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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 3256

03/17/2016 Authored by Newberger and McDonald

The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance

1.1 A bill for an act
1.2 relating to energy; requiring construction of new coal-fired power plants;
1.3 authorizing a rate rider.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. **COAL-FIRED POWER; NEW GENERATION.**

1.6 (a) A public utility subject to Minnesota Statutes, section 116C.779, must build and
1.7 the Public Utilities Commission must approve five new coal-fired plants at the site where
1.8 the Sherburne County Generating Station currently exists. Each new plant must be (1)
1.9 independently operated, and (2) capable of producing up to 40 megawatts of electric
1.10 energy. Construction of the new plants must begin no later than January 1, 2022.

1.11 (b) Subject to Minnesota Statutes, chapter 216B, a public utility may petition the
1.12 commission outside of a general rate case for a rider to recover costs incurred to construct
1.13 the new coal-fired plants. The public utility must show that the project costs are reasonable
1.14 and necessary, and demonstrate its efforts to ensure the lowest reasonable project costs.
1.15 The commission may accept, modify, or reject any of the project costs. The commission
1.16 may determine whether to require an allowance for funds used during construction offset.