

Sec. 12. **EFFECTIVE DATE.** Sections 1 to 10 of this act take effect July 1, 1977. Section 11 of this act is effective the day following final enactment.

Approved April 20, 1976.

CHAPTER 333—H.F.No.500

[Coded in Part]

An act relating to energy; authorizing the director of the Minnesota energy agency to appoint certain employees; establishing an energy conservation information center; prohibiting the use of certain gas lamps; requiring certain reports to the legislature; requiring promulgation of energy conservation rules; requiring surveys of certain public buildings; providing for solar energy performance standards; providing for monitoring of energy research; providing compensation and expense reimbursement for public members of the energy commission; appropriating money; amending Minnesota Statutes 1974, Sections 116H.02, by adding subdivisions; 116H.03, Subdivision 3; 116H.12, by adding subdivisions; and Chapter 116H, by adding sections.

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

Section 1. Minnesota Statutes 1974, Section 116H.02, is amended by adding a subdivision to read:

Subd. 10. ENERGY; RESEARCH. “Decorative gas lamp” means a device installed for the purpose of producing illumination by burning natural, mixed, or LP gas and utilizing either a mantle or an open flame, but does not include portable camp lanterns or gas lamps.

Sec. 2. Minnesota Statutes 1974, Section 116H.02, is amended by adding a subdivision to read:

Subd. 11. “Solar energy system” means a set of devices whose primary purpose is to collect solar energy and convert and store it for useful purposes including heating and cooling buildings or other energy-using processes, or to produce generated power by means of any combination of collecting, transferring, or converting solar-generated energy.

Sec. 3. Minnesota Statutes 1974, Section 116H.03, Subdivision 3, is amended to read:

Subd. 3. The director shall be appointed by the governor with the advice and consent of the senate, to a four-year term which shall coincide with the term of the governor and until his successor is duly appointed and qualified. In appointing the director the governor should give due consideration to the listing of names submitted by the com-

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mission pursuant to section 116H.04. The director shall serve at the pleasure of the governor.

A vacancy in the office of director shall be filled by the governor and the new appointee shall immediately take office and carry out all duties until the next session of the legislature when his appointment shall be submitted to the senate for confirmation.

The director may appoint a deputy ~~who shall~~ director and a personal secretary to serve at his pleasure. The salaries of the director and the deputy shall be fixed by the governor until otherwise expressly provided for by law. The deputy may be authorized by the director to perform every duty, power and responsibility imposed on the director unless expressly forbidden by law. The director and his deputy and his personal secretary shall serve in the unclassified service and shall be members of the Minnesota state retirement system.

Sec. 4. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.085] ENERGY CONSERVATION INFORMATION CENTER. The director shall establish an energy conservation information center in the agency's offices in St. Paul. The information center shall maintain a toll-free telephone information service and disseminate printed materials on energy conservation topics, including but not limited to, availability of loans and other public and private financing methods for energy conservation physical improvements, the techniques and materials used to conserve energy in buildings, including retrofitting or upgrading insulation and installing weatherstripping, the projected prices and availability of different sources of energy, and the alternative sources of energy.

Sec. 5. Minnesota Statutes 1974, Section 116H.12, is amended by adding a subdivision to read:

Subd. 3a. Beginning 12 months after the effective date of this act, no person shall use a decorative gas lamp in Minnesota except as provided in section 6 of this act. All natural gas utilities and LP gas distributors doing business in Minnesota shall notify each of their customers of this prohibition, in writing, at least 120 days prior to the deadline including such information as the agency may require. The agency shall notify all natural gas utilities and LP gas distributors of this requirement and of the entire form and contents of such notice within 30 days of the effective date of this act, including the necessary technological information to adapt gas lights to electricity.

Sec. 6. Minnesota Statutes 1974, Section 116H.12, is amended by adding a subdivision to read:

Subd. 3b. The director may grant a variance where conversion is not possible with reasonable cost.

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Sec. 7. Minnesota Statutes 1974, Section 116H.12, is amended by adding a subdivision to read:

Subd. 10. The director shall report to the legislature not later than March 1, 1977, on the economic and technological feasibility of implementing a program of energy conservation in Minnesota with respect to room air conditioners and standing pilot light equipment. The study shall include consideration of:

(1) The economic feasibility of the program and the impact on consumers, agriculture, business and interstate commerce;

(2) The technological feasibility of implementing the program including safety considerations;

(3) The potential reduction in energy consumed in Minnesota which would result from implementing the program;

(4) Substantial state need for the program in relation to the progress of similar energy conservation programs undertaken by the federal energy agency under the mandate of the federal energy policy and conservation act of 1975.

