

HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 2466

02/27/2014 Authored by Selcer and Beard

The bill was read for the first time and referred to the Committee on Energy Policy

03/04/2014 Adoption of Report: Amended and Placed on the General Register
Read Second Time

1.1 A bill for an act
1.2 relating to public utilities; regulating low-income residential electric customer
1.3 programs; amending Minnesota Statutes 2012, section 216B.16, subdivision 14.
1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. Minnesota Statutes 2012, section 216B.16, subdivision 14, is amended to
1.6 read:

1.7 Subd. 14. **Low-income electric rate discount.** A public utility shall fund an
1.8 affordability program for low-income customers ~~in an amount based on a 50 percent electric~~
1.9 ~~rate discount on the first 400 kilowatt-hours consumed in a billing period for low-income~~
1.10 ~~residential customers of the utility~~ at a base annual funding level of \$8,000,000. The annual
1.11 funding level shall increase in the calendar years subsequent to each commission approval
1.12 of a rate increase for the public utility's residential customers by the same percentage as the
1.13 approved residential rate increase. Costs for the program shall be included in the utility's
1.14 base rate. For the purposes of this subdivision, "low-income" describes a customer who is
1.15 receiving assistance from the federal low-income home energy assistance program. The
1.16 affordability program must be designed to target participating customers with the lowest
1.17 incomes and highest energy costs in order to lower the percentage of income they devote
1.18 to energy bills, increase their payments, lower utility service disconnections, and ~~lower~~
1.19 decrease costs associated with collection activities on their accounts. For low-income
1.20 customers who are 62 years of age or older or disabled, the program must, ~~in addition to~~
1.21 ~~any other program benefits,~~ include a 50 percent electric rate discount on the first 400
1.22 ~~kilowatt-hours consumed in a~~ \$15 discount in each billing period. For the purposes of this
1.23 subdivision, "public utility" includes only those public utilities with more than 200,000

2.1 residential electric service customers. The commission may issue orders necessary to
2.2 implement, administer, and recover the costs of the program on a timely basis.

2.3 **EFFECTIVE DATE.** This section is effective October 1, 2014.