

Subd. 2. MUNICIPAL PROSECUTION; GROSS MISDEMEANORS. If a city or municipal attorney prosecutes a gross misdemeanor offense, the proceeds of any fine collected by the court shall be disbursed in the same manner as though the offense was a misdemeanor prosecuted by the city or municipal attorney in county or municipal court. The county shall pay for any costs associated with incarceration.

Sec. 17. EFFECTIVE DATE.

This act is effective January 1, 1984.

Approved May 19, 1983

CHAPTER 178 — H.F.No. 167

An act relating to liquor; authorizing the city of Dilworth to issue one on-sale license to an Eagles Club.

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

Section 1. DILWORTH ON-SALE LICENSE.

Notwithstanding any law to the contrary, the city of Dilworth may issue one club on-sale intoxicating liquor license to an Eagles Club located within the city. The license shall be in addition to the number authorized by Minnesota Statutes, section 340.11, subdivision 5a. The fee shall be that required by section 340.11, subdivision 11, and all other provisions of chapter 340 not inconsistent with this section shall apply to the license.

Sec. 2. EFFECTIVE DATE.

Section 1 is effective upon approval by the Dilworth city council and compliance with Minnesota Statutes, section 645.021.

Approved May 19, 1983

CHAPTER 179 — H.F.No. 189

An act relating to energy; requiring certain conservation investments by regulated utilities; amending Minnesota Statutes 1982, sections 116J.09; 116J.18, subdivision 1a; 216A.07, subdivision 3; 216B.03; 216B.16, subdivision 1; and 216B.241, subdivisions 1, 2, and 3.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

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

Section 1. Minnesota Statutes 1982, section 116J.09, is amended to read:

116J.09 DUTIES.

The commissioner shall:

(a) Manage the department as the central repository within the state government for the collection of data on energy;

(b) Prepare and adopt an emergency allocation plan specifying actions to be taken in the event of an impending serious shortage of energy, or a threat to public health, safety, or welfare;

(c) Undertake a continuing assessment of trends in the consumption of all forms of energy and analyze the social, economic, and environmental consequences of these trends;

(d) Carry out energy conservation measures as specified by the legislature and recommend to the governor and the legislature additional energy policies and conservation measures as required to meet the objectives of sections 116J.05 to 116J.30;

(e) Collect and analyze data relating to present and future demands and resources for all sources of energy, and specify energy needs for the state and various service areas as a basis for planning large energy facilities;

(f) Require certificate of need for construction of large energy facilities;

(g) Evaluate policies governing the establishment of rates and prices for energy as related to energy conservation, and other goals and policies of sections 116J.05 to 116J.30, and make recommendations for changes in energy pricing policies and rate schedules;

(h) Study the impact and relationship of the state energy policies to international, national, and regional energy policies;

(i) Design and implement a state program for the conservation of energy; this program shall include but not be limited to, general commercial, industrial, and residential, and transportation areas; such program shall also provide for the evaluation of energy systems as they relate to lighting, heating, refrigeration, air conditioning, building design and operation, and appliance manufacturing and operation;

(j) Inform and educate the public about the sources and uses of energy and the ways in which persons can conserve energy;

(k) Dispense funds made available for the purpose of research studies and projects of professional and civic orientation, which are related to either energy conservation or the development of alternative energy technologies which con-

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serve nonrenewable energy resources while creating minimum environmental impact;

(l) Charge other governmental departments and agencies involved in energy related activities with specific information gathering goals and require that those goals be met.

Further, the commissioner may participate fully in hearings before the public utilities commission on matters pertaining to rate design, cost allocation, efficient resource utilization, utility conservation investments, small power production, cogeneration, and other rate issues. The commissioner shall support the policies stated in section 116J.05 and shall prepare and defend testimony proposed to encourage energy conservation improvements as defined in section 216B.241.

Sec. 2. Minnesota Statutes 1982, section 116J.18, subdivision 1a, is amended to read:

Subd. 1a. **RATE PLAN.** The energy policy and conservation report shall include a section prepared by the public utilities commission. The commission's section shall be prepared in consultation with the commissioner of the department of energy, planning and development and shall include, but not be limited to, all of the following:

(a) A description and analysis of the commission's rate design policy as it pertains to the goals stated in sections 116J.05, 216B.164, and 216B.241, including a description of all energy conservation improvements ordered by the commission; and

(b) Recommendations to the governor and the legislature for administrative and legislative actions to accomplish the purposes of sections 116J.05, 216B.164, and 216B.241.

Sec. 3. Minnesota Statutes 1982, section 216A.07, subdivision 3, is amended to read:

Subd. 3. **INTERVENTION IN PROCEEDINGS.** The director may intervene as a party in all proceedings before the commission. When intervening in gas or electric hearings, the director shall prepare and defend testimony designed to encourage energy conservation improvements as defined in section 216B.241. The attorney general shall act as counsel in the proceedings.

Sec. 4. Minnesota Statutes 1982, section 216B.03, is amended to read:
216B.03 REASONABLE RATE.

Every rate made, demanded, or received by any public utility, or by any two or more public utilities jointly, shall be just and reasonable. Rates shall not be unreasonably preferential, unreasonably prejudicial or discriminatory, but shall be sufficient, equitable and consistent in application to a class of consumers. To

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the maximum reasonable extent, the commission shall set rates to encourage energy conservation and renewable energy use and to further the goals of sections 116J.05, 216B.164, and 216B.241. Any doubt as to reasonableness should be resolved in favor of the consumer. For rate making purposes a public utility may treat two or more municipalities served by it as a single class wherever the populations are comparable in size or the conditions of service are similar.

