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STATE REGISTER

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Volume 4 Printing Schedule for Agencies

Issue Number	*Submission deadline for Executive Orders, Adopted Rules and **Proposed Rules	*Submission deadline for State Contract Notices and other **Official Notices	Issue Date
SCHEDULE FOR VOLUME 4			
29	Monday Jan 7	Monday Jan 14	Monday Jan 21
30	Monday Jan 14	Monday Jan 21	Monday Jan 28
31	Monday Jan 21	Monday Jan 28	Monday Feb 4
32	Monday Jan 28	Monday Feb 4	Monday Feb 11

*Deadline extensions may be possible at the editor's discretion; however, none will be made beyond the second Wednesday (12 calendar days) preceding the issue date for rules, proposed rules and executive orders, or beyond the Wednesday (5 calendar days) preceding the issue date for official notices. Requests for deadline extensions should be made only in valid emergency situations.

**Notices of Public Hearings on proposed rules are published in the Proposed Rules section and must be submitted two weeks prior to the issue date.

Instructions for submission of documents may be obtained from the Office of the State Register, Suite 415, Hamm Building, 408 St. Peter Street, St. Paul, Minnesota 55102.

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NOTICE

How to Follow State Agency Rulemaking Action in the *State Register*

State agencies must publish notice of their rulemaking action in the *State Register*. If an agency seeks outside opinion before promulgating new rules or rule amendments, it must publish a **NOTICE OF INTENT TO SOLICIT OUTSIDE OPINION**. Such notices are published in the **OFFICIAL NOTICES** section. Proposed rules and adopted rules are published in separate sections of the magazine.

The **PROPOSED RULES** section contains:

- Proposed new rules (including Notice of Hearing).
- Proposed amendments to rules already in existence in the Minnesota Code of Agency Rules (MCAR).
- Proposed temporary rules.

The **ADOPTED RULES** section contains:

- Notice of adoption of new rules and rule amendments (those which were adopted without change from the proposed version previously published).
- Adopted amendments to new rules or rule amendments (changes made since the proposed version was published).
- Notice of adoption of temporary rules.
- Adopted amendments to temporary rules (changes made since the proposed version was published).

All **ADOPTED RULES** and **ADOPTED AMENDMENTS TO EXISTING RULES** published in the *State Register* will be published in the Minnesota Code of Agency Rules (MCAR). Proposed and adopted **TEMPORARY RULES** appear in the *State Register* but are not published in the MCAR due to the short-term nature of their legal effectiveness.

The *State Register* publishes partial and cumulative listings of rule action in the MCAR AMENDMENTS AND ADDITIONS list on the following schedule:

Issues 1-13, inclusive

Issues 14-25, inclusive

Issue 26, cumulative for 1-26

Issue 27-38, inclusive

Issue 39, cumulative for 1-39

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The listings are arranged in the same order as the table of contents of the MCAR.

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PROPOSED RULES

Pursuant to Minn. Stat. § 15.0412, subd. 4, agencies must hold public hearings on proposed new rules and/or proposed amendment of existing rules. Notice of intent to hold a hearing must be published in the *State Register* at least 30 days prior to the date set for the hearing, along with the full text of the proposed new rule or amendment. The agency shall make at least one free copy of a proposed rule available to any person requesting it.

Pursuant to Minn. Stat. § 15.0412, subd. 5, when a statute, federal law or court order to adopt, suspend or repeal a rule does not allow time for the usual rulemaking process, temporary rules may be proposed. Proposed temporary rules are published in the *State Register*, and for at least 20 days thereafter, interested persons may submit data and views in writing to the proposing agency.

Department of Agriculture Plant Industry Division

Proposed Amendments to Rules Governing Disposal of Refuse from Transport Involved in Foreign Commerce

Notice of Hearing

A public hearing concerning the proposed amendments to the rule will be held at the Administration Building, Room 116A, 50 Sherburne Avenue, St. Paul, Minnesota, on February 22, 1980, commencing at 9:00 a.m., and continuing until all persons have had an opportunity to be heard. The proposed amendments may be modified as a result of the hearing process. The amendments will be similar to those amendments proposed at public hearings, on this same matter, that were held on May 15, 1979, May 16, 1979 and July 12, 1979. The proposed amendments are identical to those proposed at the July 12, 1979, public hearing. If you are affected in any manner by the proposed rule, you are urged to participate in the rule hearing process.

