

**HOUSE OF REPRESENTATIVES**

NINETY-FIRST SESSION

**H. F. No. 1842**

02/28/2019 Authored by Wagenius and Acomb  
The bill was read for the first time and referred to the Energy and Climate Finance and Policy Division

03/11/2019 Adoption of Report: Placed on the General Register  
Read for the Second Time

05/20/2019 Pursuant to Rule 4.20, returned to the Energy and Climate Finance and Policy Division

04/28/2020 Adoption of Report: Amended and re-referred to the Committee on Government Operations

05/04/2020 Adoption of Report: Re-referred to the Committee on Ways and Means  
Pursuant to Joint Rule 2.03, re-referred to the Committee on Rules and Legislative Administration

05/07/2020 Adoption of Report: Re-referred to the Committee on Ways and Means  
Joint Rule 2.03 has been waived for any subsequent committee action on this bill

1.1 A bill for an act

1.2 relating to energy; modifying the solar energy incentive program; establishing

1.3 various renewable energy and electric vehicle grant programs; requiring reports;

1.4 appropriating money; amending Minnesota Statutes 2019 Supplement, section

1.5 116C.7792; proposing coding for new law in Minnesota Statutes, chapter 216C.

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

1.7 Section 1. Minnesota Statutes 2019 Supplement, section 116C.7792, is amended to read:

1.8 **116C.7792 SOLAR ENERGY INCENTIVE PROGRAM.**

1.9 (a) The utility subject to section 116C.779 shall operate a program to provide solar

1.10 energy production incentives for solar energy systems of no more than a total aggregate

1.11 nameplate capacity of 40 kilowatts alternating current per premise. The owner of a solar

1.12 energy system installed before June 1, 2018, is eligible to receive a production incentive

1.13 under this section for any additional solar energy systems constructed at the same customer

1.14 location, provided that the aggregate capacity of all systems at the customer location does

1.15 not exceed 40 kilowatts.

1.16 (b) The program ~~shall be operated for eight consecutive calendar years commencing in~~

1.17 ~~2014. \$5,000,000 shall be allocated in each of the first four years, \$15,000,000 in the fifth~~

1.18 ~~year, \$10,000,000 in each of the sixth and seventh years, and \$5,000,000 in the eighth year~~

1.19 ~~from funds~~ is funded by money withheld from transfer to the renewable development account

1.20 under section 116C.779, subdivision 1, paragraphs (b) and (e), and. Program funds must

1.21 be placed in a separate account for the purpose of the solar production incentive program

1.22 operated by the utility and not for any other program or purpose.

1.23 (c) The following amounts are allocated for the solar production incentive program:

- 2.1 (1) funds allocated to the program in 2019 but that remain unspent;  
2.2 (2) \$3,000,000 in 2020, in addition to any allocation required by statute that was  
2.3 previously made in 2020;  
2.4 (3) \$15,000,000 in 2021;  
2.5 (4) \$9,000,000 in 2022;  
2.6 (5) \$9,000,000 in 2023; and  
2.7 (6) in 2024, any unspent amount remaining from program years 2020 through 2023.

2.8 Any unspent amount allocated ~~in the fifth~~ during a specific program year is available ~~until~~  
2.9 December 31 of the sixth year for use during any subsequent program year. Any unspent  
2.10 amount remaining ~~at the end of any other allocation year~~ on January 1, 2025, must be  
2.11 transferred to the renewable development account.

2.12 (d) The solar system must be sized to less than 120 percent of the customer's on-site  
2.13 annual energy consumption when combined with other distributed generation resources and  
2.14 subscriptions provided under section 216B.1641 associated with the premise. The production  
2.15 incentive must be paid for ten years commencing with the commissioning of the system.

2.16 (e) The utility must file a plan to operate the program with the commissioner of  
2.17 commerce. The utility may not operate the program until it is approved by the commissioner.  
2.18 A change to the program to include projects up to a nameplate capacity of 40 kilowatts or  
2.19 less does not require the utility to file a plan with the commissioner. Any plan approved by  
2.20 the commissioner of commerce must not provide an increased incentive scale over prior  
2.21 years unless the commissioner demonstrates that changes in the market for solar energy  
2.22 facilities require an increase.

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

2.24 Sec. 2. **[216C.376] SOLAR FOR SCHOOLS PROGRAM.**

2.25 Subdivision 1. Establishment; purpose. The utility subject to section 116C.779 must  
2.26 operate a program to develop, and to supplement with additional funding, financial  
2.27 arrangements that allow schools to benefit from state and federal tax and other financial  
2.28 incentives that schools are ineligible to receive directly, in order to enable schools to install  
2.29 and operate solar energy systems that can be used as teaching tools and integrated into the  
2.30 school curriculum.

