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State of Minnesota  
**HOUSE OF REPRESENTATIVES**

EIGHTY-SIXTH  
SESSION

**HOUSE FILE No. 1155**

February 26, 2009

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The bill was read for the first time and referred to the Energy Finance and Policy Division

1.1 A bill for an act  
1.2 relating to energy; utilities; modifying certificate of need exemption status for  
1.3 large wind-powered electric generation facility; amending Minnesota Statutes  
1.4 2008, section 216B.243, subdivisions 8, 9.

1.5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:**

1.6 Section 1. Minnesota Statutes 2008, section 216B.243, subdivision 8, is amended to  
1.7 read:

1.8 Subd. 8. **Exemptions.** This section does not apply to:

1.9 (1) cogeneration or small power production facilities as defined in the Federal Power  
1.10 Act, United States Code, title 16, section 796, paragraph (17), subparagraph (A), and  
1.11 paragraph (18), subparagraph (A), and having a combined capacity at a single site of less  
1.12 than 80,000 kilowatts; plants or facilities for the production of ethanol or fuel alcohol; or  
1.13 any case where the commission has determined after being advised by the attorney general  
1.14 that its application has been preempted by federal law;

1.15 (2) a high-voltage transmission line proposed primarily to distribute electricity to  
1.16 serve the demand of a single customer at a single location, unless the applicant opts to  
1.17 request that the commission determine need under this section or section 216B.2425;

1.18 (3) the upgrade to a higher voltage of an existing transmission line that serves  
1.19 the demand of a single customer that primarily uses existing rights-of-way, unless the  
1.20 applicant opts to request that the commission determine need under this section or section  
1.21 216B.2425;

1.22 (4) a high-voltage transmission line of one mile or less required to connect a new or  
1.23 upgraded substation to an existing, new, or upgraded high-voltage transmission line;

- 2.1 (5) conversion of the fuel source of an existing electric generating plant to using  
 2.2 natural gas;
- 2.3 (6) the modification of an existing electric generating plant to increase efficiency,  
 2.4 as long as the capacity of the plant is not increased more than ten percent or more than  
 2.5 100 megawatts, whichever is greater; or
- 2.6 (7) a large energy facility that (i) generates electricity from wind energy  
 2.7 conversion systems, (ii) will serve retail customers in Minnesota, ~~(iii)~~ and either is  
 2.8 specifically intended to be used to meet the renewable energy objective under section  
 2.9 216B.1691 or addresses a resource need identified in a current commission-approved or  
 2.10 commission-reviewed resource plan under section 216B.2422, ~~and (iv) or (iii)~~ derives at  
 2.11 least ten percent of the total nameplate capacity of the proposed project from one or more  
 2.12 C-BED projects, as defined under section 216B.1612, subdivision 2, paragraph (f).

2.13 Sec. 2. Minnesota Statutes 2008, section 216B.243, subdivision 9, is amended to read:

2.14 Subd. 9. **Renewable energy standard facilities.** The requirements of this section  
 2.15 do not apply to a wind energy conversion system or a solar electric generation facility that  
 2.16 is intended to be used to meet or exceed the obligations of section 216B.1691; provided  
 2.17 that, after notice and comment, the commission determines that the facility is a reasonable  
 2.18 and prudent approach to meeting a utility's obligations under that section. When making  
 2.19 this determination, the commission may consider:

- 2.20 (1) the size of the facility relative to a utility's total need for renewable resources ~~and;~~  
 2.21 (2) alternative approaches for supplying the renewable energy to be supplied by  
 2.22 the proposed facility, ~~and must consider;~~
- 2.23 (3) the facility's ability to promote economic development, as required under section  
 2.24 216B.1691, subdivision 9, ~~maintain;~~
- 2.25 (4) maintenance of electric system reliability ~~and consider;~~
- 2.26 (5) impacts on ratepayers, ~~;~~ and
- 2.27 (6) other criteria as the commission may determine are relevant.