Following the department's presentation at the hearing, all interested or affected persons may ask questions and make comments. Statements may be made orally and written material may be submitted. In addition, whether or not an appearance is made at the hearing, written statements or material may be submitted to Harry S. Crump, Hearing Examiner, Room 300, 1745 University Avenue, Saint Paul, Minnesota 55104, (612) 296-8111, either before the hearing or within five working days after the close of the hearing. The hearing examiner may, at the hearing, order that the record be kept open for a longer period not to exceed 20 calendar days. The rule hearing procedure is governed by Minn. Stat. §§ 15.0411-15.0417 and § 15.052, and by 9 MCAR §§ 2.101-2.112 (Minnesota Code of Agency Rules). If you have any questions about the procedure, call or write the hearing examiner.

Twenty-five days prior to the hearing, a Statement of Need and Reasonableness will be available for review at the Department and at the Office of Hearing Examiners. The department

intends to present only a short summary of the Statement of Need and Reasonableness at the hearing but will answer questions raised by interested persons. You are therefore urged to review the Statement of Need and Reasonableness before the hearing. Copies may be obtained from the Office of Hearing Examiners at a minimal charge. Additional copies will be available at the hearing.

The proposed amendments, if adopted, would allow for additional methods of acceptable disposal of refuse and dunnage. The rules are expanded to include aircraft as well as ships involved in foreign commerce. They would also require refuse involved on transport involved in foreign commerce within the territorial limits of Minnesota be maintained in tight containers with vermin proof covers. The proposed changes would also require that refuse aboard transport involved in foreign commerce be removed upon docking or landing, every three days thereafter while docked or landed in Minnesota, and immediately before departure from Minnesota.

The department's authority to promulgate the proposed amendments is contained in Minn. Stat. §§ 18.44-18.61.

Copies of the proposed amendments are now available and at least one free copy may be obtained by writing Robert Flaskerd, Director of Plant Industry, Minnesota Department of Agriculture, 90 West Plato Boulevard, St. Paul, Minnesota, 55107, telephone (612) 296-3347. Additional copies will be available at the hearing. If you have any questions on the content of the proposed amendments, contact Mr. Flaskerd.

Any person may request notification of the date on which the hearing examiner's report will be available, after which date the Department may not take any final action on the rules for a period of five working days. Any person may request notification of the date on which the hearing record has been submitted or resubmitted to the Attorney General by the agency. If you desire to be so notified, you may so indicate at the hearing. After the hearing, you may request notification by sending a written request to the hearing examiner, in the case of the hearing examiner's report, or to the Department, in the case of the Department's submission or resubmission to the Attorney General.

Minn. Stat. ch. 10A requires each lobbyist to register with the State Ethical Practices Board within five days after he or she

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PROPOSED RULES

commences lobbying. A lobbyist is defined in Minn. Stat. § 10A.01, subd. 11, as amended by Laws of 1979, ch. 59, § 3, as any individual:

(a) Engaged for pay or other consideration, or authorized by another individual or association to spend money, who spends more than five hours in any month or more than \$250, not including *his own* travel expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials; or

(b) Who spends more than \$250, not including *his own* traveling expenses and membership dues, in any year for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials.

The statute provides certain exceptions. Questions should be directed to the Ethical Practices Board, 41 State Office Building, Saint Paul, Minnesota, 55155 telephone (612) 296-5615.

December 14, 1979

Mark W. Seetin
Commissioner of Agriculture

Amendments as Proposed

[All of the existing rule Agr 191 is deleted. However, parts (a), (b), (g) and (h) of this rule are incorporated into the proposed 3 MCAR § 1.0192, subds. A. and B., as new material. It was felt such editing of the material would prevent confusion and misunderstanding on the part of the reader. Agr 191 (a) is incorporated into 3 MCAR § 1.0192 A.6.; Agr 191 (b) is incorporated into 3 MCAR § 1.0192 A.7.; Agr 191 (g) is incorporated into 3 MCAR § 1.0192 A.5., and Agr 191 (h) is incorporated into 3 MCAR § 1.0192 B.1.a.]

Chapter Ten: 3 MCAR §§ 1.190-1.212 AGR-190-212

3 MCAR § 1.0190 General.

A. Purpose and authority. It is the purpose of these rules contained herein to carry out and enforce the provisions of the Plant Pest Act, Minn. Stat. §§ 18.44-18.61. These rules relate to the disposal and handling of refuse and dunnage of foreign origin at Minnesota ports of entry in a prescribed manner to prevent the entry and dissemination of plant pests.

B. Definitions. For purposes of these rules, the following definitions and those in Minn. Stat. § 18.46 shall apply:

1. "Approved sewage system" means any sewage system approved by the commissioner upon his determination that the system is designed and operated in such a manner as to prevent the dissemination of plant pests.

2. "Dunnage" means structural wood products in any form used to secure cargo in any manner.

3. "Refuse" means all material derived in whole or in part from the fruits, vegetables, meats, or other plant or animal

(including poultry) material which is carried aboard any vehicle involved in foreign commerce.

