

Subject Energy conservation

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Overview

H.F. 4574, as amended by H4574A3, makes several changes in the statute that governs energy conservation programs financed and implemented by public and consumer-owned utilities.

Summary

Section	Description
1	<p>[216B.16] Rate change; procedure; hearing.</p> <p>Subd. 6c. Incentive plan for energy conservation and efficient fuel-switching improvement. Authorizes the commission to make efficient fuel-switching projects eligible to receive financial incentives under the commission's incentive plan for public utilities.</p>
2	<p>[216B.16] Rate change; procedure; hearing.</p> <p>Subd. 8. Advertising expense. Allows a utility to recover costs for advertising fuel-switching programs and a public utility's transportation electrification plan.</p>
3	<p>[216B.2402] Definitions.</p> <p>Subd. 3a. Data mining facility. Definition.</p>
4	<p>[216B.2402] Definitions.</p> <p>Subd. 4. Efficient fuel-switching improvement. Strikes language specifying that an efficient fuel-switching improvement does not include an energy conservation improvement that increases greenhouse gas emissions.</p>
5	<p>[216B.2402] Definitions.</p> <p>Subd. 10. Gross annual retail energy sales. Amends the definition of "gross annual retail energy sales" to exclude electricity sales of a consumer-owned utility to a data mining center if the center imposes a peak electrical demand equal to or greater than 40 percent of peak demand on the utility's system. As a</p>

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	result, these sales would not be part of the base sales on which a consumer-owned utility is required to save 1.5 percent each year.
6	[216B.2403] Consumer-owned utilities; energy conservation and optimization. Subd. 2. Consumer-owned utility; energy-savings goal. Reduces the annual energy-savings goal required of a consumer-owned natural gas utility from 1.5 to 1.0 percent. Strikes language limiting, until July 1, 2026, spending by a consumer-owned utility on efficient fuel-switching improvements to 0.55 percent of its gross annual retail energy sales.
7	[216B.2403] Consumer-owned utilities; energy conservation and optimization. Subd. 3. Consumer-owned utility; energy conservation and optimization plans. Authorizes the commissioner of commerce to recommend a consumer-owned utility to implement an efficient fuel-switching program suggested by a political subdivision, nonprofit, or community organization. Allows a consumer-owned utility to allocate up to ten percent of its total conservation spending for research and development on efficient fuel-switching projects.
8	[216B.2403] Consumer-owned utilities; energy conservation and optimization. Subd. 5. Energy conservation programs for low-income households. Specifies that a consumer-owned electric utility's conservation spending in a low-income household whose primary heat source is not provided by a public utility may be counted towards the consumer-owned utility's annual low-income spending requirement.
9	[216B.2403] Consumer-owned utilities; energy conservation and optimization. Subd. 8. Criteria for efficient fuel-switching improvements. Amends the method used to measure whether a fuel-switching improvement is efficient, and hence, whether its energy savings may be counted towards the consumer-owned utility's annual energy-savings goal. Strikes language requiring efficient fuel-switching improvements to be installed and operated so as to improve the utility's load factor.
10	[216B.241] Public utilities; energy conservation and optimization. Subd. 1c. Public utility; energy-saving goals. Strikes language limiting, until July 1, 2026, spending by a public utility on efficient fuel-switching improvements to 0.35 percent of its gross annual retail energy sales.
11	[216B.241] Public utilities; energy conservation and optimization. Subd. 2. Public utility; energy conservation and optimization plans. Authorizes the commissioner of commerce to recommend a public utility to implement an

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	efficient fuel-switching program suggested by a political subdivision, nonprofit, or community organization.
12	<p>[216B.241] Public utilities; energy conservation and optimization.</p> <p>Subd. 11. Programs for efficient fuel-switching improvements; electric utilities. Authorizes a public utility to include a goal for efficient fuel-switching improvements in its energy conservation and optimization plan. Strikes language requiring the department, in deciding whether to approve fuel-switching improvement projects, to consider whether the project facilitates the integration of variable renewable energy sources into the electric system. Strikes language allowing net benefits from efficient fuel-switching improvements integrated with an energy efficiency program to be counted towards a public utility's overall net conservation benefits. Amends the method used to measure whether a fuel-switching improvement is efficient, and hence, whether its energy savings may be counted towards the consumer-owned utility's annual energy-savings goal.</p>
13	<p>[216B.241] Public utilities; energy conservation and optimization.</p> <p>Subd. 12. Programs for efficient fuel-switching improvements; natural gas. Strikes language making a public utility ineligible for a financial incentive for efficient fuel-switching in a year in which it does not achieve energy savings of 1.0 percent of its gross annual retail energy sales.</p>
14	<p>[216B.2411] Distributed energy resources.</p> <p>Subd. 1. Generation projects. Allows a consumer-owned utility to exceed the five percent spending limit to which public utilities are restricted regarding the proportion of total spending on energy conservation improvements that may be allocated to certain distributed generation projects.</p>



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