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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 5060

1.1 A bill for an act
1.2 relating to energy; exempting cooperative electric associations from clean and
1.3 renewable energy standards; amending Minnesota Statutes 2022, section
1.4 216B.1691, by adding a subdivision; Minnesota Statutes 2023 Supplement, section
1.5 216B.1691, subdivision 1.

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

1.7 Section 1. Minnesota Statutes 2023 Supplement, section 216B.1691, subdivision 1, is
1.8 amended to read:

1.9 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
1.10 the meaning given them.

1.11 (b) "Carbon-free" means a technology that generates electricity without emitting carbon
1.12 dioxide.

1.13 (c) Unless otherwise specified in law, "eligible energy technology" means an energy
1.14 technology that generates electricity from the following renewable energy sources:

1.15 (1) solar;

1.16 (2) wind;

1.17 (3) hydroelectric with a capacity of: (i) less than 100 megawatts; or (ii) 100 megawatts
1.18 or more, provided that the facility is in operation as of February 8, 2023;

1.19 (4) hydrogen generated from the resources listed in this paragraph; or

1.20 (5) biomass, which includes, without limitation, landfill gas; an anaerobic digester
1.21 system; the predominantly organic components of wastewater effluent, sludge, or related
1.22 by-products from publicly owned treatment works, but not including incineration of

2.1 wastewater sludge to produce electricity; and, except as provided in subdivision 1a, an
 2.2 energy recovery facility used to capture the heat value of mixed municipal solid waste or
 2.3 refuse-derived fuel from mixed municipal solid waste as a primary fuel.

2.4 (d) "Electric utility" means: (1) a public utility providing electric service; (2) ~~a generation~~
 2.5 ~~and transmission cooperative electric association;~~ (3) a municipal power agency; (4) ~~(3)~~
 2.6 power district; or (5) ~~(4)~~ (4) a cooperative electric association or municipal utility providing
 2.7 electric service that is not a member of an entity in clauses (2) ~~to (4)~~ or (3).

2.8 (e) "Environmental justice area" means an area in Minnesota that, based on the most
 2.9 recent data published by the United States Census Bureau, meets one or more of the following
 2.10 criteria:

2.11 (1) 40 percent or more of the area's total population is nonwhite;

2.12 (2) 35 percent or more of households in the area have an income that is at or below 200
 2.13 percent of the federal poverty level;

2.14 (3) 40 percent or more of the area's residents over the age of five have limited English
 2.15 proficiency; or

2.16 (4) the area is located within Indian country, as defined in United State Code, title 18,
 2.17 section 1151.

2.18 (f) "Total retail electric sales" means the kilowatt-hours of electricity sold in a year by
 2.19 an electric utility to retail customers of the electric utility or to a distribution utility for
 2.20 distribution to the retail customers of the distribution utility.

2.21 Sec. 2. Minnesota Statutes 2022, section 216B.1691, is amended by adding a subdivision
 2.22 to read:

2.23 Subd. 11. Cooperative electric association exemption. To the extent authorized by
 2.24 federal law, a cooperative electric association is exempt from the following standards:

2.25 (1) the eligible energy standard under subdivision 2a;

2.26 (2) the solar energy standard under subdivision 2f;

2.27 (3) the carbon-free standard under subdivision 2g; and

2.28 (4) the distributed solar energy standard under subdivision 2h.