4. "Transport involved in foreign commerce" means any ship or aircraft arriving in Minnesota from any point outside the borders of the United States and Canada.

5. "Vehicle" means any conveyance used to transport refuse and/or dunnage from any transport involved in foreign commerce in Minnesota.

6. "Vermin" means any animal life, except plant pests as defined in Minn. Stat. § 18.46, subd. 13.

3 MCAR § 1.0191 Agr-190 Registration.

A. ~~(a)~~ Every person who engages in the business of removing or disposing of refuse and/or dunnage from vessels transport involved in foreign commerce shall register annually with the commissioner of agriculture, and shall furnish such information as may be required to demonstrate compliance with the certification requirements set forth in these rules.

B. ~~(b)~~ In conjunction with the registration an annual inspection will shall be made of the incinerator, incinerator site and refuse collection equipment utilized in the removal, transportation and disposal of refuse and/or dunnage by a member of the Minnesota Department of Agriculture the commissioner before certificate is granted. ~~and, if~~ If all the requirements are satisfied, a certificate of approval will shall be issued by the commissioner. This certificate must be posted at the incinerator site and retained by the certificate holder.

C. ~~if~~ If at any time during the year the requirements of these rules regulations are not met, after notice and hearing pursuant to Minn. Stat. ch. 15, the certificate may shall be revoked. The commissioner may, when it is deemed that the continued operation of certificate holder poses an imminent threat of plant pest dissemination, suspend the certificate until the commissioner has issued an order on the certificate revocation.

(e) This section shall not apply to municipalities or any subdivisions of the state.

Agr-191 Disposal Facilities and Procedures

(a) Containers used for unloading and transporting refuse shall be leakproof and shall have adequate covers.

(b) Vehicles used for transporting refuse shall be leakproof and the bed or body shall be enclosed or covered with a tarpaulin tightly secured when in use.

(c) Refuse disposal shall be by means of incineration only. Incinerators shall be equipped with a power type burner of at least 150,000 BTU capacity and shall be so constructed and operated as to completely reduce refuse to ash.

(d) Refuse shall be transported directly into an incinerator for immediate incineration. In no event shall refuse be stored in the incinerator for a period longer than 24 hours.

(e) The immediate incinerator premises where refuse is handled shall be paved with an impervious

~~material. Once a week the immediate area around the incinerator will be given a chemical treatment using materials recommended by a member of the Minnesota department of agriculture and under his supervision. Excess water shall not be permitted to drain off the premises. An adequate catch basin around the incinerator shall be provided.~~

~~(f) Vehicles and containers used to transport refuse shall be cleaned after each day's use and shall be subjected to live steam at least weekly.~~

~~(g) Refuse shall be handled at all times in a manner which will prevent spillage.~~

~~(h) No refuse residue shall be removed from an incinerator for disposal unless it has been reduced to ash or slag.~~

~~(i) All dunnage removed from a vessel must be incinerated if in the opinion of a member of the Minnesota department of agriculture a plant pest risk exists.~~

3 MCAR § 1.0192 Operating standards.

A. Refuse handling.

1. All transports involved in foreign commerce shall immediately upon arrival have all refuse removed and disposed of in a manner pursuant to these rules. No refuse shall accumulate for more than three (3) days on board such transports involved in foreign commerce unless authorized in writing to do so by the commissioner because the commissioner determines that no method for proper disposal is available pursuant to 3 MCAR § 1.0192 D. All refuse shall be removed from transports involved in foreign commerce in a manner pursuant to these rules immediately before departure from the state.

2. Until removed, refuse shall be retained in tight containers with vermin proof covers.

3. Refuse shall be delivered at least daily to the disposal facility. In no case shall refuse be held in a vehicle for longer than 12 hours or overnight.

4. Refuse removed from transports involved in foreign commerce shall not be removed from the confines of the State's borders until the refuse has been reduced to ash or sterilized in accordance with these rules.

5. Refuse shall be handled at all times in a manner which will prevent spillage. Any refuse spilled shall be picked up and placed within the vehicle and/or disposal facility immediately. The site of the spillage shall be cleaned so as to assure that the site is pest free.

6. Containers used for unloading and transporting refuse from transport involved in foreign commerce shall be leakproof and shall have adequate vermin proof covers.

7. Vehicles used for transporting refuse shall be leak-

proof and the refuse shall be completely covered with a tarpaulin or other covering tightly secured when it is used to prevent spillage and prevent vermin entry. Covering is not required when the refuse is contained in tight containers with vermin proof covers or in closed plastic bags so as to contain the materials in the vehicle until ultimate disposal.

B. Approved refuse disposal. The following methods shall be used for refuse disposal:

1. Incineration, providing the incinerator is capable of reducing its contents completely to ash in a 24 hour period. No refuse residue shall be removed from an incinerator for disposal unless it has been reduced to ash or slag.

