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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 527

01/26/2017 Authored by Hamilton, Marquart, McDonald, Petersburg and Applebaum
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 taxation; property; modifying the wind energy production tax; amending
1.3 Minnesota Statutes 2016, section 272.029, subdivision 2.

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

1.5 Section 1. Minnesota Statutes 2016, section 272.029, subdivision 2, is amended to read:

1.6 Subd. 2. Definitions. (a) For the purposes of this section, the term:

1.7 (1) "wind energy conversion system" has the meaning given in section 216C.06,
1.8 subdivision 19, and also includes a substation that is used and owned by one or more wind
1.9 energy conversion facilities;

1.10 (2) "large scale wind energy conversion system" means a wind energy conversion system
1.11 of more than 12 megawatts, as measured by the nameplate capacity of the system or as
1.12 combined with other systems as provided in paragraph (b);

1.13 (3) "medium scale wind energy conversion system" means a wind energy conversion
1.14 system of over two and not more than 12 megawatts, as measured by the nameplate capacity
1.15 of the system or as combined with other systems as provided in paragraph (b); and

1.16 (4) "small scale wind energy conversion system" means a wind energy conversion system
1.17 of two megawatts and under, as measured by the nameplate capacity of the system or as
1.18 combined with other systems as provided in paragraph (b).

1.19 (b) For systems installed and contracted for after January 1, 2002, the total size of a
1.20 wind energy conversion system under this subdivision shall be determined according to this
1.21 paragraph. Unless the systems are interconnected with different distribution systems, the

2.1 nameplate capacity of one wind energy conversion system shall be combined with the  
2.2 nameplate capacity of any other wind energy conversion system that is:

2.3 (1) located within five miles of the wind energy conversion system;

2.4 (2) constructed within the same calendar year as the wind energy conversion system;

2.5 and

2.6 (3) under common ownership.

2.7 In the case of a dispute, the commissioner of commerce shall determine the total size of  
2.8 the system, ~~and shall draw all reasonable inferences in favor of combining the systems.~~

2.9 (c) In making a determination under paragraph (b), the commissioner of commerce may  
2.10 determine that two wind energy conversion systems are under common ownership when  
2.11 the underlying ownership structure contains ~~similar~~ the same persons or entities, even if the  
2.12 ownership shares differ between the two systems. Wind energy conversion systems are not  
2.13 under common ownership solely because the same person or entity provided equity financing  
2.14 for the systems. Wind energy conversion systems that were determined by the commissioner  
2.15 of commerce to be eligible for a renewable energy production incentive under section  
2.16 216C.41 are not under common ownership unless a change in the qualifying owner was  
2.17 made to an owner of another wind energy conversion system subsequent to the determination  
2.18 by the commissioner of commerce.

2.19 **EFFECTIVE DATE.** This section is effective the day following final enactment.