January 2017 to \$10,000,000; Monticello's contributions would end in January 2018 when the \$10,000,000 cap is reached.

RDF contributions from Xcel have totaled over \$300,000,000. Approximately \$100,000,000 has been awarded in grants to renewable energy development projects over four grant cycles, the most recent of which occurred in 2014.

RDF funds have also been appropriated by the legislature for various programs to promote renewable energy development, including per-kilowatt hour production payments to owners of wind, biogas, and solar energy systems.

Under current law, Xcel contributions to the RDF are also to be made after the plants cease operation, if nuclear waste storage continues there: \$7,500,000 annually for Prairie Island and \$5,250,000 for Monticello. These provisions are not affected by H.F. 3569.