2. Sterilization by live steam, cooking, or boiling at a temperature of no less than 212 degrees F. (100 degrees C.) for 30 minutes.

3. Grinding into an approved sewage system.

4. Any other manner approved by the commissioner that would eliminate all pest risks.

C. Dunnage disposal.

1. No pest risk. If dunnage involved in foreign commerce arriving within the borders of Minnesota is inspected and found apparently free from plant pests, it shall be released by the commissioner and need not be disposed of pursuant to these rules.

2. Pest risk. If evidence of plant pests is found, all of the dunnage material involved shall be treated in a manner prescribed.

a. Complete incineration or open burning in compliance with Minnesota air pollution control rules.

b. Fumigation by chemicals and treatment schedules deemed necessary by the commissioner to eliminate the pest risk.

c. Spraying or dusting with proper chemical concentrations deemed necessary by the commissioner to eliminate the pest risk and in conformance with 3 MCAR § 1.0338.

d. Steam sterilization in a manner approved by the commissioner to eliminate the pest risk.

D. If the commissioner determines that the preceding methods of disposal are not available, the refuse and/or dunnage shall be required to remain on the transport involved in foreign commerce until an alternative means of disposal has been approved by the commissioner as complying with the purpose of these rules.

E. Any financial responsibility to accomplish any treatment of dunnage and/or refuse shall belong to those responsible for delivering the dunnage and/or refuse to Minnesota.

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PROPOSED RULES

~~Ag-192 Definitions~~

~~(a) "Refuse" means any waste material containing any plant or animal material which is carried aboard any vessel.~~

~~(b) "Vessel" means any water carrier used for transporting cargo or passengers in commerce on public waters comprising all that part of Lake Superior and the waters extending therefrom up to the point where T.H. #23 crosses the St. Louis River which are situated within the territorial boundary of the State of Minnesota.~~

~~(c) "Dunnage" includes lumber in any form and any other material used aboard a vessel to secure cargo in any manner.~~

Department of Public Welfare Social Services Bureau

Proposed Rule Governing Child Day Care Sliding Fee Scales (12 MCAR § 2.163)

Notice of Hearing

A public hearing concerning the proposed rule will be held at the Capitol Square Building, Room A, 550 Cedar Street (between 10th and 11th) St. Paul, Minnesota 55101 on February 19, 1980, commencing at 9:00 a.m. The proposed rule may be modified as a result of the hearing process. Therefore, if you are affected in any manner by the proposed rule, you are urged to participate in the rule hearing process.

Following the agency's presentation at the hearing, all interested or affected persons will have an opportunity to ask questions and make comments. Statements may be made orally and written material may be submitted. In addition, whether or not an appearance is made at the hearing, written statements or material may be submitted to the Hearing Examiner, Natalie Gaull, Office of Hearing Examiners, 1745 University Ave., Rm. 300, St. Paul, Mn. 55104, (612) 296-8114, either before the hearing or within five working days after the close of the hearing. The hearing examiner may, at the hearing, order that the record be kept open for a longer period not to exceed 20 calendar days. The rule hearing procedure is governed by Minn. Stat. §§ 15.0411-15.0417 and 15.052, and by 9 MCAR §§ 2.101-2.112 (Minnesota Code of Agency Rules). If you have any questions about the procedure, call or write the hearing examiner.

Twenty-five days prior to the hearing, a Statement of Need and Reasonableness will be available for review at the agency and at the Office of Hearing Examiners. This Statement of Need and Reasonableness will include a summary of all of the evidence which will be presented by the agency at the hearing

justifying both the need for and the reasonableness of the proposed rule. Copies of the Statement of Need and Reasonableness may be obtained from the Office of Hearing Examiners at a minimum charge.

12 MCAR § 2.163 governs the administration of the experimental child day care sliding fee program, pursuant to Minn. Stat. § 245.84, subd. 2 (Supp. 1979). The purpose of the program is to reduce, according to a sliding fee schedule, the costs of child care for eligible families whose income ranges from 60-70% of the state median income. (The following twenty-two counties have elected to participate in the experimental child day care sliding fee program:

Beltrami	Mower
Blue Earth	Olmsted
Brown	Polk
Carver	Ramsey
Crow Wing	Redwood
Freeborn	Rice
Goodhue	St. Louis
Hennepin	Sherburne
Houston	Todd
Kandiyohi	Washington
McLeod	Winona

Only families residing in these counties will be affected by this rule.)

