

SENATE
STATE OF MINNESOTA
EIGHTY-NINTH SESSION

S.F. No. 1948

(SENATE AUTHORS: MARTY)

DATE	D-PG	OFFICIAL STATUS
03/23/2015	1222	Introduction and first reading Referred to Environment and Energy
04/07/2015	1472a	Comm report: To pass as amended and re-refer to Finance See SF1735, Sec. 10

A bill for an act

1.1 relating to electric vehicles; requiring certain public utilities to file plans with
 1.2 the Public Utilities Commission promoting electric vehicles and to recover costs
 1.3 of promotion; providing rebates to electric purchasers; appropriating money;
 1.4 amending Minnesota Statutes 2014, sections 216B.16, by adding a subdivision;
 1.5 216B.1614, subdivision 1; proposing coding for new law in Minnesota Statutes,
 1.6 chapter 216B.
 1.7

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

1.9 Section 1. Minnesota Statutes 2014, section 216B.16, is amended by adding a
 1.10 subdivision to read:

1.11 Subd. 6e. **Incentive plan for electric vehicles.** (a) Each public utility that is
 1.12 required to develop an electric vehicle promotion program under section 216B.1615
 1.13 shall develop and submit for commission approval, by February 1, 2016, incentive plans
 1.14 that describe the method of recovery and accounting for utility expenditures related to
 1.15 the promotion of electric vehicles that result from the purchase of electric vehicles by its
 1.16 customers. In developing the incentive plans, public utilities shall ensure the effective
 1.17 involvement of interested parties.

1.18 (b) In approving incentive plans, the commission shall consider:

1.19 (1) the number of electric vehicles used by its customers;

1.20 (2) whether the plan is compatible with the interests of utility ratepayers and other
 1.21 interested parties; and

1.22 (3) whether the plan conflicts with other provisions of this chapter.

1.23 (c) A public utility may propose and the commission may approve rates to encourage
 1.24 effective implementation of a utility's electric vehicle promotion program under section
 1.25 216B.1615.

2.1 Sec. 2. Minnesota Statutes 2014, section 216B.1614, subdivision 1, is amended to read:

2.2 Subdivision 1. **Definitions.** (a) For the purposes of ~~this section~~ sections 216B.1614
 2.3 to 216B.1616, the terms defined ~~in this subdivision~~ have the meanings given them.

2.4 (b) "Electric vehicle" has the meaning given in section 169.011, subdivision 26a.

2.5 (c) "Public utility" has the meaning given in section 216B.02, subdivision 4.

2.6 (d) "Renewable energy" has the meaning given in section 216B.169, subdivision 2,
 2.7 paragraph (d).

2.8 Sec. 3. **[216B.1615] ELECTRIC VEHICLE PROMOTION PROGRAM.**

2.9 Subdivision 1. **Definitions.** (a) For the purposes of this section and section
 2.10 216B.1616, the terms defined in this subdivision have the meanings given them.

2.11 (b) "Electric vehicle charging station" means a public or private parking space
 2.12 that is served by battery charging station equipment that has as its primary purpose the
 2.13 transfer of electric energy by conductive or inductive means to a battery or other energy
 2.14 storage device in an electric vehicle.

2.15 (c) "Electric vehicle infrastructure" means structures, machinery, and equipment
 2.16 necessary and integral to support an electric vehicle, including electric vehicle charging
 2.17 stations and battery exchange stations.

2.18 (d) "Public utility" has the meaning given in section 216B.02, subdivision 4.

2.19 (e) "Vehicle-to-grid technology" means technology that allows electricity to flow
 2.20 from electric vehicle batteries to the electrical grid, and to be aggregated and dispatched in
 2.21 order to assist the balancing of electricity supply and demand.

2.22 Subd. 2. **Program.** (a) By February 1, 2016, each public utility serving a city of the
 2.23 first class must file with the commission a program to promote the purchase of electric
 2.24 vehicles by their customers and the construction of electric vehicle infrastructure.

