

**SENATE
STATE OF MINNESOTA
NINETIETH SESSION**

S.F. No. 2879

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DATE	D-PG	OFFICIAL STATUS
03/01/2018	6243	Introduction and first reading
		Referred to Energy and Utilities Finance and Policy
03/08/2018	6340	Comm report: To pass
	6348	Second reading

1.1 A bill for an act

1.2 relating to energy; public utilities; establishing a pension rate base for purposes

1.3 of rate increase hearings; amending Minnesota Statutes 2016, section 216B.16,

1.4 by adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2016, section 216B.16, is amended by adding a subdivision

1.7 to read:

1.8 Subd. 13b. Pension rate base. The commission must allow a public utility to include

1.9 in the rate base and recover from ratepayers the costs incurred to contribute to employee

1.10 pensions, including (1) accumulated contributions in excess of net periodic benefit costs,

1.11 and (2) contributions necessary to comply with the federal Pension Protection Act of 2006

1.12 and other applicable federal and state pension funding requirements. A public utility is

1.13 authorized to track for future recovery any unrecoverable return of pension rate base costs

1.14 and investments at the return on investment level established in the public utility's last

1.15 general rate case that have been incurred during the period between general rate cases.