Minnesota to be used, in consultation with the Minnesota Vikings and the commissioner of finance, to meet the cost of developing the agreement described in this section.

Sec. 19. METRODOME REVENUES.

The metropolitan sports facilities commission shall meet with the sports teams who are tenants in its metrodome facility to discuss terms and conditions of the teams' respective use agreements in order to enhance the teams' revenue streams.

Sec. 20. EFFECTIVE DATE.

Sections 1 to 19 are effective the day following final enactment.

Presented to the governor May 20, 2002

Signed by the governor May 22, 2002, 1:27 p.m.

CHAPTER 398-H.F.No. 2972

An act relating to energy; decreasing regulatory requirements for small power lines; modifying provision for selecting reliability administrator; requiring department of administration to coordinate with department of commerce to develop comprehensive energy plan for public buildings by 2004; extending expiration by three years of certain procedural powers of public utilities commission; making technical corrections; amending Minnesota Statutes 2000, section 116C.63, subdivision 4; Minnesota Statutes 2001 Supplement, sections 216B.1646, as amended; 216B.1691, subdivision 1; 216B.243, subdivision 8; 216C.052, subdivision 2; 216C.41, subdivision 5; Laws 1999, chapter 125, section 4; Laws 2001, chapter 212, article 1, section 3.

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

Section 1. Minnesota Statutes 2000, section 116C.63, subdivision 4, is amended to read:

Subd. 4. When private real property that is an agricultural or nonagricultural homestead, nonhomestead agricultural land, rental residential property, and both commercial and noncommercial seasonal residential recreational property, as those terms are defined in section 273.13 is proposed to be acquired for the construction of a site or route for a high-voltage transmission line with a capacity of 200 kilovolts or more by eminent domain proceedings, the fee owner, or when applicable, the fee owner with the written consent of the contract for deed vendee, or the contract for deed vendee with the written consent of the fee owner, shall have the option to require the utility to condemn a fee interest in any amount of contiguous, commercially viable land which the owner or vendee wholly owns or has contracted to own in undivided fee and elects in writing to transfer to the utility within 60 days after receipt of the notice of the objects of the petition filed pursuant to section 117.055. Commercial viability shall be determined without regard to the presence of the utility route or site. The owner or, when applicable, the contract vendee shall have only one such option and may not

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expand or otherwise modify an election without the consent of the utility. The required acquisition of land pursuant to this subdivision shall be considered an acquisition for a public purpose and for use in the utility's business, for purposes of chapter 117 and section 500.24, respectively; provided that a utility shall divest itself completely of all such lands used for farming or capable of being used for farming not later than the time it can receive the market value paid at the time of acquisition of lands less any diminution in value by reason of the presence of the utility route or site. Upon the owner's election made under this subdivision, the easement interest over and adjacent to the lands designated by the owner to be acquired in fee, sought in the condemnation petition for a high voltage right-of-way for a high-voltage transmission line right of-way with a capacity of 200 kilovolts or more shall automatically be converted into a fee taking.

Sec. 2. Minnesota Statutes 2001 Supplement, section 216B.1646, as amended by Laws 2002, chapter 377, article 4, section 3, if enacted, is amended to read:

216B.1646 RATE REDUCTION; PROPERTY TAX REDUCTION.

(a) The commission shall, by any method the commission finds appropriate, reduce the rates each electric utility subject to rate regulation by the commission charges its customers to reflect, on an ongoing basis, the amount by which each utility's property tax on the personal property of its electric system from taxes payable in 2001 to taxes payable in 2002 is reduced. The commission must ensure that, to the extent feasible, each dollar of personal property tax reduction allocated to Minnesota consumers retroactive to January 1, 2002, results in a dollar of savings to the utility's customers. A utility may voluntarily pass on any additional property tax savings allocated in the same manner as approved by the commission under this paragraph.

(b) By April 10, 2002, each utility shall submit a filing to the commission containing:

(1) certified information regarding the utility's property tax savings allocated to Minnesota retail customers; and

(2) a proposed method of passing these savings on to Minnesota retail customers.

The utility shall provide the information in clause (1) to the commissioner of revenue at the same time. The commissioner shall notify the commission within 30 days as to the accuracy of the property tax data submitted by the utility.

(c) For purposes of this section, "personal property" means tools, implements, and machinery of the generating plant. It does not apply to transformers, transmission lines, distribution lines, or any other tools, implements, and machinery that are part of an electric substation, wherever located.