For the purposes of this subdivision "economic feasibility" means that the benefits from reduced energy consumption and the savings in operating costs throughout the estimated average life of the product outweigh:

(a) Any increase to purchasers in initial charges for, or, maintenance expenses of, the product which is likely to result from implementing the program;

(b) Any lessening of the utility, safety, dependability or performance of the product; and

(c) Any negative effects on competition.

Sec. 8. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.12] ENERGY CONSERVATION STANDARDS IN CERTAIN PUBLIC BUILDINGS. Before February 1, 1977, the commissioner of administration in consultation with the director, shall amend the rules concerning heat loss, illumination, and climate control standards promulgated pursuant to Minnesota Statutes, 1975 Supplement, Section 116H.12, Subdivision 4, to include standards for all existing buildings heated by oil, coal, gas, or electric units which are owned by the state, the university of Minnesota, any city, any county, or any school district. Compliance with standards adopted pursuant to this section shall not be mandatory for buildings owned by any city, county or school district.

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Sec. 9. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.122] ENERGY CONSERVATION IN STATE OWNED BUILDINGS. Before January 1, 1980, the commissioner of administration, in cooperation with the director, shall survey all buildings which are heated by oil, coal, gas, or electric units and which are owned by the state of Minnesota, including buildings and associated facilities of the state university system, the state fairgrounds as defined in section 37.01, the Minnesota historical society building, and all buildings under the administration or supervision of the commissioners of natural resources, corrections, welfare, or transportation, to determine the energy savings that can be accomplished through insulation, climate control or illumination modifications. The survey shall determine, based upon a formula specified by the director, the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 8 of this act. The survey shall include an estimate, based upon a formula specified by the director, of the annual potential savings in fuel procurement costs for existing heating and cooling systems which would be realized for each state-owned building if it were improved to comply with the energy conservation standards. Buildings heated by oil or interruptable gas shall be surveyed first. If the commissioner determines that a modification is economically feasible, in that savings in fuel procurement costs will exceed the cost of the modification amortized over the remaining useful life of the building he shall recommend implementation of the modification to the legislature. The commissioner shall submit to the legislature an interim progress report by January 1, 1977 and a final report by January 1, 1980.

Sec. 10. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.123] ENERGY CONSERVATION IN UNIVERSITY BUILDINGS. Before January 1, 1980, the university of Minnesota, after consultation with the director, shall survey all buildings and associated facilities of the university of Minnesota which are heated by oil, coal, electric, or gas units to determine whether energy savings could be accomplished through insulation, climate control or illumination modifications. The survey shall determine, based upon a formula specified by the director, the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 8 of this act. The survey shall include an estimate, based upon a formula specified by the director, of the annual potential savings in fuel procurement costs for existing heating and cooling systems, which savings would be realized for each university-owned building if it were improved to comply with the energy conservation standards. Buildings heated by oil or interruptable gas shall be surveyed first. If the university determines, based upon a formula specified by the director, that a

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modification is economically feasible, in that estimated savings in fuel procurement costs will exceed the cost of the modification amortized over the remaining useful life of the building, it shall implement the modification in a manner designed to maximize the reduction in costs resulting from the modification. The university shall submit to the legislature an interim progress report before January 1, 1977 and a final report before January 1, 1980, indicating the number and percentage of university-owned buildings surveyed, the estimated costs of implementing the economically feasible modifications and its preliminary findings, recommendations, and priorities for implementing economically feasible modifications based upon the continuing survey.

Sec. 11. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.124] LOCAL GOVERNMENTAL SURVEYS AND FUEL COST ESTIMATES. Before January 1, 1980, the governing body of each city and county shall complete a survey of all existing city-owned or county-owned buildings within their respective jurisdictions which buildings are heated by oil, coal, electric, or gas units. Buildings heated by oil or interruptable gas shall be surveyed first. The survey shall determine, based upon a formula specified by the director, the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 8 of this act. The governing body of a city or county may contract with any municipal building official appointed pursuant to section 16.861, or with the state building inspector to perform the energy conservation survey. Each governing body shall estimate, based upon a formula specified by the director, the annual potential savings in fuel procurement costs for existing heating and cooling systems, which savings would be realized for each building within its jurisdiction if that building were improved to comply with the energy conservation standards. Each governing body shall file the energy conservation survey and estimated fuel procurement data for the buildings within its jurisdiction with the director before December 31, 1978, for his review and comment.