The formula for establishing the fee schedule is found in the rule at G.2. a.-h. and is as follows:

a. The federal, state and Social Security taxes are computed at the 60%, 70%, 80%, 90%, 100%, 110%, and 115% of the state median income levels (Federal Income Tax Table, Family size 2 - Table D - Unmarried Head of Household Family size 3-10, Table B - Married filing Joint Return and the Minnesota Income Tax Table - tax computed on gross income). The computation of the state and federal taxes includes a child care credit. (The child care credit is determined by using 20% of the estimated annual cost of child care as directed in the Income Tax Tables. Estimated annual cost of child care by family size: 2-\$840, 3-\$936, 4-\$1,080, 5-\$1,200, 6-\$1,380, 7-\$1,500, 8-\$1,860, 10-\$1,980).

b. The federal, state and Social Security taxes are added together at each income level.

c. The difference in the tax total between the 60% income level and the tax total of each subsequent income level is determined.

d. The difference in the gross annual income at the 60% income level and the gross annual income for each subsequent income level is determined.

e. The difference in the taxes at each income level is subtracted from the difference in income at each level.

f. The net income at the 70% level is multiplied by 75% to determine the annual child care fee. The net income at the subsequent income levels is multiplied by 55% to determine the annual child care fee.

g. At each income level, the annual child care fee is divided by 12 to determine the monthly child care fee. (For a family of 6, at the 70% income level the fee calculated is \$125. Since this is a higher fee than at the 70% income level for a family of 7-\$117-, the fee is reduced to \$110 to produce for a continual increase in the fee schedule as the family size increases).

h. The fee for income increments between each income level computed is determined by evenly dividing the difference in the fee between the income levels by the number of income increments between the levels. For family size 2-10, there are 10 income increments between 61-71% of the state median income with each increment representing a 1% increase in income and between 71-80%, 81-90%, 91-100%, and 101-110% there are 4 income increments with each representing a 2.5% increase in income. Between 111-115% there are 2 income increments with each representing a 2.5% increase in income. More increments are allowed between the 61-70% income level as the primary users of the sliding fee program will be dealing with this income range.

In addition to the above, the rule contains sections on definitions, eligibility for grants, application for grants, awarding grants, family applications, family eligibility for assistance, family fee payment schedule, provision of service, payment of assistance, and evaluation.

The agency's authority to adopt the proposed rule is contained in Minn. Stat. §§ 245.84, subd. 2 (Supp. 1979).

The cost to implement 12 MCAR § 2.163 for local public bodies will not exceed \$100,000 for either of the two years immediately following its adoption within the meaning of Minn. Stat. 15.0412, subd. 7 (1978).

Copies of the proposed rule are now available and at least one free copy may be obtained by writing to Jerry Ferguson, Department of Public Welfare, Social Services Bureau, Centennial Office Building, Fourth Floor, St. Paul, MN 55155, telephone (612) 296-5766. Additional copies will be available at the hearing. If you have any questions on the content of the proposed rule, contact Jerry Ferguson.

Any person may request notification of the date on which the hearing examiner's report will be available, after which date the agency may not take any final action on the rules for a period of five working days. Any person may request notification of the date on which the hearing record has been submitted or resubmitted to the Attorney General by the agency. If you desire to be so notified, you may so indicate at the hearing. After the hearing, you may request notification by sending a written request to the hearing examiner, in the case of the hearing examiner's report, or to the agency, in the case of the agency's submission or resubmission to the Attorney General.

Minn. Stat. ch. 10A requires each lobbyist to register with the State Ethical Practices Board within five days after he or she commences lobbying. A lobbyist is defined in Minn. Stat. § 10A.01, subd. 11, as any individual:

(a) Engaged for pay or other consideration, or authorized by another individual or association to spend money, who spends more than five hours in any month or more than \$250, not including *his own* travel expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials; or

(b) Who spends more than \$250, not including *his own* traveling expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials.

The statute provides certain exceptions. Questions should be directed to the Ethical Practices Board, 41 State Office Building, St. Paul, Minnesota 55155, telephone (612) 296-5615.

Arthur E. Noot
Commissioner of Public Welfare

Rule as Proposed (all new material)

12 MCAR § 2.163 Child day care sliding fee.

A. Introduction.

1. Pursuant to Minn. Stat. §§ 245.83 through 245.87, this rule governs the administration of the experimental child day care sliding fee program for reducing, according to a sliding fee schedule, the costs of child care for eligible families whose income ranges from 60-70% of the state median income.

