

**SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION**

S.F. No. 2961

(SENATE AUTHORS: SENJEM)

DATE
02/07/2022

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Introduction and first reading
Referred to Energy and Utilities Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to energy; providing a process to allocate revenue sharing for regionally
1.3 cost-shared electric transmission lines; amending Minnesota Statutes 2020, section
1.4 216B.246, subdivisions 1, 2, by adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2020, section 216B.246, subdivision 1, is amended to read:

1.7 Subdivision 1. **Definitions.** (a) For purposes of this section, the terms defined in this
1.8 subdivision have the meanings given them.

1.9 (b) "Electric transmission line" means a high-voltage transmission line with a capacity
1.10 of 100 kilovolts or more and associated transmission facilities.

1.11 (c) "Incumbent electric transmission owner" means any public utility that owns, operates,
1.12 and maintains an electric transmission line in this state; any generation and transmission
1.13 cooperative electric association; any municipal power agency; any power district; any
1.14 municipal utility; or any transmission company as defined under section 216B.02, subdivision
1.15 10.

1.16 (d) "Load ratio share" means the ratio of a participant's retail load served in Minnesota
1.17 under a load-serving obligation to the total retail load served in Minnesota by all participants.
1.18 For the purposes of this paragraph, the retail load of a generation and transmission
1.19 cooperative electric association is the retail load of the distribution cooperative electric
1.20 associations to which the generation and transmission cooperative electric association
1.21 supplies wholesale transmission service.

2.1 (e) "Participant" means an incumbent transmission provider that participates in the
 2.2 construction, ownership, or maintenance of a regionally cost-shared electric transmission
 2.3 line.

2.4 (f) "Regionally cost-shared electric transmission line" means an electric transmission
 2.5 line and associated transmission facilities that are eligible for regional cost recovery under
 2.6 a federally registered planning authority's tariff.

2.7 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.8 Sec. 2. Minnesota Statutes 2020, section 216B.246, subdivision 2, is amended to read:

2.9 Subd. 2. **Incumbent electric transmission owner rights.** (a) An incumbent electric
 2.10 transmission owner has the right to construct, own, and maintain an electric transmission
 2.11 line that has been approved for construction in a federally registered planning authority
 2.12 transmission plan and connects to facilities owned by that incumbent electric transmission
 2.13 owner. The right to construct, own, and maintain an electric transmission line that connects
 2.14 to facilities owned by two or more incumbent electric transmission owners belongs
 2.15 individually and proportionally to each incumbent electric transmission owner, unless
 2.16 otherwise agreed upon in writing. This section does not limit the right of any incumbent
 2.17 electric transmission owner to construct, own, and maintain any transmission equipment or
 2.18 facilities that have a capacity of less than 100 kilovolts.

2.19 (b) Notwithstanding anything to the contrary in this section, the right of incumbent
 2.20 electric transmission owners to construct, own, and maintain a regionally cost-shared electric
 2.21 transmission line must be determined under subdivision 4.

2.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.23 Sec. 3. Minnesota Statutes 2020, section 216B.246, is amended by adding a subdivision
 2.24 to read:

2.25 Subd. 4. **Regionally cost-shared electric transmission line.** (a) Incumbent electric
 2.26 transmission owners have the right to construct, own, and maintain regionally cost-shared
 2.27 electric transmission lines. The commission must determine the proportion of the right
 2.28 among participants as provided under paragraphs (c) and (d).

2.29 (b) If a regionally cost-shared electric transmission line has been approved for
 2.30 construction in a federally registered planning authority transmission plan, within 90 days
 2.31 of the plan's approval any incumbent electric transmission owner may file a written petition
 2.32 with the commission requesting that the commission determine the petitioner is a participant

3.1 in constructing, owning, or maintaining the regionally cost-shared electric transmission line.
3.2 The petition must provide the reasons for the request and the extent of the petition requested,
3.3 based on the factors under paragraph (c). An incumbent electric transmission owner that
3.4 does not file a timely petition has no right to participate in the regionally cost-shared electric
3.5 transmission line.

3.6 (c) When acting on a petition under paragraph (b), the commission must consider the
3.7 following factors:

3.8 (1) the petitioner's load-serving obligations;

3.9 (2) the extent to which the transmission line would be located within the petitioner's
3.10 service area or the service area of a distribution cooperative electric association to which
3.11 the petitioner supplies wholesale transmission service;

3.12 (3) the petitioner's financial and technical ability to participate in constructing, owning,
3.13 or maintaining the transmission line; and

3.14 (4) the cost impacts on the petitioner that would result from granting the petition compared
3.15 to the costs of denying the petition.

3.16 (d) After considering the factors under paragraph (c) during hearings or other procedures
3.17 determined by the commission, the commission must issue an order: (1) determining which
3.18 of the petitioners is a participant in the regionally cost-shared electric transmission line; and
3.19 (2) apportioning investment in and ownership of the regionally cost-shared electric
3.20 transmission line using the factors provided in paragraph (c) or defaulting to the proportion
3.21 of the participant's load ratio share among all participants.

3.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.