

SENATE
STATE OF MINNESOTA
NINETIETH SESSION

S.F. No. 1649

(SENATE AUTHORS: INGEBRIGTSEN, Osmek, Tomassoni, Hoffman and Goggin)

DATE
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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; modifying the solar energy standard; amending resource planning
1.3 requirements; amending Minnesota Statutes 2016, sections 216B.1691, subdivision
1.4 2f; 216B.2422, subdivisions 2, 4.

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

1.6 Section 1. Minnesota Statutes 2016, section 216B.1691, subdivision 2f, is amended to
1.7 read:

1.8 Subd. 2f. **Solar energy standard.** (a) In addition to the requirements of subdivisions 2a
1.9 and 2b, each public utility shall generate or procure sufficient electricity generated by solar
1.10 energy to serve its retail electricity customers in Minnesota so that by the end of 2020, at
1.11 least 1.5 percent of the utility's total retail electric sales to retail customers in Minnesota is
1.12 generated by solar energy.

1.13 (b) For a public utility with more than 200,000 retail electric customers, at least ten
1.14 percent of the 1.5 percent goal must be met by solar energy generated by or procured from
1.15 solar photovoltaic devices with a nameplate capacity of 20 kilowatts or less.

1.16 (c) A public utility with between 50,000 and 200,000 retail electric customers:

1.17 (1) must make a good faith effort, as determined by the commission, to meet at least ten
1.18 percent of the 1.5 percent goal with solar energy generated by or procured from solar
1.19 photovoltaic devices with a nameplate capacity of 40 kilowatts or less; and

1.20 (2) may apply toward the ten percent goal in clause (1) individual customer subscriptions
1.21 of 40 kilowatts or less to a community solar garden program operated by the public utility
1.22 that has been approved by the commission.

~~(b)~~ (d) The solar energy standard established in this subdivision is subject to all the provisions of this section governing a utility's standard obligation under subdivision 2a.

~~(e)~~ (e) It is an energy goal of the state of Minnesota that, by 2030, ten percent of the retail electric sales in Minnesota be generated by solar energy.

~~(d)~~ (f) For the purposes of calculating the total retail electric sales of a public utility under this subdivision, there shall be excluded retail electric sales to customers that are:

(1) an iron mining extraction and processing facility, including a scam mining facility as defined in Minnesota Rules, part 6130.0100, subpart 16; or

(2) a paper mill, wood products manufacturer, sawmill, or oriented strand board manufacturer.

Those customers may not have included in the rates charged to them by the public utility any costs of satisfying the solar standard specified by this subdivision.

~~(e)~~ (g) A public utility may not use energy used to satisfy the solar energy standard under this subdivision to satisfy its standard obligation under subdivision 2a. A public utility may not use energy used to satisfy the standard obligation under subdivision 2a to satisfy the solar standard under this subdivision.

~~(f)~~ (h) Notwithstanding any law to the contrary, a solar renewable energy credit associated with a solar photovoltaic device installed and generating electricity in Minnesota after August 1, 2013, but before 2020 may be used to meet the solar energy standard established under this subdivision.

~~(g)~~ (i) Beginning July 1, 2014, and each July 1 through 2020, each public utility shall file a report with the commission reporting its progress in achieving the solar energy standard established under this subdivision.

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

Sec. 2. Minnesota Statutes 2016, section 216B.2422, subdivision 2, is amended to read:

Subd. 2. **Resource plan filing and approval.** A utility shall file a resource plan with the commission periodically in accordance with rules adopted by the commission. The commission shall approve, reject, or modify the plan of a public utility, as defined in section 216B.02, subdivision 4, consistent with the public interest. In the resource plan proceedings of all other utilities, the commission's order shall be advisory and the order's findings and conclusions shall constitute prima facie evidence which may be rebutted by substantial evidence in all other proceedings. With respect to utilities other than those defined in section

216B.02, subdivision 4, the commission shall consider the filing requirements and decisions in any comparable proceedings in another jurisdiction. As a part of its resource plan filing, a utility shall include the least cost plan for meeting 50 and 75 percent of all energy needs from both new and refurbished capacity needs generating facilities through a combination of conservation and renewable energy resources.

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

Sec. 3. Minnesota Statutes 2016, section 216B.2422, subdivision 4, is amended to read:

Subd. 4. **Preference for renewable energy facility.** The commission shall not approve a new or refurbished nonrenewable energy facility in an integrated resource plan or a certificate of need, pursuant to section 216B.243, nor shall the commission allow rate recovery pursuant to section 216B.16 for such a nonrenewable energy facility, unless the utility has demonstrated that a renewable energy facility is not in the public interest. When making the public interest determination, the commission must include consider:

(1) whether the resource plan helps the utility achieve the greenhouse gas reduction goals under section 216H.02, the renewable energy standard under section 216B.1691, or the solar energy standard under section 216B.1691, subdivision 2f;

(2) impacts on local and regional grid reliability; and

(3) utility costs resulting from the intermittence of renewable energy facilities, including but not limited to the costs of purchasing wholesale electricity in the market and the costs of providing ancillary services.

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