3.1 Subd. 2. **Required plan.** (a) By October 1, 2020, the public utility must file a plan for  
3.2 the solar for schools program with the commissioner. The plan must contain but is not  
3.3 limited to:

3.4 (1) a description of how entities that are eligible to take advantage of state and federal  
3.5 tax and other financial incentives that reduce the cost to purchase, install, and operate a  
3.6 solar energy system that schools are ineligible to take advantage of directly can share a  
3.7 portion of the financial benefits with schools where a solar energy system is proposed to  
3.8 be installed;

3.9 (2) a description of how the public utility intends to use funds appropriated to the program  
3.10 under this section to provide additional financial assistance to schools where a solar energy  
3.11 system is proposed to be installed;

3.12 (3) certification that the financial assistance provided under this section to a school by  
3.13 the public utility must include the full value of the renewable energy certificates associated  
3.14 with electricity generation by the solar energy system receiving financial assistance under  
3.15 this section over the lifetime of the solar energy system;

3.16 (4) an estimate of the amount of financial assistance the public utility provides to a  
3.17 school under clauses (1) to (3) on a per kilowatt-hour produced basis and the length of time  
3.18 financial assistance is provided;

3.19 (5) certification that the transaction between the public utility and the school for electricity  
3.20 uses a buy-all/sell-all method by which the public utility charges the school for all electricity  
3.21 the school consumes at the applicable retail rate schedule for sales to the school based on  
3.22 the school's customer class, and credits or pays the school at the rate established in  
3.23 subdivision 6;

3.24 (6) administrative procedures governing the application and financial benefit award  
3.25 process, and the costs the public utility and the department are projected to incur to administer  
3.26 the program;

3.27 (7) the public utility's proposed process to periodically reevaluate and modify the  
3.28 program; and

3.29 (8) any additional information required by the commissioner.

3.30 (b) The public utility must not implement the program until the commissioner approves  
3.31 the public utility's plan submitted under this subdivision. The commissioner must approve  
3.32 a plan submitted under this subdivision that the commissioner determines is in the public

4.1 interest no later than December 31, 2020. Any proposed modifications to the plan approved  
4.2 under this subdivision must be approved by the commissioner.

4.3 Subd. 3. **System eligibility.** A solar energy system is eligible to receive financial benefits  
4.4 under this section if:

4.5 (1) the solar energy system is located on or adjacent to a school building receiving retail  
4.6 electric service from the public utility and completely located within the public utility's  
4.7 electric service territory, provided that any land situated between the school building and  
4.8 the site where the solar energy system is installed is owned by the school district where the  
4.9 school building operates;

4.10 (2) any energy storage system that is part of a solar energy system only stores energy  
4.11 generated by an existing solar energy system serving the school or the solar energy system  
4.12 receiving financial assistance under this section; and

4.13 (3) the total aggregate nameplate capacity of all distributed generation serving the school  
4.14 building, including any subscriptions to a community solar garden under section 216B.1641,  
4.15 does not exceed the lesser of one megawatt alternating current or 120 percent of the school  
4.16 building's average annual electric energy consumption.

4.17 Subd. 4. **Application process.** (a) A school seeking financial assistance under this section  
4.18 must submit an application to the public utility, including a plan for how the school plans  
4.19 to use the solar energy system as a visible learning tool for students, teachers, and visitors  
4.20 to the school, and how the solar energy system may be integrated into the school's curriculum.

4.21 (b) The public utility must award financial assistance under this section on a first-come,  
4.22 first-served basis.

4.23 (c) The public utility must discontinue accepting applications under this section after  
4.24 all funds appropriated under section 10, subdivision 1, are allocated to program participants,  
4.25 including funds from canceled projects.

4.26 Subd. 5. **Benefits information.** Before signing an agreement with the public utility to  
4.27 receive financial assistance under this section, a school must obtain from the developer and  
4.28 provide to the public utility information the developer shared with potential investors in the  
4.29 project regarding future financial benefits to be realized from installation of a solar energy  
4.30 system at the school, including potential financial risks.

4.31 Subd. 6. **Purchase rate; cost recovery; renewable energy credits.** (a) The public utility  
4.32 must purchase all of the electricity generated by a solar energy system receiving financial  
4.33 assistance under this section at a rate of \$0.105 per kilowatt-hour generated.

5.1 (b) Payments by the public utility of the rate established under this subdivision to a  
5.2 school receiving financial assistance under this section are fully recoverable by the public  
5.3 utility through the public utility's fuel clause adjustment.

5.4 (c) The renewable energy credits associated with the electricity generated by a solar  
5.5 energy system installed under this section are the property of the public utility subject to  
5.6 this section.

5.7 Subd. 7. **Limitation.** (a) No more than 50 percent of the financial assistance provided  
5.8 by the public utility to schools under this section may be provided to schools where the  
5.9 proportion of students eligible for free and reduced-price lunch under the National School  
5.10 Lunch Program is less than 50 percent.

5.11 (b) No more than ten percent of the total amount of financial assistance provided by the  
5.12 public utility to schools under this section may be provided to schools that are part of the  
5.13 same school district.

