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State of Minnesota

HOUSE OF REPRESENTATIVES

A bill for an act

NINETY-FOURTH SESSION

H. F. No. 369

02/13/2025 Authored by Murphy, Sexton and Scott
The bill was read for the first time and referred to the Committee on Energy Finance and Policy

1.2	relating to energy; delaying the requirement for electric utilities to meet the
1.3	renewable energy, solar, or carbon-free standard under certain conditions;
1.4	prohibiting the demolition of fossil-fuel-powered electric generating plants under
1.5	certain conditions; amending Minnesota Statutes 2024, section 216B.1691,
1.6	subdivision 2b; proposing coding for new law in Minnesota Statutes, chapter 216B.
1.7	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
1.8	Section 1. Minnesota Statutes 2024, section 216B.1691, subdivision 2b, is amended to
1.9	read:
1.10	Subd. 2b. Modification or delay of standard. (a) The commission shall modify or delay
1.11	the implementation of a standard obligation under subdivision 2a, 2f, or 2g, in whole or in
1.12	part, if the commission determines that modifying or delaying the standard obligation is in
1.13	the public interest. The commission, when evaluating a request to modify or delay
1.14	implementation of a standard, must consider:
1.15	(1) the impact of implementing the standard on its customers' utility costs, including the
1.16	economic and competitive pressure on the utility's customers;
1.17	(2) the environmental costs that would be incurred as a result of a delay or modification
1.18	based on the full range of environmental cost values established in section 216B.2422,
1.19	subdivision 3;
1.20	(3) the effects of implementing the standard on the reliability of the electric system;
1.21	(4) technical advances or technical concerns;
1.22	(5) delays in acquiring sites or routes due to rejection or delays of necessary siting or

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other permitting approvals;

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(6) delays, cancellations, or nondelivery of necessary equipment for construction or commercial operation of an eligible energy technology facility;

- (7) transmission constraints preventing delivery of service;
- (8) other statutory obligations imposed on the commission or a utility; 2.4
 - (9) impacts on environmental justice areas; and

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- (10) additional electric load from beneficial electrification and the greenhouse gas emissions savings associated with those loads as compared to serving the load with nonelectric energy sources.
- For the purposes of this paragraph, "beneficial electrification" means the substitution of 2.9 electricity for a fossil fuel, provided that the substitution meets at least one of the following 2.10 conditions without adversely affecting either of the other two, as determined by the 2.11 commission: 2.12
 - (i) saves a consumer money over the long run compared with continued use of the fossil fuel;
- (ii) enables an electric utility to better manage the electric utility's electric grid network; 2.15 2.16 or
 - (iii) reduces negative environmental impacts of fuel use, including but not limited to statewide greenhouse gas emissions.
 - (b) The commission may modify or delay implementation of a standard obligation under paragraph (a), clauses (1) to (4), only if it finds implementation would cause significant rate impact, requires significant measures to address reliability, or raises significant technical issues. The commission may modify or delay implementation of a standard obligation under paragraph (a), clauses (5) to (7), only if it finds that the circumstances described in those clauses were due to circumstances beyond an electric utility's control and make compliance not feasible.
 - (c) When evaluating transmission capacity constraints under paragraph (a), clause (7), the commission must consider whether the utility has:
- (1) taken reasonable measures that are under the utility's control and consistent with the 2.28 utility's obligations under local, state, and federal laws and regulations, and the utility's 2.29 obligations as a member of a regional transmission organization or independent system 2.30 operator, to acquire sites, necessary permit approvals, and necessary equipment to develop

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and construct new transmission lines or upgrade existing transmission lines to transmit 3.1 electricity generated by eligible energy technologies; and 3.2 (2) taken all reasonable operational measures to maximize cost-effective electricity 3.3 delivery from eligible energy technologies in advance of transmission availability. 3.4 (d) When considering whether to delay or modify implementation of a standard obligation, 3.5 the commission must give due consideration to a preference for electric generation through 3.6 use of eligible energy technology and to the achievement of the standards set by this section. 3.7 (e) An electric utility that requests a modification or delay to the implementation of a 3.8 standard must file a plan to comply with the electric utility's standard obligation as part of 3.9 the same proceeding in which the electric utility requests the modification or delay. 3.10 (f) The requirement to meet a standard obligation under this section is automatically 3.11 delayed for three years for an electric utility that does not meet the goal established under 3.12 section 216C.05, subdivision 2, clause (4), as determined by the commissioner. 3.13 **EFFECTIVE DATE.** This section is effective the day following final enactment. 3.14 3.15 Sec. 2. [216B.2442] RETIRED FOSSIL-FUEL-POWERED ELECTRIC GENERATING PLANT; DEMOLITION. 3.16

A political subdivision is prohibited from issuing a permit to an electric utility to demolish a fossil-fuel-powered electric generating plant if the utility fails to meet the goal established under section 216C.05, subdivision 2, clause (4), as determined by the commissioner.

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

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