

**SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION**

S.F. No. 3030

(SENATE AUTHORS: FRENTZ)

DATE
03/22/2023

D-PG

OFFICIAL STATUS
Introduction and first reading
Referred to Energy, Utilities, Environment, and Climate

1.1 A bill for an act
1.2 relating to energy; establishing a grant program to develop distributed energy
1.3 projects; requiring a report; appropriating money.

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

1.5 Section 1. **DISTRIBUTED ENERGY GRANTS.**

1.6 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have
1.7 the meanings given.

1.8 (b) "Commissioner" means the commissioner of commerce.

1.9 (c) "Department" means the Department of Commerce.

1.10 (d) "Electric utility" has the meaning given in Minnesota Statutes, section 216B.1691,
1.11 subdivision 1, paragraph (d).

1.12 Subd. 2. Grant awards. Grants may be awarded under this section to electric utilities
1.13 for projects that:

1.14 (1) develop or improve distributed energy resources in the state;

1.15 (2) demonstrate the project helps provide flexibility to electric utilities or consumers,
1.16 lead to lower rates, provide environmental benefits, or increase the resilience of an electric
1.17 grid;

1.18 (3) are power generation resources located near load centers; and

1.19 (4) may be used individually or in aggregate to provide electricity to the grid.

2.1 Subd. 3. **Grant awards; administration.** (a) An entity seeking a grant award under
2.2 subdivision 2 must submit an application to the commissioner on a form prescribed by the
2.3 commissioner. The commissioner is responsible for receiving and reviewing grant
2.4 applications and awarding grants under subdivision 3, and must develop administrative
2.5 procedures governing the application, evaluation, and award process. In awarding grants
2.6 under subdivision 3, the commissioner must endeavor to make awards to entities from all
2.7 regions of the state. The maximum grant award for each entity awarded a grant under
2.8 subdivision 3 is \$.....

2.9 (b) The department must provide technical assistance to applicants.

2.10 Subd. 4. **Report.** Beginning February 15, 2024, and each February 15 thereafter until
2.11 the appropriation under this section has been expended, the commissioner must submit a
2.12 written report to the chairs and ranking minority members of the legislative committees
2.13 with jurisdiction over energy policy and finance on the activities taken and expenditures
2.14 made under this section. The report must, at a minimum, include each grant awarded in the
2.15 most recent calendar year and the remaining balance of the appropriation under this section.

2.16 Sec. 2. **APPROPRIATION.**

2.17 \$20,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner
2.18 of commerce for distributed energy grants. This is a onetime appropriation and is available
2.19 until June 30, 2028.