5.14 Subd. 8. **Technical assistance.** The commissioner must provide technical assistance to  
5.15 help schools develop and execute projects under this section.

5.16 Subd. 9. **Application deadline.** A public utility must not accept an application submitted  
5.17 under this section after December 31, 2024.

5.18 Subd. 10. **Prevailing wage.** Any project receiving an appropriation under this section  
5.19 that entails construction, installation, remodeling, or repairs is subject to the requirements  
5.20 of sections 177.30 and 177.41 to 177.45, and any laborers and mechanics working at a  
5.21 project work site subject to this subdivision must be paid the prevailing wage rate, as defined  
5.22 in section 177.42, subdivision 6.

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

5.24 Sec. 3. **[216C.401] ELECTRIC VEHICLE REBATES.**

5.25 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have  
5.26 the meanings given.

5.27 (b) "Electric vehicle" has the meaning given in section 169.011, subdivision 26a,  
5.28 paragraphs (a) and (b), clause (3).

5.29 (c) "Lease" means a business transaction under which a dealer furnishes an eligible  
5.30 electric vehicle to a person for a fee under a bailor-bailee relationship where no incidences  
5.31 of ownership are intended to be transferred other than the right to use the vehicle for a term  
5.32 of at least 24 months.

6.1 (d) "Lessee" means a person who leases an eligible electric vehicle from a dealer.

6.2 (e) "New eligible electric vehicle" means an eligible electric vehicle that has not been  
6.3 registered in any state.

6.4 (f) "Used eligible electric vehicle" means an eligible electric vehicle that has previously  
6.5 been registered in a state.

6.6 Subd. 2. **Eligibility.** The purchaser or lessee of an electric vehicle is eligible for a rebate,  
6.7 subject to the amounts and limits in subdivisions 3 and 5, if:

6.8 (1) the electric vehicle:

6.9 (i) has not been modified from the original manufacturer's specifications; and

6.10 (ii) is purchased or leased after the effective date of this act for use by the purchaser or  
6.11 lessee and not for resale;

6.12 (2) the purchaser:

6.13 (i) is a resident of Minnesota, as defined in section 290.01, subdivision 7, paragraph (a),  
6.14 when the electric vehicle is purchased, and is an individual whose annual income is below  
6.15 \$164,000 or who is a member of a household whose annual household income is below  
6.16 \$273,470;

6.17 (ii) is a business that has a valid address in Minnesota from which business is conducted;

6.18 (iii) is a nonprofit corporation incorporated under chapter 317A; or

6.19 (iv) is a political subdivision of the state; and

6.20 (3) the purchaser or lessee:

6.21 (i) has not received a rebate or tax credit for the purchase or lease of an electric vehicle  
6.22 from Minnesota; and

6.23 (ii) registers the electric vehicle in Minnesota.

6.24 Subd. 3. **Rebate amounts.** (a) A \$2,500 rebate may be issued under this section to an  
6.25 eligible purchaser or lessee for the purchase or lease of a new eligible electric vehicle.

6.26 (b) A \$500 rebate may be issued under this section to an eligible purchaser or lessee for  
6.27 the purchase or lease of a used eligible electric vehicle, provided the electric vehicle has  
6.28 not previously been registered in Minnesota.

6.29 (c) A purchaser or lessee whose household income at the time the electric vehicle is  
6.30 purchased or leased is less than 150 percent of the current federal poverty guidelines

7.1 established by the Department of Human Services is eligible for a supplemental rebate, in  
7.2 addition to the rebate in paragraph (a) or (b), in the amount of \$500 for a new eligible electric  
7.3 vehicle and \$250 for a used eligible electric vehicle.

7.4 Subd. 4. **Eligible expenses.** Appropriations made to support activities under this section  
7.5 must be expended only to pay:

7.6 (1) rebates to eligible purchasers or lessees of eligible electric vehicles; and

7.7 (2) the department's reasonable costs to administer this section.

7.8 Subd. 5. **Limits.** (a) The number of rebates allowed under this section are limited to:

7.9 (1) no more than one rebate per resident per household; and

7.10 (2) no more than one rebate per business entity per year.

7.11 (b) A rebate must not be issued under this section for an electric vehicle with a  
7.12 manufacturer's suggested retail price that exceeds \$60,000.

7.13 Subd. 6. **Program administration.** (a) Rebate applications under this section must be  
7.14 filed with the commissioner on a form developed by the commissioner.

7.15 (b) The commissioner must develop administrative procedures governing the application  
7.16 and rebate award process. Applications must be reviewed and rebates awarded by the  
7.17 commissioner on a first-come, first-served basis.

7.18 (c) The commissioner may reduce the rebate amounts provided under subdivision 3 or  
7.19 restrict program eligibility based on fund availability.

7.20 (d) The commissioner must, in coordination with sellers of electric vehicles and other  
7.21 state agencies as applicable, develop a procedure to allow a rebate to be used by an eligible  
7.22 purchaser at the point of sale so that the rebate amount may be subtracted from the eligible  
7.23 electric vehicle's selling price.