2. Definitions.

a. Child day care service: The less than 24-hour a day service which provides care for children as a substitute for or supplement to parental care for a planned period of time.

b. Eligible child day care provider: A family day care home, group family day care home or group day care center holding a current and valid license issued by the commissioner, or exempt from licensure by the commissioner, or an in-home attendant certified by the commissioner.

c. Commissioner: Minnesota Commissioner of Public Welfare.

d. County: The board of county commissioners.

e. State Advisory Council: The Minnesota Child Care and Development Advisory Council, appointed by the commissioner for the purpose of advising the commissioner on child day care issues.

f. Administering agency: The agency designated by the county to administer the child day care sliding fee program,

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PROPOSED RULES

which may be the county welfare department or any public or nonpublic agency.

g. Title XX: The title of the Social Security Act known as "Grants to States for Services," established by P.L. 93-647, as amended.

h. Comprehensive Annual Services Program Plan (CASP PLAN): The State Social Services plan, which is a compilation of all the local social services plans, and which meets the state plan requirements of Title XX of the Social Security Act.

i. Family: Parents and their dependent children under age 18 years including children temporarily absent from the household in settings such as schools, foster care, and residential treatment facilities.

j. Area: Either the Governor's Economic Development Region Eleven or the Governor's Economic Development Regions one through ten.

k. Program year: The state fiscal year, July 1 through June 30.

l. Program costs: The provider charge plus the administrative costs.

m. Net program costs: The provider charge plus the administrative costs minus the parent fee.

B. Eligibility for grant.

1. Applicant. Pursuant to Minn. Stat. chs. 393 and 402, the applicant for a grant shall be a county or group of counties. The applicant may designate any public or nonpublic agency to administer the program.

2. Title XX Child Day Care Services. To qualify for the sliding fee program the county shall offer fully subsidized child day care services to eligible persons with incomes below 60 percent of the state median income as set forth in the CASP PLAN.

3. Local share match. The county shall provide a local share match equal to five percent of the program cost during the first grant year and 15 percent of such cost during the second grant year. For purposes of determining the local match, administrative costs shall be considered to be the provider charge times seven percent. The local match shall not include the amount of minimum fee payments made by families but may include in-kind materials and services, furnished by the county, required for the administration of the program.

4. Because of the experimental nature of the program no county will be allowed to enter for the second year only.

C. Application for grant.

1. All counties shall select one of the following options regarding the experimental child day care sliding fee program:

a. Decide not to participate and notify the commissioner of its reasons for the decision.

b. Participate using only state sliding fee funds and the required local match, serving families with an income of 60 to 70% of the state median income.

c. Participate using state sliding fee funds, the required local match, and Title XX funds, serving families with an income of 60 to 70% of the state median income.

d. Participate using state sliding fee funds and the required local match to serve families with an income of 60 to 70% of the state median income and use Title XX and/or other funds to serve families with an income of 70 to 115% of the state median income.

2. The application procedures for grants are as follows:

a. The county shall make application on forms provided by the commissioner.

b. A county may propose an alternate fee schedule if it meets the following criteria:

(1) Use of the state sliding fee schedule would impose a hardship on families already participating in a sliding fee program (e.g., raising their fees substantially);

(2) The county can demonstrate how the use of their proposed fee schedule would reduce the incidence of lower income families remaining or becoming welfare recipients, increase the incentive for economic independence and provide other benefits;

(3) The county program serves a large enough population to demonstrate the impact of the program; and

(4) The fee charged does not exceed the fee allowed in the state fee schedule. Participating counties may only use one fee schedule for all eligible fee paying income groups receiving child day care services.

c. The county shall submit two copies of the application to the Commissioner by the deadlines established by the commissioner.

d. The commissioner shall submit a copy of each application to the state advisory council for their review and comment.

e. The commissioner shall inform the county of the approval or denial of the application within 30 days of the submission deadline.

D. Award of grant.

1. The commissioner shall award grants to counties which meet the eligibility requirements and for which applications have been approved, subject to the limits described below:

a. Thirty-five percent of the appropriation shall be awarded the first program year and sixty-five percent of the appropriation shall be awarded the second program year.

b. Area limits. Fifty percent of the funds as determined in a. above shall be distributed to each area.

c. County limits within an area. The amount, based on b. above, to be granted a county within an area, shall be equal to the sum of the following:

(1) Fifty percent of the area distribution times a ratio consisting of the number of working parent families with

a child under six years of age in the county against the total number of working-parent families with a child under six years of age in all counties in the area; and

(2) Fifty percent of the area distribution times a ratio consisting of the number of children receiving AFDC grants in the county against the total number of children receiving AFDC grants in all counties in the area.

d. Notwithstanding other provisions of this rule, grant awards shall not exceed ninety-five percent of the net program costs during the county's first grant year nor eighty-five percent of the net program costs during the county's second grant year.

2. The commissioner shall reallocate unused first year funds after December 31, 1979, and shall reallocate unused second year funds after December 31, 1980, on the basis of need without regard to the limits described in D.1. above.

E. Family application.

1. The administering agency shall inform parents on an on-going basis, through the news media and child day care providers, of the availability of child day care sliding fee assistance as well as the procedures for applying for such assistance.

