

**SENATE
STATE OF MINNESOTA
NINETIETH SESSION**

S.F. No. 2709

(SENATE AUTHORS: DIBBLE, Marty, Hoffman and Simonson)

DATE	D-PG	OFFICIAL STATUS
02/26/2018		Introduction and first reading Referred to Energy and Utilities Finance and Policy

1.1 A bill for an act

1.2 relating to energy; requiring utilities to report on the cost of ancillary services to

1.3 the Public Utilities Commission; proposing coding for new law in Minnesota

1.4 Statutes, chapter 216B.

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

1.6 Section 1. **[216B.2427] ELECTRIC UTILITIES; ANCILLARY SERVICES COST**

1.7 **REPORT.**

1.8 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have

1.9 the meanings given.

1.10 (b) "Ancillary services" means services that help maintain the reliability of the electrical

1.11 grid by maintaining the proper flow and direction of electricity, addressing temporary

1.12 imbalances of supply and demand, and helping the electrical grid to recover after a power

1.13 failure. "Ancillary services" include but are not limited to spinning reserves, nonspinning

1.14 reserves, voltage regulation, load following, and black start capability.

1.15 (c) "Black start capability" means the provision of the initial energy needed to start up

1.16 and begin operation of an electricity generator.

1.17 (d) "Load following" means the matching, within five minutes or less, of electricity

1.18 supply to demand as demand fluctuates.

1.19 (e) "Nonspinning reserves" means off-line electric generation capacity that (1) can be

1.20 ramped to capacity and synchronized to the electric grid within a specified time frame, and

1.21 (2) is capable of maintaining a specified output level for at least two hours.

2.1 (f) "Spinning reserves" means online reserve electric generation capacity that is
2.2 synchronized to the electric grid and can meet electric demand within a specified time frame.

2.3 (g) "Voltage regulation" means the maintenance of voltage levels on the electric grid.

2.4 Subd. 2. **Report.** By October 1, 2018, and each April 1 thereafter, each electric utility
2.5 must report to the commission, on a form developed by the commission, the total cost to
2.6 purchase or self-provide ancillary services throughout the previous calendar year. For each
2.7 type of ancillary service, the utility must report:

2.8 (1) the entity providing the ancillary service;

2.9 (2) the amount, duration, and frequency of the ancillary service provided; and

2.10 (3) the cost of purchasing or providing the ancillary service.

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