7.24 Subd. 7. **Expiration.** This section expires June 30, 2025.

7.25 Sec. 4. **[216C.402] GRANT PROGRAM; MANUFACTURERS' CERTIFICATION**  
7.26 **OF AUTO DEALERS TO SELL ELECTRIC VEHICLES.**

7.27 Subdivision 1. **Establishment.** A grant program is established in the Department of  
7.28 Commerce to award grants to dealers to offset the dealer's costs to obtain for salespersons,  
7.29 employees who repair vehicles, and other dealer employees the training required by electric  
7.30 vehicle manufacturers in order to certify a dealer to sell electric vehicles produced by the  
7.31 manufacturer.

8.1 Subd. 2. **Application.** Application for a grant under this section must be made to the  
8.2 commissioner on a form developed by the commissioner. The commissioner must develop  
8.3 administrative procedures and processes to review applications and award grants under this  
8.4 section.

8.5 Subd. 3. **Eligible applicants.** An applicant for a grant awarded under this section must  
8.6 be a dealer of new motor vehicles licensed under chapter 168 operating under a franchise  
8.7 from a manufacturer of electric vehicles.

8.8 Subd. 4. **Eligible expenditures.** Appropriations made to support activities under this  
8.9 section must be used only to:

8.10 (1) reimburse a dealer for reasonable costs to obtain training and certification for the  
8.11 dealer's employees from the electric vehicle manufacturer that awarded the franchise to the  
8.12 dealer; and

8.13 (2) pay the department's reasonable costs to administer this section.

8.14 Subd. 5. **Limitation.** A grant awarded under this section to a single dealer must not  
8.15 exceed \$40,000.

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

8.17 Sec. 5. **[216C.403] ELECTRIC VEHICLE PUBLIC CHARGING STATION GRANT**  
8.18 **PROGRAM.**

8.19 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have  
8.20 the meanings given.

8.21 (b) "Electric vehicle" has the meaning given in section 169.011, subdivision 26a.

8.22 (c) "Electric vehicle charging station" means infrastructure that recharges an electric  
8.23 vehicle's batteries by connecting the electric vehicle to:

8.24 (1) a level two charger that provides a 208- or 240-volt alternating current power source;

8.25 or

8.26 (2) a DC fast charger that has an electric output of 20 kilowatts or greater.

8.27 (d) "Park-and-ride facility" has the meaning given in section 174.256, subdivision 2,  
8.28 paragraph (b).

8.29 (e) "Public electric vehicle charging station" means an electric vehicle charging station  
8.30 located at a publicly available parking space.



9.1 Subd. 2. **Program.** (a) The commissioner must award grants to help fund the installation  
9.2 of a network of public electric vehicle charging stations in areas located outside the retail  
9.3 electric service area of the public utility subject to section 116C.779, subdivision 1, including  
9.4 locations in state and regional parks, trailheads, and park-and-ride facilities. The  
9.5 commissioner must issue a request for proposals to entities that have experience installing,  
9.6 owning, operating, and maintaining electric vehicle charging stations. The request for  
9.7 proposals must establish technical specifications that electric vehicle charging stations are  
9.8 required to meet.

9.9 (b) The commissioner must consult with (1) the commissioner of natural resources to  
9.10 develop optimal locations for electric vehicle charging stations in state and regional parks,  
9.11 and (2) the commissioner of transportation to develop optimal locations for electric vehicle  
9.12 charging stations at park-and-ride facilities.

9.13 (c) A person charging a privately owned electric vehicle from a charging station whose  
9.14 construction is supported by a grant under this section must pay for the electricity consumed  
9.15 by the electric vehicle.

9.16 Subd. 3. **Prevailing wage.** Any project receiving an appropriation under this section  
9.17 that entails construction, installation, remodeling, or repairs is subject to the requirements  
9.18 of sections 177.30 and 177.41 to 177.45, and any laborers and mechanics working at a  
9.19 project work site subject to this subdivision must be paid the prevailing wage rate, as defined  
9.20 in section 177.42, subdivision 6.

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

9.22 Sec. 6. **SMALL-AREA CLIMATE MODEL PROJECTIONS FOR MINNESOTA.**

9.23 (a) The Board of Regents of the University of Minnesota must conduct a study that  
9.24 produces climate model projections for the entire state of Minnesota, in blocks as small as  
9.25 three square miles in area.

