

SENATE
STATE OF MINNESOTA
EIGHTY-NINTH SESSION

S.F. No. 2989

(SENATE AUTHORS: MARTY)

DATE	D-PG	OFFICIAL STATUS
03/21/2016	5150	Introduction and first reading Referred to Environment and Energy
03/30/2016	5337	Comm report: To pass and re-referred to State and Local Government
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A bill for an act

1.1 relating to energy; enhancing the energy assurance and emergency conservation
 1.2 plan; establishing a petroleum end user program; modifying energy auditor
 1.3 standards; modifying eligibility for various siting requirements; amending
 1.4 Minnesota Statutes 2014, sections 216C.16, subdivisions 1, 2; 216C.31;
 1.5 216C.435, subdivisions 3a, 4, 5, 10, by adding a subdivision; 216C.436,
 1.6 subdivisions 1, 2; 216E.01, subdivision 5; 216E.021; 216E.03, subdivision 3;
 1.7 216E.05, subdivision 2; proposing coding for new law in Minnesota Statutes,
 1.8 chapters 216C; 216E; repealing Minnesota Statutes 2014, section 216C.15.
 1.9

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

1.11 Section 1. **[216C.155] ENERGY ASSURANCE AND EMERGENCY ENERGY**
 1.12 **CONSERVATION PLAN.**

1.13 **Subdivision 1. Plan requirements. (a) The commissioner shall maintain an energy**
 1.14 **assurance and emergency energy conservation plan. The plan shall:**

1.15 **(1) profile the state's energy sectors, including an assessment of the risk within each**
 1.16 **energy sector and the character of the vulnerabilities;**

1.17 **(2) establish priorities for Minnesota's long-term preparedness activities to ensure**
 1.18 **the availability of energy resources critical for the safety, health, and welfare of the state's**
 1.19 **citizens;**

1.20 **(3) include Minnesota's three main energy sectors of electricity, natural gas, and**
 1.21 **liquid fuels, including renewable and biological sources of energy available in each sector;**

1.22 **(4) identify relevant legal authorities governing the commissioner's actions during**
 1.23 **an energy emergency and any necessary allocation of limited energy resources under the**
 1.24 **emergency conservation section of the plan; and**

1.25 **(5) establish response protocols for the commissioner's actions in the event of an**
 1.26 **energy supply emergency.**

2.1 (b) At least once every five years, the commissioner shall review and update the
2.2 plan. Revisions of the plan directly relating to the emergency energy conservation
2.3 requirements of the plan must be adopted under the rulemaking procedures of chapter 14.

2.4 Subd. 2. **Long-term preparedness.** (a) The commissioner shall establish priorities
2.5 for Minnesota's long-term preparedness activities, with the primary goal of reducing the
2.6 consequences of any energy disruption by increasing Minnesota's resilience to short-
2.7 and long-term disruptions of energy delivery to government, commercial, industrial,
2.8 nonprofit, and citizen energy consumers.

2.9 (b) Long-term preparedness goals must also include:

2.10 (1) increasing the utilization of Minnesota-derived energy sources;

2.11 (2) reducing overall demand for energy through both cost-effective energy efficiency
2.12 and conservation activities;

2.13 (3) developing new energy production technologies, new consumer-level energy
2.14 monitoring mechanisms, and new energy provider business models; and

2.15 (4) minimizing consumer and ratepayer costs, and maximizing the economic benefits
2.16 for the state as a result of these preparedness activities.

2.17 Subd. 3. **Emergency energy conservation protocols.** (a) The commissioner shall
2.18 establish protocols for responding to an energy supply emergency. These protocols must
2.19 be consistent with the responsibilities identified in chapter 12, the Minnesota Emergency
2.20 Operations Plan, as defined under Minnesota Rules, part 7514.0100, the Minnesota
2.21 All-Hazard Mitigation Plan, and relevant guidelines issued by the National Association
2.22 of State Energy Officials.

2.23 (b) The protocols must:

2.24 (1) include a plan for coordinating information and any required response actions
2.25 with private-sector energy providers;

2.26 (2) include a plan for providing uniform, timely, and accurate information to the
2.27 public and to state agencies with responsibilities for emergency management and disaster
2.28 response; and

2.29 (3) ensure that emergency energy conservation actions by private-sector energy
2.30 providers minimize disruption for critical facilities as identified by state and local
2.31 emergency management officials.

