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### Overview

House File 1038 renames and repurposes the Renewable Development Fund, a program that was part of the 1994 agreement to allow the storage of nuclear waste at Xcel Energy's Prairie Island nuclear generating plant. Approximately \$25 million annually is contributed to the fund by Minnesota ratepayers. The bill sets up a new council composed of legislators to make recommendations for funding eligible energy projects to the legislature.

#### Section

- 1** **[116C.779] Subd. 1. Energy fund account.** Establishes the energy fund account in the special revenue fund. Requires Xcel Energy to transfer all funds in the Renewable Development Account to the new account on July 1, 2017. Provides for payments to the account from Xcel to continue as under current law, based on the number of casks of nuclear waste stored at the Prairie Island and Monticello plants, except as specified in section 2.  
Specifies the energy-related purposes for which funds from the account may be expended. Specifies that Xcel will withhold from the annual transfers any revenues needed to pay for previous funding commitments that are ongoing, including renewable energy production incentives and Xcel's Solar Rewards program.  
Strikes language describing eligibility for funding, account management, and program operation under the Renewable Development Account.
- 2** **[116C.779] Subd. 1a. Payment termination.** Specifies that once cumulative payments for a single cask reach \$10 million, no more payments are due for that cask.

## Section

### **3 [116C.7793] Legislative renewable energy council.**

**Subd. 1. Establishment.** Establishes the Legislative Renewable Energy Council, composed of five members each from the senate and house of representatives, four of whom must represent districts where Xcel provides electric service to at least 60 percent of the district's residents. Caps the council's administrative costs at 0.5 percent of the money appropriated from the fund.

**Subd. 2. Council recommendations.** Requires the council to make recommendations to the legislature regarding funds expended from the account. Recommendations require the vote of eight members of the council.

**Subd. 3. Conflict of interest.** Defines a conflict of interest and prohibits a council member from voting on funding proposals where there may be such a conflict.

**Subd. 4. Audit.** Requires the legislative auditor to audit expenditures from the account recommended by the council.

**Subd. 5. Recipient requirements.** Requires a recipient of funds from the account to provide all information required by the council. Prohibits a recipient from receiving funding from the council until four years after a previous council-funded project has been completed.

**Subd. 6. Accomplishment plans.** Requires recipients to submit an accomplishment plan and periodic updates to the council.

**Subd. 7. Expenditures.** Provides that expenditure from the account may include, research and development projects, demonstration projects, and statewide programs and financial incentives.

**Subd. 8. Administration.** Authorizes the council to develop administrative procedures for the application and review process.