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State of Minnesota

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HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. **3243**

03/01/2018 Authored by Rarick, Sundin, Scott, Baker, Hoppe and others
The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance
03/15/2018 Adoption of Report: Placed on the General Register
Read for the Second Time

1.1 A bill for an act
1.2 relating to energy; public utilities; establishing a pension rate base for purposes
1.3 of rate increase hearings; amending Minnesota Statutes 2016, section 216B.16,
1.4 by adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2016, section 216B.16, is amended by adding a subdivision
1.7 to read:

1.8 Subd. 13b. Pension rate base. The commission must allow a public utility to include
1.9 in the rate base and recover from ratepayers the costs incurred to contribute to employee
1.10 pensions, including (1) accumulated contributions in excess of net periodic benefit costs,
1.11 and (2) contributions necessary to comply with the federal Pension Protection Act of 2006
1.12 and other applicable federal and state pension funding requirements. A public utility is
1.13 authorized to track for future recovery any unrecoverable return of pension rate base costs
1.14 and investments at the return on investment level established in the public utility's last
1.15 general rate case that have been incurred during the period between general rate cases.