9.26 (b) At a minimum, the study must:

9.27 (1) use resources at the Minnesota Supercomputing Institute to analyze high-performing  
9.28 climate models under moderate and high greenhouse gas emissions scenarios and develop  
9.29 a series of projections of temperature, wind speed, precipitation, snow cover, and a variety  
9.30 of other climate parameters over the rest of this century;

9.31 (2) downscale the climate impact results under clause (1) to areas as small as three square  
9.32 miles;

10.1 (3) develop a publicly accessible data portal website to (i) allow other universities,  
10.2 nonprofit organizations, businesses, and government agencies to use the model projections,  
10.3 and (ii) educate and train users how to make best use of the data;

10.4 (4) incorporate information on how to use the model results in the University of  
10.5 Minnesota Extension's existing online climate adaptation training; and

10.6 (5) hold at least two "train the trainer" workshops for state agencies, municipalities, and  
10.7 others to educate colleagues how to use and interpret the data for climate adaptation efforts.

10.8 (c) Beginning July 1, 2021, and continuing each July 1 through 2023, the University of  
10.9 Minnesota must provide a written report to the chairs and ranking minority members of the  
10.10 senate and house of representatives committees with primary jurisdiction over agriculture,  
10.11 energy, and environment. The report must document the progress made on the study and  
10.12 study results, and must note any obstacles encountered that could prevent successful  
10.13 completion of the study.

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

10.15 **Sec. 7. ELECTRIC SCHOOL BUS DEMONSTRATION GRANTS.**

10.16 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have  
10.17 the meanings given.

10.18 (b) "Electric school bus" means a school bus powered solely by an electric motor drawing  
10.19 current from rechargeable storage batteries, fuel cells, or other portable sources of electric  
10.20 current.

10.21 (c) "Electric vehicle charging station" means infrastructure that recharges an electric  
10.22 vehicle's batteries by connecting the electric vehicle to:

10.23 (1) a level 2 charger that provides a 240-volt alternating current power source; or

10.24 (2) a DC fast charger that has an electric output of 20 kilowatts or greater.

10.25 (d) "Private school bus contractor" means a person who contracts with a school district  
10.26 to transport school district students to and from school and school activities on school buses  
10.27 owned and operated by the person.

10.28 (e) "School bus" has the meaning given in Minnesota Statutes, section 169.011,  
10.29 subdivision 71. School bus does not include a type III vehicle, as defined in Minnesota  
10.30 Statutes, section 169.011, subdivision 71, paragraph (h).

10.31 (f) "School district" means an independent or special school district.

11.1 Subd. 2. **Purpose.** The commissioner of education must award grants to school districts  
11.2 to purchase an electric school bus as a demonstration project that enables the school district,  
11.3 the electric utility serving the school district, and, if applicable, the private school bus  
11.4 contractor providing transportation services to the school district to gain experience operating  
11.5 an electric school bus and to assess its performance.

11.6 Subd. 3. **Eligibility.** A school district located within the electric retail service area of  
11.7 the public utility subject to Minnesota Statutes, section 116C.779, subdivision 1, that owns  
11.8 and operates school buses or contracts with a private school bus contractor is eligible to  
11.9 apply for a grant under this section.

11.10 Subd. 4. **Application process.** An eligible applicant must submit an application to the  
11.11 commissioner of education on a form designated by the commissioner of education. The  
11.12 commissioner of education must develop administrative procedures governing the application  
11.13 and grant award process.

11.14 Subd. 5. **Application content.** An application for a grant under this section must include:

11.15 (1) the name of the school district or districts where the electric school bus proposes to  
11.16 operate;

11.17 (2) a description of the route, timing of operation, number of students transported, and  
11.18 other factors affecting the performance characteristics that an electric school bus performance  
11.19 must meet;

11.20 (3) certification from the electric utility serving the school district, and, if applicable,  
11.21 the private school bus contractor providing transportation services to the school district,  
11.22 that the electric utility and private school bus contractor fully support and are full partners  
11.23 in implementing the demonstration project, including a list of tasks the electric utility and  
11.24 private school bus contractor commit to conduct and any voluntary financial contributions  
11.25 to the project;

11.26 (4) certification from the electric utility serving the school district that it commits to pay  
11.27 the costs to purchase and install an electric vehicle charging station in a convenient location  
11.28 to recharge the batteries of the electric school bus;

11.29 (5) evidence that the proposed electric school bus has access to an electric vehicle  
11.30 charging station at a convenient location;

11.31 (6) if the school district contracts with a private school bus contractor:

11.32 (i) a copy of a signed agreement between the school district and the private school bus  
11.33 contractor that protects the state's interest in the electric school bus purchased with the grant

12.1 in the event the private school bus contractor's contract with the school district is terminated  
12.2 or other contingencies occur; and

12.3 (ii) written certification that any revenues paid to the private school bus contractor by  
12.4 the utility providing retail electric service to the private school bus contractor that result  
12.5 from the purchase of or access to the electricity stored in the batteries of the electric school  
12.6 bus purchased with a grant under this section must be forwarded to the school district; and

12.7 (7) any additional information required by the commissioner of education.

12.8 Subd. 6. **Eligible expenditures.** Grant funds awarded under this section may be expended  
12.9 to:

12.10 (1) purchase an electric school bus;

12.11 (2) pay the cost of electricity to charge the batteries of the electric school bus; and

12.12 (3) pay repair and maintenance costs for the electric school bus.

