

Sec. 82. GUIDELINES FOR CAPITAL PROJECT GRANTS.

The commissioner of finance shall develop budget guidelines for capital improvement projects that involve grants to political subdivisions to acquire and better facilities to be used for educational or cultural purposes. The commissioner shall give particular attention to projects where the facilities will be leased to or managed by a nonprofit organization. The commissioner shall review budget guidelines and processes used by other states to evaluate and prioritize projects of this kind. The commissioner shall consider for inclusion in the guidelines a method of measuring the fiscal capacity and fiscal effort of nonprofit organizations and the political subdivisions to whom the grants are proposed to be paid. The commissioner shall report proposed guidelines to the legislature by November 15, 1994.

Sec. 83. EFFECTIVE DATE.

This act is effective the day after its final enactment, except that section 71 is effective July 1, 1994, and applies to electricity produced on and after that date.

Section 68 applies to land improved after July 1, 1994.

Presented to the governor May 9, 1994

Signed by the governor May 16, 1994, 3:10 p.m.

CHAPTER 644—H.F.No. 2591

An act relating to utilities; eliminating duplicate reporting relating to energy demand forecasting information by public utilities; authorizing low-income rates in certain circumstances; establishing a pilot program; amending Minnesota Statutes 1992, sections 116C.57, subdivision 3; 216B.16, by adding a subdivision; 216B.241, subdivision 1a; and 216C.17, subdivision 2; Minnesota Statutes 1993 Supplement, sections 216B.2422, by adding a subdivision; and 216C.17, subdivision 3; repealing Minnesota Statutes 1993 Supplement, section 116C.54.

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

Section 1. Minnesota Statutes 1992, section 116C.57, subdivision 3, is amended to read:

Subd. 3. **EMERGENCY CERTIFICATION.** Any utility whose electric power system requires the immediate construction of a large electric power generating plant or high voltage transmission line may make application to the board for an emergency certificate of site compatibility or permit for the construction of high voltage transmission lines, which certificate or permit shall be issued in a timely manner no later than 195 days after the board's acceptance of

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the application and upon a finding by the board that a demonstrable emergency exists which requires immediate construction, and that adherence to the procedures and time schedules specified in ~~section 116C.54~~ and this section would jeopardize the utility's electric power system or would jeopardize the utility's ability to meet the electric needs of its customers in an orderly and timely manner. A public hearing to determine if an emergency exists shall be held within 90 days of the application. The board shall, after notice and hearing, promulgate rules specifying the criteria for emergency certification.

Sec. 2. Minnesota Statutes 1992, section 216B.16, is amended by adding a subdivision to read:

Subd. 15. LOW-INCOME RATES. (a) The commission may consider ability to pay as a factor in setting utility rates and may establish programs for low-income residential ratepayers in order to ensure affordable, reliable, and continuous service to low-income utility customers. The commission shall order a pilot program for at least one utility. In ordering pilot programs, the commission shall consider the following:

(1) the potential for low-income programs to provide savings to the utility for all collection costs including but not limited to: costs of disconnecting and reconnecting residential ratepayers' service, all activities related to the utilities' attempt to collect past due bills, utility working capital costs, and any other administrative costs related to inability to pay programs and initiatives;

(2) the potential for leveraging federal low-income energy dollars to the state; and

(3) the impact of energy costs as a percentage of the total income of a low-income residential customer.

(b) In determining the structure of the pilot utility program, the commission shall:

(1) consult with advocates for and representatives of low-income utility customers, administrators of energy assistance and conservation programs, and utility representatives;

(2) coordinate eligibility for the program with the state and federal energy assistance program and low-income residential energy programs, including weatherization programs; and

(3) evaluate comprehensive low-income programs offered by utilities in other states.

(c) The commission shall implement at least one pilot project by January 1, 1995, and shall allow a utility required to implement a pilot project to recover the net costs of the project in the utility's rates.

(d) The commission, in conjunction with the commissioner of the department of public service and the commissioner of jobs and training, shall review

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low-income rate programs and shall report to the legislature by January 1, 1998. The report must include:

(1) the increase in federal energy assistance money leveraged by the state as a result of this program;

(2) the effect of the program on low-income customer's ability to pay energy costs;

(3) the effect of the program on utility customer bad debt and arrearages;

(4) the effect of the program on the costs and numbers of utility disconnections and reconnections and other costs incurred by the utility in association with inability to pay programs;

(5) the ability of the utility to recover the costs of the low-income program without a general rate change;

(6) how other ratepayers have been affected by this program;

(7) recommendations for continuing, eliminating, or expanding the low-income pilot program; and

(8) how general revenue funds may be utilized in conjunction with low-income programs.