EFFECTIVE DATE. This section is effective retroactively from July 1, 2001.

Sec. 3. Minnesota Statutes 2001 Supplement, section 216B.1691, subdivision 1, is amended to read:

Subdivision 1. DEFINITIONS. (a) "Eligible energy technology" means:

(1) an energy technology that generates electricity from the following renewable energy sources: solar, wind, hydroelectric with a capacity of less than 60 megawatts, or biomass; and

(2) was not mandated by state law or commission order <u>enacted</u> or <u>issued</u> prior to August 1, 2001.

(b) "Electric utility" means a public utility providing electric service, a generation and transmission cooperative electric association, or a municipal power agency.

Sec. 4. Minnesota Statutes 2001 Supplement, section 216B.243, subdivision 8, is amended to read:

Subd. 8. EXEMPTIONS. This section does not apply to:

(1) cogeneration or small power production facilities as defined in the Federal Power Act, United States Code, title 16, section 796, paragraph (17), subparagraph (A), and paragraph (18), subparagraph (A), and having a combined capacity at a single site of less than 80,000 kilowatts or to plants or facilities for the production of ethanol or fuel alcohol nor in any case where the commission shall determine after being advised by the attorney general that its application has been preempted by federal law;

(2) a high-voltage transmission line proposed primarily to distribute electricity to serve the demand of a single customer at a single location, unless the applicant opts to request that the commission determine need under this section or section 216B.2425;

(3) the upgrade to a higher voltage of an existing transmission line that serves the demand of a single customer that primarily uses existing rights-of-way, unless the applicant opts to request that the commission determine need under this section or section 216B.2425;

(4) a high-voltage transmission line of one mile or less required to connect a new or upgraded substation to an existing, new, or upgraded high-voltage transmission line;

(5) conversion of the fuel source of an existing electric generating plant to using natural gas; or

(5) (6) modification of an existing electric generating plant to increase efficiency, as long as the capacity of the plant is not increased more than ten percent or more than 100 megawatts, whichever is greater.

Sec. 5. Minnesota Statutes 2001 Supplement, section 216C.052, subdivision 2, is amended to read:

Subd. 2. ADMINISTRATIVE ISSUES. (a) The commissioner may select the administrator who shall serve for a four-year term. The administrator may not have been a party or a participant in a commission energy proceeding for at least one year prior to selection by the commissioner. The commissioner shall oversee and direct the work of the administrator, annually review the expenses of the administrator, and annually approve the budget of the administrator. The administrator may hire staff and may contract for technical expertise in performing duties when existing state resources are required for other state responsibilities or when special expertise is required. The salary of the administrator is governed by section 15A.0815, subdivision 2.

(b) Costs relating to a specific proceeding, analysis, or project are not general administrative costs. For purposes of this section, "energy utility" means public utilities, generation and transmission cooperative electric associations, and municipal power agencies providing natural gas or electric service in the state.

(c) The department of commerce shall pay:

(1) the general administrative costs of the administrator, not to exceed \$1,500,000 in a fiscal year, and shall assess energy utilities for reimbursement for those administrative costs. These costs must be consistent with the budget approved by the commissioner under paragraph (a). The department shall apportion the costs among all energy utilities in proportion to their respective gross operating revenues from sales of gas or electric service within the state during the last calendar year, and shall then render a bill to each utility on a regular basis; and

(2) costs relating to a specific proceeding analysis or project and shall render a bill for reimbursement to the specific energy utility or utilities participating in the proceeding, analysis, or project directly, either at the conclusion of a particular proceeding, analysis, or project, or from time to time during the course of the proceeding, analysis, or project.

(d) For purposes of administrative efficiency, the department shall assess energy utilities and issue bills in accordance with the billing and assessment procedures provided in section 216B.62, to the extent that these procedures do not conflict with this subdivision. The amount of the bills rendered by the department under paragraph (c) must be paid by the energy utility into an account in the special revenue fund in the state treasury within 30 days from the date of billing and is appropriated to the commissioner for the purposes provided in this section. The commission shall approve or approve as modified a rate schedule providing for the automatic adjustment of charges to recover amounts paid by utilities under this section. All amounts assessed under this section are in addition to amounts appropriated to the commission and the department by other law.

Sec. 6. Minnesota Statutes 2001 Supplement, section 216C.41, subdivision 5, is amended to read:

Subd. 5. AMOUNT OF PAYMENT. (a) An incentive payment is based on the number of kilowatt hours of electricity generated. The amount of the payment is:

(1) for a facility described under subdivision 2, paragraph (a), clause (4), 1.0 cents per kilowatt hour; and

(2) for all other facilities, 1.5 cents per kilowatt hour.