2.32 (c) Whenever possible, the emergency energy conservation protocols should place a
2.33 priority on broader energy conservation activities that reduce the severity and duration of
2.34 an energy supply disruption, for the purpose of limiting the number of critical facilities
2.35 experiencing a complete disruption of energy at individual facilities.

3.1 Subd. 4. **Emergency energy allocation protocols.** (a) The commissioner shall
3.2 establish guidelines and criteria for allocation of energy supplies to critical facilities
3.3 and priority users, in the case of a widespread or severe disruption to the state's energy
3.4 sector. The guidelines and criteria shall contain alternative conservation actions and
3.5 allocation plans to reasonably meet various foreseeable shortage circumstances and allow
3.6 a choice of appropriate responses, based on reasonable energy savings or transfers from
3.7 scarce energy resources.

3.8 (b) Consistent with requirements of federal emergency energy conservation and
3.9 allocation laws and regulations, the guidelines and criteria must:

3.10 (1) require that all individuals, state agencies, local subdivisions of government,
3.11 businesses, and public transit agencies requesting emergency allocation of energy
3.12 resources demonstrate they have adopted an emergency energy conservation plan and
3.13 have engaged in energy-saving measures;

3.14 (2) ensure maintenance of reasonable job safety conditions and minimize
3.15 environmental sacrifices;

3.16 (3) ensure the availability of energy resources to emergency authorities, including
3.17 state and local law enforcement, emergency medical services, and other first responders;

3.18 (4) prioritize allocating fuel, electricity, and other available energy resources to those
3.19 critical facilities identified by state and local emergency management officials;

3.20 (5) as necessary, control the use, sale, or distribution of commodities, materials,
3.21 goods, or services that will prevent the restoration of adequate energy supply conditions
3.22 to affected individuals, state agencies, local subdivisions of government, businesses,
3.23 and public transit agencies;

3.24 (6) as necessary, determine at what level of an energy supply emergency the
3.25 Pollution Control Agency shall be requested to ask the governor to petition the president
3.26 for a temporary emergency suspension of air quality standards as required by the Clean
3.27 Air Act, United States Code, title 42, section 7410f; and

3.28 (7) ensure all affected entities maintain their rights to due process, including a fair
3.29 and equitable review of complaints and requests for special exemptions.

3.30 Subd. 5. **Declaration of energy supply emergency.** (a) The governor or the
3.31 Executive Council established under section 9.011, may declare an energy supply
3.32 emergency when an acute shortage of energy exists by issuing a declaration indicating
3.33 the nature of the emergency, the area or areas threatened if less than the whole state is
3.34 threatened, and the conditions causing the emergency.

3.35 (b) An energy supply emergency exists only when the state and private sector energy
3.36 partners have exhausted all economical and reasonable means of meeting the energy

4.1 needs of the state and its citizens, including operating energy facilities at their emergency
 4.2 capacity, importing additional external energy resources, and implementing all available
 4.3 voluntary energy conservation measures.

4.4 (c) An energy supply emergency declaration shall be disseminated promptly by
 4.5 means calculated to bring its contents to the attention of the general public and shall
 4.6 be promptly filed with the commissioner, the commissioner of public safety, and the
 4.7 secretary of state. Upon a declaration of an energy supply emergency, the governor and
 4.8 the commissioner, in consultation with the commissioner of public safety, shall implement
 4.9 and enforce the emergency and energy allocation protocols or any part thereof.

4.10 (d) The Executive Council may terminate an energy supply emergency at any time
 4.11 by issuing a termination declaration and indicating the condition or conditions supporting
 4.12 termination. No energy supply emergency may continue for longer than 30 days unless
 4.13 renewed by the Executive Council. Each renewed energy supply emergency may not
 4.14 continue for longer than 30 days unless otherwise provided by law. Each person shall
 4.15 carry out the responsibilities specified in the emergency conservation allocation plan, and
 4.16 violation of any provision of such emergency conservation or allocation requirements shall
 4.17 be deemed a violation of sections 216C.05 to 216C.30 and the rules adopted thereunder
 4.18 for purposes of enforcement under section 216C.30.

