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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 249

02/10/2025 Authored by Igo and Wiener
The bill was read for the first time and referred to the Committee on Energy Finance and Policy

A bill for an act

relating to energy; amending the definition of "carbon-free"; amending Minnesota Statutes 2024, section 216B.1691, subdivision 1.

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

Section 1. Minnesota Statutes 2024, section 216B.1691, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meaning given ~~them~~.

(b) "Carbon-free" means a technology that generates electricity without emitting carbon dioxide. Carbon-free includes a technology that, as of the effective date of this act and thereafter, generates at least 50 percent of a utility's annual retail electricity sales in Minnesota by combusting wood chips derived from:

(1) limbs, branches, and other by-products of timber harvesting operations conducted to obtain wood for nonenergy purposes; or

(2) discarded wood products.

(c) Unless otherwise specified in law, "eligible energy technology" means an energy technology that generates electricity from the following renewable energy sources:

(1) solar;

(2) wind;

(3) hydroelectric with a capacity of: (i) less than 100 megawatts; or (ii) 100 megawatts or more, provided that the facility is in operation as of February 8, 2023;

(4) hydrogen generated from the resources listed in this paragraph; or

(5) biomass, which includes, without limitation, landfill gas; an anaerobic digester system; the predominantly organic components of wastewater effluent, sludge, or related by-products from publicly owned treatment works, but not including incineration of wastewater sludge to produce electricity; and, except as provided in subdivision 1a, an energy recovery facility used to capture the heat value of mixed municipal solid waste or refuse-derived fuel from mixed municipal solid waste as a primary fuel.

(d) "Electric utility" means: (1) a public utility providing electric service; (2) a generation and transmission cooperative electric association; (3) a municipal power agency; (4) a power district; or (5) a cooperative electric association or municipal utility providing electric service that is not a member of an entity in clauses (2) to (4).

(e) "Environmental justice area" means an area in Minnesota that, based on the most recent data published by the United States Census Bureau, meets one or more of the following criteria:

(1) 40 percent or more of the area's total population is nonwhite;

(2) 35 percent or more of households in the area have an income that is at or below 200 percent of the federal poverty level;

(3) 40 percent or more of the area's residents over the age of five have limited English proficiency; or

(4) the area is located within Indian country, as defined in United State Code, title 18, section 1151.

(f) "Total retail electric sales" means the kilowatt-hours of electricity sold in a year by an electric utility to retail customers of the electric utility or to a distribution utility for distribution to the retail customers of the distribution utility.

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