12.13 Subd. 7. **Reports.** On or before the first anniversary of the date a school bus funded by  
12.14 a grant under this section is initially operated, and on or before the same date in each of the  
12.15 following two years, the school district awarded the grant, in collaboration with the electric  
12.16 utility serving the school district, and, if applicable, the private school bus contractor  
12.17 providing transportation services to the school district, must submit a report describing the  
12.18 performance of the electric school bus to the chairs and ranking minority members of the  
12.19 senate and house of representatives committees with primary jurisdiction over energy policy,  
12.20 transportation policy, and education policy and to the commissioner of education. At a  
12.21 minimum, the report must contain the following information regarding the performance of  
12.22 the electric school bus:

12.23 (1) the number of miles traveled per day and per year;

12.24 (2) the cost to recharge the electric school bus, and any steps taken to minimize the costs  
12.25 by charging at off-peak times;

12.26 (3) operating costs per mile;

12.27 (4) miles driven per kilowatt hour;

12.28 (5) the number of days the electric school bus was out of service for repairs;

12.29 (6) discussion of the qualitative aspects of performance, including the impact of extreme  
12.30 cold on bus performance; and

12.31 (7) any other information deemed relevant by the school district.

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

13.2 Sec. 8. **METROPOLITAN COUNCIL; ELECTRIC BUS PURCHASES.**

13.3 After the effective date of this act and until the appropriation made in section 10,  
13.4 subdivision 8, is exhausted, any bus purchased by the Metropolitan Council for Metro  
13.5 Transit bus service must operate solely on electricity provided by rechargeable on-board  
13.6 batteries. The appropriation in section 10, subdivision 8, must be used to pay the incremental  
13.7 cost of buses that operate solely on electricity provided by rechargeable on-board batteries  
13.8 over diesel-operated buses that are otherwise comparable in size, features, and performance.

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

13.10 Sec. 9. **PRAIRIE ISLAND NET ZERO PROJECT.**

13.11 Subdivision 1. **Program established.** The Prairie Island Net Zero Project is established  
13.12 with the goal of the Prairie Island Indian Community developing an energy system that  
13.13 results in net zero emissions.

13.14 Subd. 2. **Grant.** The commissioner of commerce must enter into a grant contract with  
13.15 the Prairie Island Indian Community to provide the amount appropriated under section 10,  
13.16 subdivision 12, to stimulate research, development, and implementation of renewable energy  
13.17 projects benefiting the Prairie Island Indian Community or its members. Any examination  
13.18 conducted by the commissioner of commerce to determine the sufficiency of the financial  
13.19 stability and capacity of the Prairie Island Indian Community to carry out the purposes of  
13.20 this grant is limited to the Community Services Department of the Prairie Island Indian  
13.21 Community.

13.22 Subd. 3. **Plan; report.** (a) The Prairie Island Indian Community must file a  
13.23 comprehensive project plan with the commissioner of commerce and the legislative  
13.24 committees with jurisdiction over energy policy no later than July 1, 2021, describing the  
13.25 Prairie Island Net Zero Project elements and implementation strategy, including the total  
13.26 cost and timelines for project completion.

13.27 (b) The Prairie Island Indian Community must file a report with the commissioner of  
13.28 commerce and the legislative committees with jurisdiction over energy policy on July 1,  
13.29 2022, and each July 1 thereafter until the project is complete, describing the progress made  
13.30 in implementing the project and the uses of expended funds. A final report must be completed  
13.31 within 90 days of the date the project is complete.

13.32 **EFFECTIVE DATE.** This section is effective June 1, 2020.

14.1 Sec. 10. **APPROPRIATIONS.**

14.2 Subdivision 1. **Solar for schools.** Notwithstanding Minnesota Statutes, section 116C.779,  
14.3 subdivision 1, paragraph (j), \$16,000,000 in fiscal year 2021 is appropriated from the  
14.4 renewable development account established under Minnesota Statutes, section 116C.779,  
14.5 subdivision 1, to the commissioner of commerce for transfer to the public utility that is  
14.6 subject to Minnesota Statutes, section 216C.376, to award grants and financial assistance  
14.7 to schools under the solar for schools program under Minnesota Statutes, section 216C.376.  
14.8 This appropriation is onetime and is available until June 30, 2024.

14.9 Subd. 2. **Electric vehicle rebates.** Notwithstanding Minnesota Statutes, section 116C.779,  
14.10 subdivision 1, paragraph (j), \$11,000,000 in fiscal year 2021 is appropriated from the  
14.11 renewable development account established in Minnesota Statutes, section 116C.779,  
14.12 subdivision 1, to the commissioner of commerce to award rebates to eligible electric vehicle  
14.13 purchasers under Minnesota Statutes, section 216C.401. Appropriations under this  
14.14 subdivision must be used to award rebates to eligible purchasers who reside within the retail  
14.15 electric service area of the public utility subject to Minnesota Statutes, section 116C.779,  
14.16 subdivision 1. This appropriation is onetime and is available until June 30, 2024.