4.19 Sec. 2. Minnesota Statutes 2014, section 216C.16, subdivision 1, is amended to read:

4.20 Subdivision 1. **Purpose.** The purpose of this section is to grant to the commissioner
 4.21 authority to exercise specific power to deal with shortages of refined petroleum products.
 4.22 Authority granted shall be exercised for the purpose of minimizing the adverse impacts
 4.23 of prolonged petroleum shortages and dislocations upon the citizens and the economy of
 4.24 the state and nation.

4.25 Sec. 3. Minnesota Statutes 2014, section 216C.16, subdivision 2, is amended to read:

4.26 Subd. 2. **Establishment.** The commissioner shall establish and is responsible for
 4.27 a state set-aside system for motor gasoline and middle distillates to provide emergency
 4.28 petroleum requirements and thereby relieve the hardship caused by ~~shortage,~~ prolonged
 4.29 petroleum shortages and supply dislocations, ~~or other emergencies.~~ The commissioner, for
 4.30 purposes of administration, may exercise all of the powers granted by this chapter.

4.31 Sec. 4. **[216C.165] PETROLEUM END USER PROGRAM.**

4.32 Subdivision 1. **Purpose.** The purpose of this section is to grant to the commissioner
 4.33 authority to ensure availability of necessary supplies of motor gasoline, middle distillates,

5.1 and propane for priority end users essential to ensure the health, safety, and welfare of
5.2 the general public.

5.3 Subd. 2. **Establishment.** The commissioner shall establish and is responsible for
5.4 a state priority end user program for motor gasoline, middle distillates, and propane to
5.5 provide emergency petroleum requirements and thereby relieve the hardship caused by
5.6 emergency petroleum shortages. The commissioner, for purposes of administration, may
5.7 exercise all of the powers granted by this chapter.

5.8 Subd. 3. **Definitions.** (a) For the purposes of this section, the following terms have
5.9 the meaning given them.

5.10 (b) "Current requirements" means the supply of motor gasoline, distillate fuel oil,
5.11 and propane needed by an end user or wholesale purchaser to meet its present priority
5.12 end use needs.

5.13 (c) "End user" means any person who is an ultimate consumer of a petroleum
5.14 product other than a wholesale purchaser-consumer.

5.15 (d) "Middle distillates" means distillates obtained between kerosene and lubricating
5.16 oil fractions in the refining process, including but not limited to kerosene, number one and
5.17 number two heating oil, and diesel fuel.

5.18 (e) "Motor gasoline" means a liquid mixture of hydrocarbons produced by the
5.19 distillation of petroleum and used chiefly as a fuel in internal combustion engines.

5.20 (f) "Prime supplier" means the producer or supplier now or hereafter making the first
5.21 sale of middle distillates or motor gasoline subject to the state set-aside for consumption
5.22 within the state.

5.23 (g) "Propane" means a normally gaseous paraffinic compound that boils at a
5.24 temperature of -43.67 degrees Fahrenheit, and is used primarily for heating and cooking.
5.25 It does not include the propane portion of any natural gas liquid mixes, including a
5.26 butane-propane mix.

5.27 (h) "Supplier" means any prime supplier or any other firm which presently, or during
5.28 the last 12 months, supplies, sells, transfers, or otherwise furnishes motor gasoline,
5.29 distillate oil, and propane to wholesale purchasers or end users, including but not limited
5.30 to a refiner, importer, reseller, jobber, or retailer.

5.31 Subd. 4. **Priority end user program; declaration.** (a) The commissioner may
5.32 implement the priority end user program only upon:

5.33 (1) declaration of an energy supply emergency under the authority of section
5.34 216C.155, or a declaration of an emergency under chapter 12; and

5.35 (2) a finding by the commissioner that (i) major petroleum suppliers are unable to
5.36 fully satisfy contractually obligated volumes and have limited customers to a percentage

6.1 of their historical purchases or contractual volumes, and (ii) public services and public
6.2 health and safety are either interrupted or threatened due to insufficient supplies of
6.3 petroleum products.

6.4 (b) A declaration implementing the priority end user program shall remain in effect
6.5 for 60 days from date of declaration unless otherwise amended, superseded, or rescinded.