2. The application procedures for assistance shall be:

a. Application for assistance shall be on forms prescribed by the commissioner.

b. The administering agency shall make information about the program and application requirements available to all persons requesting this information.

c. Assistance in making application shall be available from the administering agency upon request.

d. The county shall use its current Title XX practice in verifying sources and amounts of income and reasons for needing child day care services.

e. The administering agency shall inform each applicant of the approval or denial of his/her application within 30 days of receipt of a completed application in writing.

f. Eligibility for assistance will be from the date of application.

3. The administering agency shall redetermine eligibility at least every six months.

4. The administering agency shall inform each applicant of the availability of all types of child day care services, the limits on available assistance, the reporting procedures and periods, and other policies or actions which have a direct affect on the applicant.

F. Family eligibility for assistance.

1. Income. The family's income shall be above the maximum allowable for Title XX fully subsidized child care

services but less than 70 percent of the state median income as set forth in the current CASP PLAN. Income shall be defined, as in the Title XX program, to mean all monthly income before deductions received by all family members age 14 or over.

2. Reasons for needing care. Families eligible for assistance are those needing child day care services for the following reasons only: employment, school attendance, or other circumstances related to employment and school attendance.

3. Age. Only children 14 years of age or younger may be eligible for assistance.

4. Residence. Application shall be made in the family's county of residence.

G. Family fee payment schedule.

1. The commissioner shall establish a monthly family fee schedule based upon income and family size.

2. In setting the fee schedule, the following computations shall be made for family sizes 2 to 10:

a. The federal, state and Social Security taxes are computed at the 60%, 70%, 80%, 90%, 100%, 110% and 115% of the state median income levels (Federal Income Tax Table, Family size 2-Table D - Unmarried Head of Household Family size 3-10, Table B - Married filing Joint Return and the Minnesota Income Tax Table - tax computed on gross income). The computation of the state and federal taxes includes a child care credit. (The child care credit is determined by using 20% of the estimated annual cost of child care as directed in the Income Tax Tables. Estimated annual cost of child care by family size: 2-\$840, 3-\$936, 4-\$1,080, 5-\$1,200, 6-\$1,380, 7-\$1,500, 8-\$1,860, 10-\$1,980).

b. The federal, state and Social Security taxes are added together at each income level.

c. The difference in the tax total between the 60% income level and the tax total of each subsequent income level is determined.

d. The difference in the gross annual income at the 60% income level and the gross annual income for each subsequent income level is determined.

e. The difference in the taxes at each income level is subtracted from the difference in income at each level.

f. The net income at the 70% level is multiplied by 75% to determine the annual child care fee. The net income at the subsequent income levels is multiplied by 55% to determine the annual child care fee.

g. At each income level, the annual child care fee is divided by 12 to determine the monthly child care fee. (For a family of 6, at the 70% income level the fee calculated is \$125. Since this is a higher fee than at the 70% income level for a family of 7—\$117—, the fee is reduced to \$110 to produce for a

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PROPOSED RULES

continual increase in the fee schedule as the family size increases).

h. The fee for income increments between each income level computed is determined by evenly dividing the difference in the fee between the income levels by the number of income increments between the levels. For family size 2-10, there are 10 income increments between 61-71% of the state median income with each increment representing a 1% increase in income and between 71-80%, 81-90%, 91-100% and 101-110%, there are 4 income increments with each representing a 2.5% increase in income. Between 111-115% there are 2 income increments with each representing a 2.5% increase in income. More increments are allowed between the 61-70% income level as the primary users of the sliding fee program will be dealing with this income range.

3. The total fee payment for a family shall not exceed 75 percent of the income determined available in G.2.e. above.

4. Only a single fee shall be charged regardless of the number of services a family receives. The fee charged shall be the highest fee.

5. When the county makes payments to providers for child day care costs, eligible families shall be responsible for reimbursing the county in monthly payments the amount of which shall be determined in accordance with the fee schedule described in G.

6. The commissioner shall publish a fee schedule, coordinated with the state CASP Plan.

H. Provision of service.

1. The commissioner shall determine the median service charge for each type of child day care service for each of the Governor's economic regions.

2. The county shall not make payment for that part of any child day care service charge in excess of 125% of the median charge for that service.

3. The county may limit the number of families to whom assistance is provided because of insufficient grant funds. However, counties using Title XX funds must amend their CASP Plan.

I. Payment of assistance.

1. The administering agency shall make payment in either of the following ways:

a. An eligible family may be reimbursed for expenses incurred up to the limits specified in H. above.

b. The child day care provider may be reimbursed for charges up to the limits described in H. above.

2. The administering agency shall inform the family and/or child day care provider, who will receive payment as well as how and when it will be received.