Sec. 3. Minnesota Statutes 1992, section 216B.241, subdivision 1a, is amended to read:

Subd. 1a. **INVESTMENTS, EXPENDITURES, AND CONTRIBUTIONS; REGULATED UTILITIES.** (a) For purposes of this subdivision and subdivision 2, "public utility" has the meaning given it in section 216B.02, subdivision 4. Each public utility shall spend and invest for energy conservation improvements under this subdivision and subdivision 2 the following amounts:

(1) for a utility that furnishes gas service, .5 percent of its gross operating revenues from service provided in the state; and

(2) for a utility that furnishes electric service, 1.5 percent of its gross operating revenues from service provided in the state.

(b) The commissioner may require investments or spending greater than the amounts required under this subdivision for a public utility whose most recent advance forecast required under section ~~116C.54~~ 216B.2422 or 216C.17 projects a peak demand deficit of 100 megawatts or greater within five years under mid-range forecast assumptions. A public utility may appeal a decision of the commissioner under this paragraph to the commission under subdivision 2. In reviewing a decision of the commissioner under this paragraph, the commission shall rescind the decision if it finds that the required investments or spending will:

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- (1) not result in cost-effective programs; or
- (2) otherwise not be in the public interest.

(c) Each utility shall determine what portion of the amount it sets aside for conservation improvement will be used for conservation improvements under subdivision 2 and what portion it will contribute to the energy and conservation account established in subdivision 2a. Contributions must be remitted to the commissioner of public service by February 1 of each year. Nothing in this subdivision prohibits a public utility from spending or investing for energy conservation improvement more than required in this subdivision.

Sec. 4. Minnesota Statutes 1993 Supplement, section 216B.2422, is amended by adding a subdivision to read:

Subd. 2a. HISTORICAL DATA AND ADVANCE FORECAST. Each utility required to file a resource plan under this section shall include in the filing all applicable annual information required by section 216C.17, subdivision 2, and the rules adopted under that section. To the extent that a utility complies with this subdivision, it is not required to file annual advance forecasts with the department under section 216C.17, subdivision 2.

Sec. 5. Minnesota Statutes 1992, section 216C.17, subdivision 2, is amended to read:

Subd. 2. **FORECASTS.** Except as provided in subdivision 3, in addition to supplying the current statistical and short range forecasting information the commissioner requires, each utility, coal supplier, petroleum supplier and large energy facility in the state shall prepare and transmit to the commissioner by July 1 of each year, a report specifying in five, ten, and 15 year forecasts the projected demand for energy within their respective service areas and the facilities necessary to meet the demand.

The report shall be in a form specified by the commissioner and contain all information deemed relevant by the commissioner.

Sec. 6. Minnesota Statutes 1993 Supplement, section 216C.17, subdivision 3, is amended to read:

Subd. 3. **DUPLICATION.** The commissioner shall, to the maximum extent feasible, provide that forecasts required under this section be consistent with material required by other state and federal agencies in order to prevent unnecessary duplication. ~~Public Electric utilities submitting advance forecasts containing all information specified in section 116C.54, subdivision 1,~~ as part of an integrated resource plan filed pursuant to section 216B.2422 and public utilities commission rules shall be are excluded from the annual reporting requirement in subdivision 2.

Sec. 7. **REPEALER.**

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Minnesota Statutes 1993 Supplement, section 116C.54, is repealed.

Presented to the governor May 9, 1994

Signed by the governor May 17, 1994, 2:27 p.m.

CHAPTER 645—H.F.No. 942

An act relating to traffic regulations; requiring every driver to use due care in operating a motor vehicle; amending Minnesota Statutes 1992, section 169.14, subdivision 1.

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

Section 1. Minnesota Statutes 1992, section 169.14, subdivision 1, is amended to read:

Subdivision 1. **BASIC RULE; INATTENTIVE DRIVING.** No person shall drive a vehicle on a highway at a speed greater than is reasonable and prudent under the conditions ~~and having regard to.~~ Every driver is responsible for becoming and remaining aware of the actual and potential hazards then existing on the highway and must use due care in operating a vehicle. In every event speed shall be so restricted as may be necessary to avoid colliding with any person, vehicle or other conveyance on or entering the highway in compliance with legal requirements and the duty of all persons to use due care.

Sec. 2. **EFFECTIVE DATE.**

Section 1 is effective August 1, 1994, and applies to offenses committed on or after that date.

Presented to the governor May 9, 1994

Signed by the governor May 16, 1994, 3:12 p.m.

CHAPTER 646—S.F.No. 1512

An act relating to elections; providing uniform local election procedures; requiring regular city elections to be held in the fall; permitting certain town elections to be held in November; making uniform certain local government procedures; changing school district election requirements; amending Minnesota Statutes 1992, sections 103C.305, subdivision 2; 123.33, subdivision 1; 205.02, subdivision 2; 205.065, subdivisions 1 and 2; 205.07, subdivision 1; 205.10, subdivision 1, and by adding a subdivision; 205.13, subdivision 1, and by adding a subdivision; 205.16, subdivisions 1 and 2; 205.17, subdivision 4; 205.175; 205A.03, subdivisions 1 and 2; 205A.04, subdivision 1; 205A.06, subdivision 1, and by adding a subdivision;

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