6.6 Subd. 5. **Supplier responsibilities.** Upon commissioner order implementing the
6.7 program and within 30 days of submission of the sworn statement required under this
6.8 section, petroleum suppliers must supply motor gasoline, middle distillates, and propane
6.9 in the amount certified by the commissioner to certified priority end users each month.

6.10 Subd. 6. **Priority end users.** (a) The commissioner shall certify as priority end
6.11 users those end users whose continuity of operations in an emergency is critical for public
6.12 health, safety, and welfare. The certification for each certified priority end user shall
6.13 specify a certified amount of motor gasoline, middle distillates, and propane. Priority end
6.14 users include the Minnesota State Patrol, local law enforcement, firefighting units, and
6.15 emergency medical services. The commissioner may also certify as priority end users any
6.16 other entity identified as critical for public health, safety, and welfare.

6.17 (b) Once every two years, the commissioner must solicit advance certification
6.18 requests from anticipated priority end users. For the purposes of securing advanced
6.19 certification, anticipated priority end users must present the following information to
6.20 the commissioner:

6.21 (1) the most recent 12 months of fuel purchases, expressed in gallons;

6.22 (2) anticipated requirements for the next 12 months, including specific projected
6.23 requirements for each month, to the maximum extent possible;

6.24 (3) written justification explaining the need for any volumes in excess of historical
6.25 or contractual purchases; and

6.26 (4) a sworn statement that the information provided in the certification is true and
6.27 accurate and that the petroleum product to be provided will only be used for priority
6.28 use as indicated.

6.29 (c) In the event of a declared emergency, other end users may seek priority end user
6.30 certification from the commissioner. End users seeking priority end user certification must
6.31 present the following information to the commissioner:

6.32 (1) written justification that the end user's functions are critical for public health,
6.33 safety, and welfare;

6.34 (2) the end user's most recent 12 months of fuel purchases, expressed in gallons;

6.35 (3) anticipated requirements for the next 60 days or the remainder of the declared
6.36 energy supply emergency;

7.1 (4) written justification explaining the need for any petroleum volume in excess of
7.2 historical or contractual purchases;

7.3 (5) if applicable, the name, address, and any other identifying information of the gas
7.4 station or other facility where fuel is purchased;

7.5 (6) any other information the commissioner requests; and

7.6 (7) a sworn statement that the information provided in the certificate is true and
7.7 accurate, and that the petroleum product to be provided will only be used for the priority
7.8 use indicated.

7.9 Subd. 7. Appeals. (a) A person aggrieved by the commissioner's decision on that
7.10 person's certification of priority end use under subdivision 6 or order to supply under
7.11 subdivision 5 may file a written petition of appeal to the commissioner within five business
7.12 days after the commissioner's decision. The petition of appeal must include:

7.13 (1) the name and address of the petitioner;

7.14 (2) a concise statement of facts surrounding the case, including the reason for the
7.15 appeal and relief sought; and

7.16 (3) an affidavit of service certifying that persons known to the petitioner who may be
7.17 affected adversely by the outcome of the appeal have been served a copy of the petition.

7.18 (b) The petitioner shall attach a sworn statement to the petition of appeal that states
7.19 the information provided in the petition of appeal is true to the best of the petitioner's
7.20 knowledge.

7.21 (c) Persons served with a petition of appeal or persons who could be adversely
7.22 impacted by the outcome of the appeal may, not later than five business days from service
7.23 of the petition of appeal, file a written reply supported by a sworn statement that states the
7.24 information in the reply is true to the best of the respondent's knowledge. A copy of the
7.25 response must be served on the petitioner by the respondent.

7.26 (d) Unless the commissioner determines additional time is necessary, the
7.27 commissioner must render a decision and order on the appeal and serve it by first class
7.28 mail upon all persons who participated in the appellate proceeding at each person's last
7.29 known address within 20 business days after the petition of appeal is filed.

7.30 (e) A petitioner may appeal the commissioner's decision under subdivision 6 and
7.31 order under subdivision 5 to the Office of Administrative Hearings using the contested
7.32 case procedures under chapter 14 by filing a request with the commissioner within ten
7.33 days of the date the decision and order is issued. The final decision in a contested case
7.34 under this subdivision requested by the petitioner must be made by the commissioner.

