

SENATE
STATE OF MINNESOTA
EIGHTY-NINTH SESSION

S.F. No. 2405

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DATE	D-PG	OFFICIAL STATUS
03/08/2016	4915	Introduction and first reading Referred to Environment and Energy
03/14/2016	5047	Author added Dziejdzic
03/21/2016	5143a	Comm report: To pass as amended and re-refer to Finance
04/21/2016		Comm report: To pass as amended Second reading

1.1 A bill for an act
 1.2 relating to energy; establishing an electric vehicle promotion program; amending
 1.3 Minnesota Statutes 2014, section 216B.62, subdivision 2; proposing coding for
 1.4 new law in Minnesota Statutes, chapter 216B.

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

1.6 Section 1. **[216B.1615] ELECTRIC VEHICLE PROMOTION PROGRAM.**

1.7 Subdivision 1. **Definitions.** (a) For the purposes of this section and section
 1.8 216B.1616, the terms defined in this subdivision have the meanings given them.

1.9 (b) "Electric vehicle charging station" means a public or private parking space
 1.10 served by battery charging station equipment that has as its primary purpose the transfer
 1.11 of electric energy by conductive or inductive means to a battery or other energy storage
 1.12 device in an electric vehicle.

1.13 (c) "Electric vehicle infrastructure" means structures, machinery, and equipment
 1.14 necessary and integral to support an electric vehicle, including electric vehicle charging
 1.15 stations, battery exchange stations, and distribution system upgrades.

1.16 (d) "Electric vehicle" or "plug-in vehicle" means an electric drive motor vehicle
 1.17 that (1) draws propulsion using a traction battery having at least seven kilowatt hours of
 1.18 capacity, (2) uses an external source of energy to recharge the battery, and (3) has a gross
 1.19 vehicle weight rating of up to 14,000 pounds.

1.20 (e) "Utility" means a public utility, as defined in section 216B.02, subdivision 4, that
 1.21 provides electric service.

1.22 Subd. 2. **Program.** (a) By August 1, 2017, each utility serving a city of the first
 1.23 class must file with the commissioner a program to promote (1) the purchase of electric
 1.24 vehicles by their customers, and (2) the development of electric vehicle infrastructure.

2.1 (b) The program may include, but is not limited to, the following elements:

2.2 (1) educational resources for individuals, electric vehicle dealers, multifamily
 2.3 housing developers and property management companies, vehicle fleet managers, and
 2.4 other potential electric vehicle users;

2.5 (2) a plan to deploy or incentivize deployment of vehicle charging equipment, electric
 2.6 utility infrastructure, services, or financial support to residences and workplaces; and

2.7 (3) research and demonstration projects evaluating the value electric vehicles can
 2.8 provide to the grid.

2.9 Subd. 3. **Program review and implementation.** The commissioner of commerce
 2.10 must review the program plans submitted under this section. The commissioner must
 2.11 approve, modify, or reject the plan based on the plan's likely effectiveness in: (1)
 2.12 increasing electric vehicle sales; (2) increasing access to electric vehicle infrastructure; (3)
 2.13 increasing customer education regarding electric vehicles; and (4) evaluating the potential
 2.14 to use electric vehicles to assist in grid management. If the commissioner rejects a utility's
 2.15 plan, the utility must submit a new plan for commissioner review, subject to a schedule
 2.16 determined by the commissioner. The utility must begin implementing the plan after
 2.17 approval, subject to a schedule determined by the commissioner.

2.18 Subd. 4. **Cost recovery.** The commission must approve recovery of costs
 2.19 reasonably incurred by a utility to implement and administer the program in subdivision 2.
 2.20 Notwithstanding section 216B.16, subdivision 8, paragraph (a), clause (3), the commission
 2.21 must also approve recovery of costs for expenses reasonably incurred by a utility to
 2.22 provide public advertisement as part of a promotion program.

2.23 Subd. 5. **Reporting.** Beginning one year after implementing a program approved by
 2.24 the commissioner, each utility implementing a plan under this section must report annually
 2.25 to the commissioner on (1) its activities to promote electric vehicle usage and the outcomes
 2.26 of those efforts, and (2) the potential to utilize plug-in vehicles to assist in grid management.

2.27 Sec. 2. Minnesota Statutes 2014, section 216B.62, subdivision 2, is amended to read:

2.28 Subd. 2. **Assessing specific utility.** Whenever the commission or department, in a
 2.29 proceeding upon its own motion, on complaint, or upon an application to it, shall deem it
 2.30 necessary, in order to carry out the duties imposed under this chapter (1) to investigate
 2.31 the books, accounts, practices, and activities of, review electric vehicle promotion
 2.32 program plans under section 216B.1615, or make appraisals of the property of, any
 2.33 public utility, (2) to render any engineering or accounting services to any public utility,
 2.34 or (3) to intervene before an energy regulatory agency, the public utility shall pay the
 2.35 expenses reasonably attributable to the investigation, appraisal, service, or intervention.

3.1 The commission and department shall ascertain the expenses, and the department shall
3.2 render a bill therefor to the public utility, either at the conclusion of the investigation,
3.3 appraisal, or services, or from time to time during its progress, which bill shall constitute
3.4 notice of the assessment and a demand for payment. The amount of the bills so rendered
3.5 by the department shall be paid by the public utility into the state treasury within 30
3.6 days from the date of rendition. The total amount, in any one calendar year, for which
3.7 any public utility shall become liable, by reason of costs incurred by the commission
3.8 within that calendar year, shall not exceed two-fifths of one percent of the gross operating
3.9 revenue from retail sales of gas, or electric service by the public utility within the state in
3.10 the last preceding calendar year. Where, pursuant to this subdivision, costs are incurred
3.11 within any calendar year which are in excess of two-fifths of one percent of the gross
3.12 operating revenues, the excess costs shall not be chargeable as part of the remainder under
3.13 subdivision 3, but shall be paid out of the general appropriation to the department and
3.14 commission. In the case of public utilities offering more than one public utility service
3.15 only the gross operating revenues from the public utility service in connection with which
3.16 the investigation is being conducted shall be considered when determining this limitation.