14.17 Subd. 3. **Electric vehicle charging stations.** (a) Notwithstanding Minnesota Statutes,  
14.18 section 116C.779, subdivision 1, paragraph (j), \$3,500,000 in fiscal year 2021 is appropriated  
14.19 from the renewable development account established in Minnesota Statutes, section  
14.20 116C.779, subdivision 1, to the commissioner of commerce to award grants to install electric  
14.21 vehicle charging stations under Minnesota Statutes, section 216C.403. Appropriations under  
14.22 this subdivision must be used to award grants to install electric vehicle charging stations  
14.23 within the retail electric service area of the public utility subject to Minnesota Statutes,  
14.24 section 116C.779, subdivision 1.

14.25 (b) Up to \$600,000 of the appropriation under paragraph (a) may be used to fund electric  
14.26 vehicle charging stations in state and regional parks and up to \$100,000 may be used to  
14.27 fund electric vehicle charging stations in park-and-ride facilities. Unexpended funds under  
14.28 this paragraph may be used to fund electric vehicle charging stations in state and regional  
14.29 parks or park-and-ride facilities. This appropriation is onetime and is available until June  
14.30 30, 2024.

14.31 Subd. 4. **Electric vehicle dealer grants.** Notwithstanding Minnesota Statutes, section  
14.32 116C.779, subdivision 1, paragraph (j), \$1,000,000 in fiscal year 2021 is appropriated from  
14.33 the renewable development account established in Minnesota Statutes, section 116C.779,  
14.34 subdivision 1, to the commissioner of commerce to award rebates to eligible electric vehicle

15.1 dealers under Minnesota Statutes, section 216C.402. Appropriations under this subdivision  
15.2 must be used to award rebates to eligible electric vehicle dealers located within the retail  
15.3 electric service area of the public utility subject to Minnesota Statutes, section 116C.779,  
15.4 subdivision 1. This is a onetime appropriation and is available until June 30, 2026.

15.5 Subd. 5. **Solar incentive program.** Notwithstanding Minnesota Statutes, section  
15.6 116C.779, subdivision 1, paragraph (j), \$15,000,000 in fiscal year 2021 is appropriated  
15.7 from the renewable development account under Minnesota Statutes, section 116C.779,  
15.8 subdivision 1, to the commissioner of commerce for transfer to a public utility that is subject  
15.9 to Minnesota Statutes, section 116C.779, subdivision 1, to provide solar energy incentives  
15.10 under Minnesota Statutes, section 116C.7792. This appropriation must be expended by June  
15.11 30, 2024.

15.12 Subd. 6. **Localized climate study.** Notwithstanding Minnesota Statutes, section  
15.13 116C.779, subdivision 1, paragraph (j), \$547,000 in fiscal year 2021 is for transfer to the  
15.14 Board of Regents of the University of Minnesota to conduct a study producing climate  
15.15 model projections through the rest of this century for three-square-mile blocks covering the  
15.16 entire state of Minnesota. This appropriation is onetime and is available until June 30, 2024.

15.17 Subd. 7. **Electric school bus grants.** Notwithstanding Minnesota Statutes, section  
15.18 116C.779, subdivision 1, paragraph (j), \$5,000,000 in fiscal year 2021 is appropriated from  
15.19 the renewable development account under Minnesota Statutes, section 116C.779, subdivision  
15.20 1, to the commissioner of education to award grants to school districts located within the  
15.21 retail electric service area of the public utility subject to Minnesota Statutes, section  
15.22 116C.779, subdivision 1, to purchase an electric school bus. This appropriation is onetime  
15.23 and is available until June 30, 2024.

15.24 Subd. 8. **Metropolitan Council; electric buses.** Notwithstanding Minnesota Statutes,  
15.25 section 116C.779, subdivision 1, paragraph (j), \$8,000,000 in fiscal year 2021 is appropriated  
15.26 from the renewable development account under Minnesota Statutes, section 116C.779,  
15.27 subdivision 1, to the Metropolitan Council to defray the cost of purchasing electric buses,  
15.28 as described in section 8. Any funds remaining from this appropriation that are insufficient  
15.29 to fully fund the incremental cost of purchasing an electric bus rather than a diesel-operated  
15.30 bus cancel to the renewable development account. This appropriation is available until June  
15.31 30, 2024.

15.32 Subd. 9. **University of Minnesota renewable energy transition.** (a) Notwithstanding  
15.33 Minnesota Statutes, section 116C.779, subdivision 1, paragraph (j), \$3,000,000 in fiscal  
15.34 year 2021 is appropriated from the renewable development account established under

16.1 Minnesota Statutes, section 116C.779, subdivision 1, to the Board of Regents of the  
16.2 University of Minnesota to establish goals and benchmarks and implement a rapid transition  
16.3 toward the use of renewable fuels for electricity and thermal energy in campus buildings  
16.4 by 2030. This appropriation may only be expended on activities located within the electric  
16.5 service area of the public utility subject to Minnesota Statutes, section 116C.779, subdivision  
16.6 1. This appropriation is onetime and is available until June 30, 2024.