8.1 Sec. 5. Minnesota Statutes 2014, section 216C.31, is amended to read:

8.2 **216C.31 ENERGY AUDIT PROGRAMS.**

8.3 The commissioner shall develop ~~state~~ or approve programs ~~of~~ for energy audits ~~of~~
8.4 ~~residential and commercial buildings including the training and qualifications necessary~~
8.5 auditors for the auditing of residential and commercial buildings under ~~the auspices of~~ a
8.6 program created under section 216B.241, 216C.436, or any other energy program.

8.7 Sec. 6. Minnesota Statutes 2014, section 216C.435, subdivision 3a, is amended to read:

8.8 Subd. 3a. **Cost-effective energy improvements.** "Cost-effective energy
8.9 improvements" mean energy improvements that have been identified in an energy audit
8.10 or renewable energy system feasibility study as repaying their purchase and installation
8.11 costs in 20 years or less, based on the amount of ~~future~~ energy saved and estimated future
8.12 energy prices.

8.13 Sec. 7. Minnesota Statutes 2014, section 216C.435, subdivision 4, is amended to read:

8.14 Subd. 4. **Energy audit.** "Energy audit" means a formal evaluation of the energy
8.15 consumption of a building by a ~~certified energy auditor, whose certification is approved by~~
8.16 ~~the commissioner~~ qualified professional, for the purpose of identifying appropriate energy
8.17 improvements that could be made to the building and including an estimate of the length
8.18 of time a specific energy improvement will take to repay its purchase and installation
8.19 costs, based on the amount of energy saved and estimated future energy prices.

8.20 Sec. 8. Minnesota Statutes 2014, section 216C.435, subdivision 5, is amended to read:

8.21 Subd. 5. **Energy improvement.** "Energy improvement" means:

8.22 (1) any renovation or retrofitting of a building to improve energy efficiency that
8.23 is permanently affixed to the property and that results in a net reduction in energy
8.24 consumption without altering the principal source of energy;

8.25 (2) permanent installation of new or upgraded electrical circuits and related
8.26 equipment to enable electrical vehicle charging; ~~or~~

8.27 (3) a renewable energy system attached to, installed within, or proximate to a
8.28 building that generates electrical or thermal energy from a renewable energy source; or

8.29 (4) the installation of infrastructure, machinery, and appliances that will allow
8.30 natural gas to be used as a heating fuel on the premises of a building that was previously
8.31 not connected to a source of natural gas.

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

9.1 Sec. 9. Minnesota Statutes 2014, section 216C.435, subdivision 10, is amended to read:

9.2 Subd. 10. **Renewable energy system feasibility study.** "Renewable energy system
9.3 feasibility study" means a written study, conducted by a ~~contractor~~ qualified professional
9.4 trained to perform that analysis, for the purpose of determining the feasibility of installing
9.5 a renewable energy system in a building, including an estimate of the length of time
9.6 a specific renewable energy system will take to repay its purchase and installation
9.7 costs, based on the amount of energy saved and estimated future energy prices. For a
9.8 geothermal energy improvement, the feasibility study must calculate net savings in terms
9.9 of nongeothermal energy and costs.

9.10 Sec. 10. Minnesota Statutes 2014, section 216C.435, is amended by adding a
9.11 subdivision to read:

9.12 Subd. 13. **Qualified professional.** "Qualified professional" means an individual
9.13 who has successfully completed one of the programs developed or approved by the
9.14 commissioner, as referenced in section 216C.31.

9.15 Sec. 11. Minnesota Statutes 2014, section 216C.436, subdivision 1, is amended to read:

9.16 Subdivision 1. **Program authority.** An implementing entity may establish a
9.17 program to finance energy improvements to enable owners of qualifying real property
9.18 to pay for cost-effective energy improvements to the qualifying real property ~~with the~~
9.19 ~~net proceeds and interest earnings of revenue bonds authorized in this section.~~ An
9.20 implementing entity may limit the number of qualifying real properties for which a
9.21 property owner may receive program financing.

