

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

S.F. No. 4583

(SENATE AUTHORS: DRAHEIM)

DATE
05/10/2022

D-PG

Introduction and first reading

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to utilities; prohibiting rate recovery with respect to certain new facilities;
1.3 amending Minnesota Statutes 2020, section 216B.16, by adding a subdivision.

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

1.5 Section 1. Minnesota Statutes 2020, section 216B.16, is amended by adding a subdivision
1.6 to read:

1.7 Subd. 20. New natural gas facilities; cost recovery prohibition. (a) A utility is
1.8 prohibited from charging customers using rates under this section for any costs associated
1.9 with an electric generating facility placed into service after August 1, 2022, that (1) uses
1.10 natural gas as the electric generating facility's main source of fuel, and (2) is not used and
1.11 useful in service to the public.

1.12 (b) The commission must not approve (1) the securitization of costs related to the early
1.13 retirement of a natural gas plant, or (2) a cost recovery method that accelerates cost recovery
1.14 through rates charged to customers if the securitization or cost recovery method violates
1.15 paragraph (a).

1.16 (c) The commissioner may grant an exemption to this subdivision to a utility that
1.17 demonstrates by clear and convincing evidence that (1) the exemption is in the best interests
1.18 of ratepayers, and (2) the utility does not receive a rate of return on any ratepayer payments
1.19 made under the exemption.