Sec. 12. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.125] ENERGY CONSERVATION IN PUBLIC SCHOOLS; LEGISLATIVE REPORT. Before February 1, 1977, the commissioner of education after consultation with the director shall analyze the reports required under section 120.78, and report to the legislature on the energy efficiency of public school buildings including the recommendations of the commissioner of education and the director.

Sec. 13. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.126] PUBLIC SCHOOL SURVEYS. Before January 1, 1980,

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each school district shall complete a survey of all existing public school buildings which it owns or operates and which are heated by oil, gas, coal, or electric units in order to determine the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 8 of this act. Buildings heated by oil or interruptable gas shall be surveyed first. The results of the energy conservation survey shall be recorded on a form furnished by the director. A school district may contract with any municipal building official appointed pursuant to section 16.861 or with the state building inspector to perform the energy conservation survey. Each school district shall estimate, based upon a formula specified by the director, the annual savings in fuel procurement costs for existing heating and cooling systems, which savings would be realized for each public school building within the district if it were improved to comply with the energy conservation standards.

Each school district shall file the energy conservation survey and estimated fuel procurement data for each public school building within the district with the director before December 31, 1978, for his review and comment.

Sec. 14. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.127] SOLAR ENERGY SYSTEM STANDARDS OF PERFORMANCE. The building code division of the department of administration in consultation with the agency shall promulgate rules by December 31, 1976, concerning quality and performance standards which are in reasonable conformance with the Interim Performance Criteria for Solar Heating and Combined Heating/Cooling Systems and Dwellings, National Bureau of Standards, January 1, 1975; and the Interim Performance Criteria for Commercial Solar Heating and Combined Heating/Cooling Systems and Facilities, National Aeronautics and Space Administration, February 28, 1975, to insure that within the existing state of development, solar energy systems as defined in section 2 of this act, which are sold or installed within this state, are effective and represent a high standard of quality of material, workmanship, design, and performance. The department of administration in consultation with the energy agency shall modify existing standards and promulgate new standards subsequent to December 31, 1976, as new technology and materials become available, or as standards are revised by the federal government.

Manufacturers or retailers of solar energy systems shall disclose to each bona fide potential purchaser of a system the extent to which the system meets or exceeds each quality standard.

Sec. 15. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

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[116H.128] REVIEW OF ENERGY RESEARCH AND DEMONSTRATION PROJECTS. The director shall continuously identify, monitor, and evaluate in terms of potential direct benefit to, and possible implementation in Minnesota, research studies and demonstration projects of alternative energy systems and methodologies currently performed in Minnesota and other states and countries including:

(a) Solar energy systems for heating and cooling;

(b) Energy systems using wind, agricultural wastes, forestry products, peat, and other nonconventional energy resources;

(c) Devices and technologies increasing the energy efficiency of energy consuming appliances, equipment, and systems;

(d) Hydroelectric power; and

(e) Such other projects as the director deems appropriate and of direct benefit to Minnesota and other states of the upper midwest.

Sec. 16. Persons who served as public members of the legislative commission on energy, created pursuant to Laws 1974, Chapter 307, Section 4, shall be compensated the sum of \$25 per day for each day spent in the performance of their duties subsequent to April 1, 1974. They shall also be reimbursed for expenses incurred during that period in the same manner and amounts as provided for state employees during that period.

Sec. 17. APPROPRIATIONS. Subdivision 1. There is appropriated and added to the general contingent account for fiscal year 1977 the sum of \$200,000. This appropriation shall be available for making grants for demonstration projects of alternative energy systems and methodology particularly appropriate to Minnesota.

Subd. 2. The sum of \$195,400 is appropriated from the general fund to the commissioner of administration for the purposes of sections 8, 9 and 14. The sum of \$150,000 is appropriated from the general fund to the director of the Minnesota energy agency for purposes of sections 4, 7 and 15. The sum of \$50,000 is appropriated from the general fund to the director of the Minnesota energy agency to contract for infrared aerial photographs, at least 50 percent of which shall be conducted outside the metropolitan area as defined in Minnesota Statutes, Section 473.121, Subdivision 2. Notwithstanding Minnesota Statutes, Section 16A.28, the appropriations made by this subdivision shall not lapse but shall be available for the biennium ending June 30, 1977.

Sec. 18. EFFECTIVE DATE. This act takes effect on the day following its final enactment.

Approved April 19, 1976.

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