9.22 Sec. 12. Minnesota Statutes 2014, section 216C.436, subdivision 2, is amended to read:

9.23 Subd. 2. **Program requirements.** ~~A~~ The implementing entity must ensure that a
9.24 financing program must:

9.25 (1) ~~impose~~ imposes requirements and conditions on financing arrangements to
9.26 ensure timely repayment;

9.27 (2) ~~require~~ requires an energy audit or renewable energy system feasibility study to
9.28 be conducted on the qualifying real property and reviewed by the implementing entity
9.29 prior to approval of the financing;

9.30 (3) ~~require~~ requires the inspection of all installations and a performance verification
9.31 of at least ten percent of the energy improvements financed by the program;

9.32 (4) does not prohibit the financing of all cost-effective energy improvements not
9.33 otherwise prohibited by this section;

10.1 (5) ~~require~~ requires that all cost-effective energy improvements be made to a
 10.2 qualifying real property are completed and operational prior to, or in conjunction with,
 10.3 ~~an applicant's repayment of financing for energy improvements for that property~~ the first
 10.4 scheduled assessment payment due to the taxing authority;

10.5 (6) ~~have~~ has energy improvements financed by the program performed by licensed
 10.6 contractors as required by chapter 326B or other law or ordinance;

10.7 (7) ~~require~~ requires disclosures to borrowers by the implementing entity of the risks
 10.8 involved in borrowing, including the risk of ~~foreclosure~~ forfeiture if a tax delinquency
 10.9 results from a default;

10.10 (8) ~~provide~~ provides financing only to those who demonstrate an ability to repay;

10.11 (9) does not provide financing for a qualifying real property in which the owner is
 10.12 not current on mortgage or real property tax payments;

10.13 (10) ~~require~~ requires a petition to the implementing entity by all owners of the
 10.14 qualifying real property requesting collections of repayments as a special assessment
 10.15 under section 429.101;

10.16 (11) ~~provide~~ provides that payments and assessments are not accelerated due to a
 10.17 default and that a tax delinquency exists only for assessments not paid when due; and

10.18 (12) ~~require~~ requires that liability for special assessments related to the financing
 10.19 runs with the qualifying real property.

10.20 Sec. 13. Minnesota Statutes 2014, section 216E.01, subdivision 5, is amended to read:

10.21 Subd. 5. **Large electric power generating plant.** "Large electric power generating
 10.22 plant" shall mean electric power generating equipment and associated facilities designed
 10.23 for or capable of operation at a capacity of 50,000 kilowatts or more, or a solar energy
 10.24 generating system designed for or capable of operation at a capacity of 10,000 kilowatts
 10.25 or more.

10.26 Sec. 14. Minnesota Statutes 2014, section 216E.021, is amended to read:

10.27 **216E.021 SOLAR ENERGY SYSTEM SIZE DETERMINATION.**

10.28 (a) This section must be used to determine whether a combination of solar energy
 10.29 generating systems meets the definition of large electric power generating plant and is
 10.30 subject to the commission's siting authority jurisdiction under this chapter. The alternating
 10.31 current nameplate capacity of one solar energy generating system must be combined with
 10.32 the alternating current nameplate capacity of any other solar energy generating system that:

10.33 (1) is constructed within the same 12-month period as the solar energy generating
 10.34 system; and

11.1 (2) exhibits characteristics of being a single development, including but not limited
 11.2 to ownership structure, an umbrella sales arrangement, shared interconnection, revenue
 11.3 sharing arrangements, and common debt or equity financing.

11.4 (b) An application to a county for a permit to construct a solar energy generating
 11.5 system with a capacity of 1,000 kilowatts or greater is not complete unless it includes a
 11.6 solar energy system size determination under this section.

11.7 ~~(b)~~ (c) The commissioner of commerce shall provide forms and assistance for
 11.8 applicants to make a request for a size determination. Upon written request of an applicant,
 11.9 the commissioner shall provide a written size determination within 30 days of receipt of
 11.10 the request and of any information requested by the commissioner. In the case of a dispute,
 11.11 the chair of the Public Utilities Commission shall make the final size determination.

