

A bill for an act
relating to utilities; authorizing Public Utilities Commission to order refunds
of unlawful utility rate revenues; amending Minnesota Statutes 2008, section
216B.23, by adding a subdivision.

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

Section 1. Minnesota Statutes 2008, section 216B.23, is amended by adding a
subdivision to read:

Subd. 1a. **Authority to issue refund.** On determining that a public utility has
charged a rate in violation of this chapter, a commission rule, or a commission order, the
commission, after conducting a proceeding, may require the public utility to refund to its
customers, in a manner approved by the commission, any revenues the commission finds
were collected as a result of the unlawful conduct. Any refund authorized by this section
is permitted in addition to any remedies authorized by section 216B.16 or any other law
governing rates. Exercising authority under this section does not preclude the commission
from pursuing penalties under sections 216B.57 to 216B.61 for the same conduct.

Nothing in this section shall be construed as allowing retroactive ratemaking. In
addition, nothing in this section shall be construed to allow refunds based on claims that
prior or current approved rates have been unjust, unreasonable, unreasonably preferential,
discriminatory, insufficient, inequitable, or inconsistent in application to a class of
customers. Moreover, nothing in this section shall be construed to allow refunds based on
claims that approved rates have not encouraged energy conservation or renewable energy
use, or have not furthered the goals of section 216B.164, 216B.241, or 216C.05. A refund
under this paragraph shall not apply to revenues collected more than six years prior to the
date of the notice of the commission proceeding required under this subdivision.