For electricity generated by qualified wind energy conversion facilities, the incentive payment under this section is limited to no more than 100 megawatts of nameplate capacity. During any period in which qualifying claims for incentive payments exceed 100 megawatts of nameplate capacity, the payments must be made to producers in the order in which the production capacity was brought into production.

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(b) Beginning For wind energy conversion systems installed and contracted for after January 1, 2002, the total size of a wind energy conversion system under this section must be determined according to this paragraph. Unless the systems are interconnected with different distribution systems, the nameplate capacity of one wind energy conversion system must be combined with the nameplate capacity of any other wind energy conversion system that is:

(1) located within five miles of the wind energy conversion system;

(2) constructed within the same calendar year as the wind energy conversion system; and

(3) under common ownership.

In the case of a dispute, the commissioner of commerce shall determine the total size of the system, and shall draw all reasonable inferences in favor of combining the systems.

(c) In making a determination under paragraph (b), the commissioner of commerce may determine that two wind energy conversion systems are under common ownership when the underlying ownership structure contains similar persons or entities, even if the ownership shares differ between the two systems. Wind energy conversion systems are not under common ownership solely because the same person or entity provided equity financing for the systems.

Sec. 7. Laws 1999, chapter 125, section 4, is amended to read:

Sec. 4. SUNSETS.

Sections 1 to 3 expire as of June 30, 2002 2005.

Sec. 8. Laws 2001, chapter 212, article 1, section 3, is amended to read:

Sec. 3. BENCHMARKS FOR EXISTING PUBLIC BUILDINGS.

The department of administration shall maintain information on energy usage in all public buildings for the purpose of establishing energy efficiency benchmarks and energy conservation goals. The department shall report preliminary energy conservation goals to the chairs of the senate telecommunications, energy and utilities committee and the house regulated industries committee by January 15, 2002. The department shall develop, in coordination with the department of commerce, a comprehensive plan by January 15, 2003 2004, to maximize electrical and thermal energy efficiency in existing public buildings through conservation measures having a simple payback within ten to 15 years. The plan must detail the steps necessary to implement the conservation measures and include the projected costs of these measures. The owner or operator of a public building subject to this section shall provide information to the department of administration necessary to accomplish the purposes of this section.

Sec. 9. IDENTIFICATION AND EVALUATION; COMPETITIVE BID-DING CRITERIA.

The commissioner of commerce shall identify and evaluate various criteria that could be used by a utility in evaluating and selecting bids submitted in a competitive bidding process established under Minnesota Statutes, section 216B.2422, subdivision 5.

To assist in the evaluation, the commissioner shall convene a series of forums at which input from citizens and stakeholders can be solicited. The commissioner shall present this evaluation in a report to the house and senate policy and finance committees with jurisdiction over energy regulatory issues and agencies by January 15, 2003.

Sec. 10. EXCESS DULUTH ENERGY LOAN FUNDS; USE IN OTHER ENERGY CONSERVATION PROGRAMS.

Notwithstanding Laws 1981, chapter 223, as amended by Laws 1984, chapter 581, or any other law to the contrary, the city of Duluth may use excess funds in accounts in its home energy loan program authorized by those laws for other energy conservation programs, including, but not limited to, a commercial enterprise energy loan program or a city climate protection program to reduce city energy consumption, provided that:

(1) all bonds issued under the home energy loan program have been retired;

(2) no more energy loan bonds are issued; and

(3) any sums used for other energy saving programs are in excess of market demands for home energy loans.

EFFECTIVE DATE. This section is effective the day after the approval by the governing body of the city of Duluth is filed according to Minnesota Statutes, section 645.021, subdivision 3.

Sec. 11. INSTRUCTION TO REVISOR.

The revisor of statutes shall remove codification of Laws 2001, chapter 212, article 8, section 14. Laws 2001, chapter 212, article 8, section 14, shall remain part of Laws 2001 as uncodified law.

Sec. 12. EFFECTIVE DATE.

Sections 1, 3 to 9, and 11 are effective the day following final enactment.

Presented to the governor May 20, 2002

Signed by the governor May 22, 2002, 1:29 p.m.

CHAPTER 399-H.F.No. 3350

An act relating to health; establishing emeritus registration for mortuary science practitioner; establishing a donated dental services program; establishing a volunteer health care