11.12 Sec. 15. Minnesota Statutes 2014, section 216E.03, subdivision 3, is amended to read:

11.13 Subd. 3. **Application.** Any person seeking to construct a large electric power
 11.14 generating plant or a high-voltage transmission line must apply to the commission for a
 11.15 site or route permit. The application shall contain such information as the commission may
 11.16 require. The applicant shall propose at least two sites for a large electric power generating
 11.17 plant and two routes for a high-voltage transmission line, except that an applicant shall
 11.18 only be required to propose one site for a large electric power generating plant that is a
 11.19 solar energy generating system. Neither of the two proposed routes may be designated as
 11.20 a preferred route and all proposed routes must be numbered and designated as alternatives.
 11.21 The commission shall determine whether an application is complete and advise the
 11.22 applicant of any deficiencies within ten days of receipt. An application is not incomplete if
 11.23 information not in the application can be obtained from the applicant during the first phase
 11.24 of the process and that information is not essential for notice and initial public meetings.

11.25 Sec. 16. Minnesota Statutes 2014, section 216E.05, subdivision 2, is amended to read:

11.26 Subd. 2. **Applicable projects.** Applicants may seek approval from local units of
 11.27 government to construct the following projects:

11.28 (1) large electric power generating plants, except solar energy generating systems,
 11.29 with a capacity of less than 80 megawatts;

11.30 (2) large electric power generating plants of any size that burn natural gas and are
 11.31 intended to be a peaking plant;

11.32 (3) high-voltage transmission lines of between 100 and 200 kilovolts;

11.33 (4) substations with a voltage designed for and capable of operation at a nominal
 11.34 voltage of 100 kilovolts or more;

12.1 (5) a high-voltage transmission line service extension to a single customer between
 12.2 200 and 300 kilovolts and less than ten miles in length; and

12.3 (6) a high-voltage transmission line rerouting to serve the demand of a single
 12.4 customer when the rerouted line will be located at least 80 percent on property owned or
 12.5 controlled by the customer or the owner of the transmission line.

12.6 Sec. 17. **[216E.055] SOLAR FACILITY PERMIT AUTHORITY; ASSUMPTION**
 12.7 **BY COUNTIES.**

12.8 (a) A county board may, by resolution and upon written notice to the Public Utilities
 12.9 Commission, assume responsibility for processing applications for permits required under
 12.10 this chapter for large electric power generating plants that are solar energy generating
 12.11 systems up to 25,000 kilowatts. The responsibility for permit application processing, if
 12.12 assumed by a county, may be delegated by the county board to an appropriate county
 12.13 officer or employee. Processing by a county shall be done in accordance with procedures
 12.14 and processes established under chapter 394.

12.15 (b) A county board that exercises its option under paragraph (a) may issue, deny,
 12.16 modify, impose conditions upon, or revoke permits pursuant to this section. The action
 12.17 of the county board about a permit application is final, subject to appeal as provided
 12.18 in section 394.27.

12.19 (c) The commission shall, by order, establish general permit standards, including
 12.20 appropriate set-backs, governing site permits for solar energy generating systems under
 12.21 this chapter. The order must consider existing and historic commission standards for
 12.22 permits issued by the commission. The general permit standards shall apply to permits
 12.23 issued by counties under this section and to permits issued by the commission under this
 12.24 chapter. The commission or a county may grant a variance from a general permit standard
 12.25 if the variance is found to be in the public interest.

12.26 (d) A county may by ordinance adopt standards for solar energy generating systems
 12.27 that are more stringent than standards in commission rules or in the commission's permit
 12.28 standards. The commission, when considering a permit application for a solar energy
 12.29 generating system in a county that has assumed permitting authority under this section,
 12.30 shall consider and apply the county's more stringent standards unless the commission
 12.31 finds good cause to not apply the standards.

12.32 (e) The commission and the commissioner of commerce shall provide technical
 12.33 assistance to a county with respect to the processing of site permit applications for solar
 12.34 energy generating systems.

13.1 (f) This section does not exempt applicants from the requirements under section
13.2 216E.021.

13.3 Sec. 18. **RULEMAKING AUTHORITY CONTINUED.**

13.4 Notwithstanding Minnesota Statutes, section 14.05, subdivision 1, rules adopted
13.5 under the authority granted in Minnesota Statutes, section 216C.15, continue in effect and
13.6 may be further amended or repealed pursuant to the authority granted by this section.