2.25 (b) The program may include, but is not limited to, the following elements:

2.26 (1) educational resources for individuals, electric vehicle dealers, multifamily
 2.27 housing developers and property management companies, and vehicle fleet managers;

2.28 (2) rebates for electric vehicle purchase or leasing;

2.29 (3) rebates for installing electric vehicle charging stations at residences or
 2.30 workplaces; and

2.31 (4) a pilot program for implementing vehicle-to-grid technology.

2.32 Subd. 3. **Commission review.** The commission shall review and may approve,
 2.33 modify, or reject the plans submitted under this section for their effectiveness in promoting
 2.34 electric vehicle purchases among utility customers. If the commission rejects a utility's

3.1 plan, the utility must submit a new plan for commission review within 75 days of the
 3.2 notice of rejection.

3.3 Subd. 4. **Implementation.** Within 90 days of commission approval of a utility's
 3.4 plan filed under this section, the utility shall implement the plan.

3.5 Subd. 5. **Cost recovery.** Notwithstanding section 216B.16, subdivision 8, clause
 3.6 (3), the commission may approve the portion of any rate which makes a direct or indirect
 3.7 allowance for expenses incurred by a public utility to provide a public advertisement as
 3.8 part of a promotion program approved by the commission under this section.

3.9 Subd. 6. **Reporting.** Beginning one year after implementing a program approved
 3.10 by the commission, each public utility implementing a plan under this section shall
 3.11 report annually to the chairs and ranking minority members of the senate and house of
 3.12 representatives committees with jurisdiction over energy policy on its activities to promote
 3.13 electric vehicle usage and the outcomes of those efforts.

3.14 Sec. 4. **[216B.1616] ELECTRIC VEHICLE REBATES AND INCENTIVES.**

3.15 Subdivision 1. **Definition.** For the purposes of this section, "dealer" has the meaning
 3.16 given in section 80E.03, subdivision 3.

3.17 Subd. 2. **Eligibility.** The purchaser of an electric vehicle is eligible for a \$3,000
 3.18 rebate if:

3.19 (1) the electric vehicle:

3.20 (i) has not been previously owned;

3.21 (ii) has not been modified from the original manufacturer's specifications; and

3.22 (iii) is purchased after the effective date of this act for use by the purchaser and

3.23 not for resale;

3.24 (2) the purchaser:

3.25 (i) is a resident of Minnesota, as defined in section 290.01, subdivision 7, paragraph

3.26 (a), when the electric vehicle is purchased;

3.27 (ii) is a business that has a valid address in Minnesota from which business is

3.28 conducted;

3.29 (iii) is a nonprofit corporation incorporated under chapter 317A; or

3.30 (iv) is a political subdivision of the state; and

3.31 (3) the purchaser:

3.32 (i) has not received a rebate or tax credit for the purchase of an electric vehicle from

3.33 Minnesota or another state; and

3.34 (ii) registers the electric vehicle in Minnesota.

4.1 Subd. 3. **Program administration.** (a) Applications for a rebate under this section
4.2 shall be filed with the commissioner on a form developed by the commissioner.

4.3 (b) The commissioner shall develop administrative procedures governing the
4.4 application and rebate award process. Applications will be reviewed and rebates awarded
4.5 by the commissioner on a first-come, first-served basis.

4.6 (c) A dealer must certify to the commissioner, in a manner specified by the
4.7 commissioner, that an electric vehicle and its purchaser meet the eligibility requirements
4.8 in subdivision 2.

4.9 **Sec. 5. EXPIRATION.**

4.10 This act expires June 30, 2020.

4.11 **Sec. 6. APPROPRIATION.**

4.12 \$..... in fiscal year 2016 and \$..... in fiscal year 2017 are appropriated from
4.13 the general fund to the commissioner of commerce to pay rebates to eligible electric
4.14 vehicle purchasers under section 4, and to pay the reasonable costs of the department
4.15 to administer section 4.