16.7 (b) As a condition of receiving the appropriation under paragraph (a), the Board of  
16.8 Regents of the University of Minnesota must submit a report by January 15, 2021, and  
16.9 biennially thereafter until January 15, 2031, on the progress made toward the goals and  
16.10 benchmarks established under paragraph (a) to the chairs and ranking minority members  
16.11 of the senate and house of representatives committees and divisions with jurisdiction over  
16.12 energy, climate, the environment, and natural resources.

16.13 (c) Any project receiving an appropriation under this subdivision that entails construction,  
16.14 installation, remodeling, or repairs is subject to the requirements of Minnesota Statutes,  
16.15 sections 177.30 and 177.41 to 177.45, and any laborers and mechanics working at a project  
16.16 work site subject to this paragraph must be paid the prevailing wage rate, as defined in  
16.17 Minnesota Statutes, section 177.42, subdivision 6.

16.18 Subd. 10. **Minnesota State Colleges and Universities renewable energy transition.** (a)  
16.19 Notwithstanding Minnesota Statutes, section 116C.779, subdivision 1, paragraph (j),  
16.20 \$3,000,000 in fiscal year 2021 is appropriated from the renewable development account  
16.21 established in Minnesota Statutes, section 116C.779, subdivision 1, to the Board of Trustees  
16.22 of the Minnesota State Colleges and Universities to establish goals and benchmarks and  
16.23 implement a rapid transition toward the use of renewable fuels for electricity and thermal  
16.24 energy in campus buildings by 2030. This appropriation may only be expended on activities  
16.25 located within the electric service area of the public utility subject to Minnesota Statutes,  
16.26 section 116C.779, subdivision 1. This appropriation is onetime and is available until June  
16.27 30, 2024.

16.28 (b) As a condition of receiving the appropriation provided under paragraph (a), the Board  
16.29 of Trustees of the Minnesota State Colleges and Universities must submit a report by January  
16.30 15, 2021, and biennially thereafter until January 15, 2031, on the steps taken and progress  
16.31 made toward achieving the goals and benchmarks established under paragraph (a) to the  
16.32 chairs and ranking minority members of the senate and house of representatives committees  
16.33 and divisions with jurisdiction over energy, climate, the environment, and natural resources.



17.1 (c) Any project receiving an appropriation under this subdivision that entails construction,  
17.2 installation, remodeling, or repairs is subject to the requirements of Minnesota Statutes,  
17.3 sections 177.30 and 177.41 to 177.45, and any laborers and mechanics working at a project  
17.4 work site subject to this paragraph must be paid the prevailing wage rate, as defined in  
17.5 Minnesota Statutes, section 177.42, subdivision 6.

17.6 Subd. 11. **Solar devices in state parks.** (a) Notwithstanding Minnesota Statutes, section  
17.7 116C.779, subdivision 1, paragraph (j), \$3,500,000 in fiscal year 2021 is appropriated from  
17.8 the renewable development account established in Minnesota Statutes, section 116C.779,  
17.9 subdivision 1, to the commissioner of natural resources to install and expand solar  
17.10 photovoltaic or solar thermal energy devices in state parks served with electricity by the  
17.11 public utility subject to Minnesota Statutes, section 116C.779, subdivision 1. The department  
17.12 owns any renewable energy credits associated with the electricity generated by a solar  
17.13 photovoltaic device funded with this appropriation. This appropriation is onetime and is  
17.14 available until June 30, 2024.

17.15 (b) Any project receiving an appropriation under this subdivision that entails construction,  
17.16 installation, remodeling, or repairs is subject to the requirements of Minnesota Statutes,  
17.17 sections 177.30 and 177.41 to 177.45, and any laborers and mechanics working at a project  
17.18 work site subject to this paragraph must be paid the prevailing wage rate, as defined in  
17.19 Minnesota Statutes, section 177.42, subdivision 6.

17.20 Subd. 12. **Prairie Island renewable energy project.** Notwithstanding Minnesota  
17.21 Statutes, section 116C.779, subdivision 1, paragraph (j), \$16,000,000 in fiscal year 2021 is  
17.22 appropriated from the renewable development account under Minnesota Statutes, section  
17.23 116C.779, subdivision 1, to the commissioner of employment and economic development  
17.24 for a grant to the Prairie Island Indian Community to implement the Prairie Island renewable  
17.25 energy project under section 9. The base for this project is \$15,200,000 in fiscal year 2022  
17.26 and \$15,000,000 in fiscal year 2023. The base for fiscal year 2024 is \$0. Any unspent funds  
17.27 as of June 30, 2024, cancel to the renewable development account under Minnesota Statutes,  
17.28 section 116C.779, subdivision 1.

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