13.7 Sec. 19. **REPEALER.**

13.8 Minnesota Statutes 2014, section 216C.15, is repealed.

216C.15 EMERGENCY ENERGY CONSERVATION AND ALLOCATION PLAN.

Subdivision 1. **Priorities and requirements.** The commissioner shall maintain an emergency conservation and allocation plan. The plan shall provide a variety of strategies and staged conservation measures to reduce energy use and, in the event of an energy supply emergency, shall establish guidelines and criteria for allocation of fuels to priority users. The plan shall contain alternative conservation actions and allocation plans to reasonably meet various foreseeable shortage circumstances and allow a choice of appropriate responses. The plan shall be consistent with requirements of federal emergency energy conservation and allocation laws and regulations, shall be based on reasonable energy savings or transfers from scarce energy resources and shall:

(1) give priority to individuals, institutions, agriculture, businesses, and public transit under contract with the commissioner of transportation or the Metropolitan Council which demonstrate they have engaged in energy-saving measures and shall include provisions to insure that:

(i) immediate allocations to individuals, institutions, agriculture, businesses, and public transit be based on needs at energy conservation levels;

(ii) successive allocations to individuals, institutions, agriculture, businesses, and public transit be based on needs after implementation of required action to increase energy conservation; and

(iii) needs of individuals, institutions, and public transit are adjusted to insure the health and welfare of the young, old and infirm;

(2) insure maintenance of reasonable job safety conditions and avoid environmental sacrifices;

(3) establish programs, controls, standards, priorities or quotas for the allocation, conservation, and consumption of energy resources; and for the suspension and modification of existing standards and the establishment of new standards affecting or affected by the use of energy resources, including those related to the type and composition of energy sources, and to the hours and days during which public buildings, commercial and industrial establishments, and other energy-consuming facilities may or are required to remain open;

(4) establish programs to control the use, sale or distribution of commodities, materials, goods or services;

(5) establish regional programs and agreements for the purpose of coordinating the energy resources, programs and actions of the state with those of the federal government, of local governments, and of other states and localities;

(6) determine at what level of an energy supply emergency situation the Pollution Control Agency shall be requested to ask the governor to petition the president for a temporary emergency suspension of air quality standards as required by the Clean Air Act, United States Code, title 42, section 7410f; and

(7) establish procedures for fair and equitable review of complaints and requests for special exemptions regarding emergency conservation measures or allocations.

Subd. 2. **Periodic revision.** At least once every five years and whenever construction of a new large energy facility is completed which affects the supply of energy in Minnesota, the commissioner shall review and if necessary revise the emergency conservation and allocation plan. Revisions of the emergency conservation and allocation plan shall be adopted pursuant to the rulemaking procedures in chapter 14 and reviewed by the appropriate standing committees of the legislature.

Subd. 3. **Declaration of energy supply emergency.** The Executive Council or the legislature may declare an energy supply emergency when an acute shortage of energy exists by issuing a declaration which indicates the nature of the emergency, the area or areas threatened if less than the whole state is threatened, and the conditions causing the emergency. The declaration shall be disseminated promptly by means calculated to bring its contents to the attention of the general public and shall be promptly filed with the commissioner, the Division of Emergency Management and the secretary of state. Upon a declaration of an energy supply emergency by the Executive Council or the legislature, the governor and the Division of Emergency Management, in consultation with the commissioner, shall implement and enforce the emergency conservation and allocation plan or any part thereof. Revisions of the plan shall be made by the commissioner in accordance with subdivision 2. The Executive Council or the legislature may terminate an energy supply emergency at any time by issuing a declaration which terminates the energy supply emergency and indicates the conditions which make possible termination of the emergency, but no energy supply emergency may continue for longer than 30 days unless renewed by the legislature. Each renewed energy supply emergency may not continue for longer than 30 days,

APPENDIX

Repealed Minnesota Statutes: S2989-1

unless otherwise provided by law. Each person shall carry out the responsibilities specified in the emergency conservation allocation plan, and violation of any provision of such emergency conservation or allocation requirements shall be deemed a violation of sections 216C.05 to 216C.30 and the rules promulgated thereunder for purposes of enforcement pursuant to section 216C.30.