Sec. 5. Minnesota Statutes 1982, section 216B.16, subdivision 1, is amended to read:

Subdivision 1. **NOTICE.** Unless the commission otherwise orders, no public utility shall change a rate which has been duly established under this chapter, except upon 60 days notice to the commission. The notice shall include statements of facts, expert opinions, substantiating documents, and exhibits including an energy conservation improvement plan pursuant to section 216B.241, supporting the change requested, and state the change proposed to be made in the rates then in force and the time when the modified rates will go into effect. The filing utility shall give written notice, as approved by the commission, of the proposed change to the governing body of each municipality and county in the area affected. All proposed changes shall be shown by filing new schedules or shall be plainly indicated upon schedules on file and in force at the time.

Sec. 6. Minnesota Statutes 1982, section 216B.241, subdivision 1, is amended to read:

216B.241. ENERGY CONSERVATION IMPROVEMENTS.

Subdivision 1. **DEFINITIONS.** For purposes of this section, the terms defined in this subdivision shall have the meanings given them:

(a) "Commission" means the public utilities commission, department of public service;

(b) "Energy conservation improvement" means the purchase or installation of any device, method or material that increases the efficiency in the residential use of electricity or natural gas including, but not limited to:

- (1) insulation and ventilation;
- (2) storm or thermal doors or windows;
- (3) caulking and weatherstripping;
- (4) furnace efficiency modifications;
- (5) thermostat or lighting controls;
- (6) awnings; or

(7) systems to turn off or vary the delivery of energy. The term "energy conservation improvement" ~~does not include~~ includes any device or method

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which creates, converts or actively uses energy from renewable sources such as solar, wind and biomass providing such device or method conforms with national or state performance and quality standards whenever applicable.

(c) "Investments and expenses of a public utility" includes the investments and expenses incurred by a public utility in connection with an energy conservation improvement including, but not limited to:

(1) the differential in interest cost between the market rate and the rate charged on a no interest or below market interest loan made by a public utility to a customer for the purchase or installation of an energy conservation improvement;

(2) the difference between the utility's cost of purchase or installation of energy conservation improvements and any price charged by a public utility to a customer for such improvements.

(d) "Public utility" has the same meaning as given that term in section 216B.02, subdivision 4. For the purposes of this section, "public utility" shall not include cooperative electric associations that become subject to rate regulation after April 16, 1980.

Sec. 7. Minnesota Statutes 1982, section 216B.241, subdivision 2, is amended to read:

Subd. 2. **PROGRAMS.** The commission may order public utilities to make investments and expenditures in energy conservation improvements, explicitly setting forth the interest rates, prices, and terms under which the improvements shall be offered to the customers. The commission shall order at least one public utility to establish a pilot program to make investments in and expenditures for energy from renewable resources such as solar, wind, or biomass. The commission shall evaluate the program on the basis of cost-effectiveness and the reliability of technologies employed. The order of the commission shall provide to the extent practicable for a free choice of ~~contractor, qualified under the residential conservation services program of the department of energy, planning and development, for consumers participating in the program, by consumers participating in the program, of the device, method, or material constituting the energy conservation improvement and for a free choice of the seller, installer, or contractor of the energy conservation improvement, provided that the device, method, material, seller, installer, or contractor is duly licensed, certified, approved, or qualified, including under the residential conservation services program, where applicable.~~ The commission may order a utility to make an energy conservation improvement investment or expenditure whenever the commission finds that the improvement will result in energy savings at a total cost to the utility less than the cost to the utility to produce or purchase an equivalent amount of new supply of energy. The commission shall nevertheless insure that every public utility with operating revenues in excess of \$50,000,000 operate one

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of more programs, under periodic review by the commission, which make significant investments in and expenditures for energy conservation improvements. The commission shall give special consideration to the needs of renters and low income families and individuals. Provisions of the previous sentences shall expire on January 1, 1993. Investments and expenditures made pursuant to an order shall be treated for ratemaking purposes in the manner prescribed in section 216B.16, subdivision 6b. No utility shall make an energy conservation improvement pursuant to this section to a ~~residential~~ building envelope unless it is the primary supplier of energy used for either space heating or cooling in the building.

Sec. 8. Minnesota Statutes 1982, section 216B.241, subdivision 3, is amended to read:

Subd. 3. **OWNERSHIP OF RESIDENTIAL ENERGY CONSERVATION IMPROVEMENTS.** Any energy conservation improvement made to or installed in any ~~residential~~ building pursuant to this section, except systems owned by the utility and designed to turn off, limit, or vary the delivery of energy, shall be the exclusive property of the owner of the building except insofar as it is subjected to a security interest in favor of the utility in case of a loan to the building owner. The utility shall have no liability for loss, damage or injury caused directly or indirectly by any energy conservation improvement except for negligence by the utility in purchase, installation, or modification of the product.

Sec. 9. **EFFECTIVE DATE.**

Sections 1 to 8 are effective the day following final enactment.

Approved May 19, 1983

CHAPTER 180 — H.F.No. 223

An act relating to taxation; authorizing the assessment of personal liability of corporate or partnership officers or employees; deleting obsolete references; clarifying that administrative subpoenas are enforced in the judicial district where the party served is located; providing that tax liens include certain costs; providing for the filing of liens and the transcription of liens to other counties; eliminating the requirement of notification to commissioner of foreclosure in certain instances; providing for the assessment of taxes; providing time limitations for court proceedings to collect certain taxes; providing for a suspension of certain time limitations in bankruptcy cases; clarifying the classification of tax claims in estates; providing a bond requirement to secure withholding taxes; providing for payment of withholding taxes by contractors and certain subcontractors prior to final

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