

1.1 A bill for an act

1.2 relating to energy; requiring certificate of need for certain transmission line;
1.3 requiring neighborhood energy reduction report; appropriating money.

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

1.5 Section 1. **URBAN TRANSMISSION LINE; CERTIFICATE OF NEED**

1.6 **REQUIRED.**

1.7 (a) A high-voltage transmission line longer than one mile with a capacity of 100
1.8 kilovolts or more that is located in a city of the first class in a zone within one mile of the
1.9 transmission line in which population density exceeds 8,000 persons per square mile, and
1.10 that runs parallel to and is within one-half mile of a below-grade bike and walking path
1.11 that connects with other bike paths along a river, is subject to the provisions of Minnesota
1.12 Statutes, section 216B.243.

1.13 (b) This section expires December 31, 2014.

1.14 **EFFECTIVE DATE.** This section is effective the day following final enactment
1.15 and applies only to high-voltage transmission lines described in this section that are the
1.16 subject of an application for a route permit under Minnesota Statutes, chapter 216E, that is
1.17 pending before the Public Utilities Commission on March 15, 2010.

1.18 Sec. 2. **NEIGHBORHOOD ENERGY REDUCTION REPORT.**

1.19 Subdivision 1. **Report.** (a) By February 15, 2011, an organization with experience
1.20 in energy conservation and energy planning at the neighborhood level that serves as
1.21 project manager must submit a report to the chairs and ranking minority members of the

2.1 senate and house of representatives committees with primary jurisdiction over energy
2.2 policy that contains the following information:

2.3 (1) projections of the amount of energy that can be conserved and generated through
2.4 the implementation of cost-effective energy efficiency investments; innovative energy
2.5 storage projects, including thermal energy storage; smart-grid technologies; and energy
2.6 produced from distributed generation projects fueled by solar photovoltaic and other
2.7 renewable energy sources located in the focused study area designated in the application
2.8 to the Minnesota Public Utilities Commission for a route permit for the high-voltage
2.9 transmission line identified in section 1;

2.10 (2) for each energy-reducing or energy-generating element recommended,
2.11 estimates of the amount of energy conserved or generated, the reduction in peak demand
2.12 requirements in the focused study area, and the cost per unit of energy saved or generated;
2.13 and

2.14 (3) an estimate of the number of green jobs that would be created through
2.15 implementation of the report's recommendations.

2.16 (b) Requests by the project manager for information from the utility serving the
2.17 focused study area may be made after the service of notice of and order for hearing
2.18 made under Minnesota Statutes, section 216B.243, for the project described in section 1.
2.19 Information requests with respect to the study are governed by the rules for contested case
2.20 hearings in Minnesota Rules, part 1400.6700.

2.21 (c) The project manager may contract for portions of the work required to complete
2.22 the report.

2.23 Subd. 2. **Community steering committee.** (a) The project manager shall convene
2.24 a community steering committee to provide input to the report. Appointments to the
2.25 steering committee must reflect the diversity of the focused study area, and include
2.26 representatives of focused study area residents, including homeowners, building owners
2.27 and renters, businesses, churches, other institutions, including the Midtown Community
2.28 Works Partnership, local hospitals, and local elected officials representing the focused
2.29 study area. All meetings held by the community steering committee or any subcommittees
2.30 it creates must be public meetings, with advance notice given to the public.

2.31 (b) The project manager shall seek to maximize the participation of focused study
2.32 area residents, stakeholders, and institutions in recommending ideas to be included within
2.33 the scope of the report and in reviewing initial and successive drafts of the report, including
2.34 providing stipends for reasonable expenses when necessary to increase participation, but
2.35 not including per diem payments. The project manager shall contact representatives of
2.36 similar successful projects in other states to benefit from their experience and to learn

3.1 about best practices for increasing public participation that can be replicated in Minnesota.
3.2 The report must incorporate and respond to comments from the focused study area and
3.3 the steering committee.

3.4 Subd. 3. **Energy savings.** The utility that serves the focused study area may apply
3.5 energy savings resulting directly from the implementation of recommendations contained
3.6 in the report regarding energy efficiency investments to its energy-savings goal under
3.7 section 216B.241, subdivision 1c.

3.8 Subd. 4. **Certificate of need process.** No contested case evidentiary hearings
3.9 for a certificate of need for the transmission line identified in section 1 may commence
3.10 before April 1, 2011.

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

3.12 Sec. 3. **APPROPRIATION AND TRANSFER.**

3.13 (a) Of the assessment authority authorized and appropriated to the commissioner
3.14 of commerce under Minnesota Statutes, section 216C.052, subdivision 2, paragraph (c),
3.15 clause (2), up to \$307,000 in fiscal year 2011 must be allocated by the commissioner to
3.16 implement this act. Of this amount, \$34,000 must be transferred and is appropriated to the
3.17 Public Utilities Commission to implement section 1. These appropriations are onetime
3.18 and are available until expended, without regard to section 216C.052, subdivision 4.

3.19 (b) The utility subject to Minnesota Statutes, section 116C.779, shall transfer
3.20 \$100,000 from the renewable development account established under that section to the
3.21 commissioner of commerce, who shall deposit it in the special revenue fund.

3.22 (c) \$100,000 from the money deposited in the special revenue fund under paragraph
3.23 (a) is appropriated to the commissioner of commerce for transfer to the city of Minneapolis
3.24 for a grant to an organization with experience in energy conservation and energy planning
3.25 at the neighborhood level that is selected by the city, in consultation with the Midtown
3.26 Greenway Coalition and representatives of the neighborhoods in which the high-voltage
3.27 transmission line described in section 1 is proposed to be located, and after project
3.28 proposals have been reviewed, to serve as project manager for the purpose of completing
3.29 the report required under section 2.

3.30 This is a onetime appropriation and is available until expended.