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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 1378

03/02/2015 Authored by Lucero

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 energy; authorizing funding for a lab to market accelerator; amending
1.3 Minnesota Statutes 2014, section 216B.241, subdivision 1e.

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

1.5 Section 1. Minnesota Statutes 2014, section 216B.241, subdivision 1e, is amended to
1.6 read:

1.7 Subd. 1e. **Applied research and development grants.** (a) The commissioner
1.8 may, by order, approve and make grants for applied research and development projects
1.9 of general applicability that identify new technologies or strategies to maximize energy
1.10 savings, improve the effectiveness of energy conservation programs, or document
1.11 the carbon dioxide reductions from energy conservation programs. When approving
1.12 projects, the commissioner shall consider proposals and comments from utilities and other
1.13 interested parties. The commissioner may assess up to ~~\$3,600,000~~ \$4,100,000 annually
1.14 for the purposes of this subdivision. The assessments must be deposited in the state
1.15 treasury and credited to the energy and conservation account created under subdivision
1.16 2a. An assessment made under this subdivision is not subject to the cap on assessments
1.17 provided by section 216B.62, or any other law.

1.18 (b) The commissioner, as part of the assessment authorized under paragraph (a),
1.19 shall annually assess and grant up to \$500,000 for the purpose of subdivision 9.

1.20 (c) The commissioner, as part of the assessment authorized under paragraph (a),
1.21 each state fiscal year shall assess \$500,000 for a grant to the partnership created by section
1.22 216C.385, subdivision 2. The grant must be used to exercise the powers and perform the
1.23 duties specified in section 216C.385, subdivision 3.

2.1 (d) The commissioner, as part of the assessment authorized under paragraph (a),
2.2 shall assess \$500,000 in each of five consecutive calendar years commencing in 2015,
2.3 for the purpose of making grants to a Minnesota-based nonprofit specializing in energy
2.4 efficiency, energy efficiency research, and conservation improvement programing to
2.5 establish and operate an "Energy Optimization Lab to Market Accelerator." Funds may
2.6 be released to the nonprofit only to the extent that nonstate cash or in-kind contributions
2.7 are leveraged. The purpose of the accelerator is to identify, research, test, evaluate, and
2.8 incubate energy optimization technologies and platforms, and to conduct the due diligence
2.9 review necessary so that public utilities, municipal electric utilities, and cooperative
2.10 electric associations can develop and operate conservation improvement plans that
2.11 incorporate new and innovative energy conservation technologies. To the extent practical,
2.12 the focus of the lab must be on Minnesota and regionally based companies focused on
2.13 either supply or demand side energy efficiency improvements, including but not limited to
2.14 customer engagement platforms such as user interface, building and equipment design,
2.15 data feedback, and advanced metering and billing.

2.16 (e) By February 15 annually, the commissioner shall report to the chairs and ranking
2.17 minority members of the committees of the legislature with primary jurisdiction over
2.18 energy policy and energy finance on the assessments made under this subdivision for the
2.19 previous calendar year and the use of the assessment. The report must clearly describe the
2.20 activities supported by the assessment and the parties that engaged in those activities.

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