3. The administering agency shall make payments at least monthly.

4. The administering agency shall inform the family of the method in which its monthly family fee payment was computed.

J. Evaluation.

1. The commissioner shall collect data and evaluate the program for the purpose of demonstrating the effectiveness of the program in preventing and reducing the dependence of participants on public assistance and in providing other benefits.

2. The administering agency shall collect data and prepare periodic reports as required by the commissioner.



PIONEERS throughout the state quickly built churches as well as schools, for the church was one of the main centers of social life among the settlers. This painting shows the Chapel of St. Paul, erected by members of Father Lucien Galtier's small Catholic congregation in 1841. The settlement that became the state's capital city took its name from this chapel. The painting shown here was made in 1852 by R. O. Sweeny. It now hangs in the Minnesota Historical Society. (Courtesy of MN Historical Society)

ADOPTED RULES

The adoption of a rule becomes effective after the requirements of Minn. Stat. § 15.0412, subd. 4, have been met and five working days after the rule is published in the *State Register*, unless a later date is required by statutes or specified in the rule.

If an adopted rule is identical to its proposed form as previously published, a notice of adoption and a citation to its previous *State Register* publication will be printed.

If an adopted rule differs from its proposed form, language which has

been deleted will be printed with strike outs and new language will be underlined, and the rule's previous *State Register* publication will be cited.

A temporary rule becomes effective upon the approval of the Attorney General as specified in Minn. Stat. § 15.0412, subd. 5. Notice of his decision will be published as soon as practicable, and the adopted temporary rule will be published in the manner provided for adopted rules under subd. 4.

Department of Education Special Services Division

Adopted Temporary Rules

Governing Multi-county Multi-type Library Cooperation Planning Grants

The proposed temporary rules (5 MCAR §§ 1.0800 and

1.0805) published at *State Register*, Volume 4, Number 17, p. 707, October 29, 1979 (4 S.R. 707) were adopted on December 11, 1979, approved by the Office of the Attorney General on December 20, 1979, and filed with the Office of the Secretary of State on December 24, 1979, with the following amendment:

5 MCAR § 1.0805 A.4. copies of agreements required by Laws of 1979, ch. 334, art. IX, § ~~3~~ 9, subd. 3;

SUPREME COURT

Decisions Filed Friday, January 4, 1980

Compiled by John McCarthy, Clerk

49423/342 Albert D. Shinneman vs. Arago Township, et al, Appellants. Hubbard County.

To establish a public road pursuant to Minn. Stat. § 160.05, subd. 1 (1978), the road must be used by the public and maintained by an appropriate agency of government for a continuous period of at least six years.

For purposes of determining whether a road was maintained by an appropriate agency of government so as to satisfy Minn. Stat. § 160.05, subd. 1 (1978), the question is whether the agency would have had authority to maintain the road if the road had already become a public highway.

Adjoining townships may agree to divide responsibility for maintaining roads on or along town lines in such manner that one township acquires the duty to maintain a portion of an existing road running along the town line but entirely within the other township.

The record discloses no evidence of physical action within the six

years prior to the commencement of this action that was either intended to or sufficient to close the land against public use and thereby toll the six-year period contained in Minn. Stat. § 160.05, subd. 1 (1978).

Where a public highway has been created by operation of Minn. Stat. § 160.05, subd. 1 (1978), there is no authority for awarding damages to the affected landowner.

Where a petition to vacate a town road is filed and contained the eight signatures required by Minn. Stat. § 164.07, subd. 1 (1978), and where, before the town board either acts or is required to act on the petition by Minn. Stat. § 164.07, subd. 2 (1978), a number of signers request the withdrawal of their names so that the number of remaining signers is less than eight, there is no authority under § 164.07 for the town board to act on the petition.

Award of damages and appraiser fees reversed. Case remanded with directions to enter judgment for defendants. Otis, J. Took no part, Todd, J.

49222/347 Jerry L. Westby, Appellant, vs. Itasca County. Itasca County.

A conservation officer who agreed to destroy a beaver dam at the request of and on behalf of the county for purposes of road maintenance held to be an independent contractor of the county.

KEY: RULES SECTION — Underlining indicates additions to proposed rule language. ~~Strike-outs~~ indicate deletions from proposed rule language. **PROPOSED RULES SECTION** — Underlining indicates additions to existing rule language. ~~Strike-outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material."

SUPREME COURT

Road maintenance held a non-delegable duty.

An independent contractor's failure to remove mud and debris from a road after blasting a beaver dam for road maintenance purposes is not collateral negligence which will relieve his principal, the county, from liability.

Reversed and remanded. Otis, J. Took no part. Todd, J.

49704/Sp. Dependents of Otis D. Ondler, Relators, vs. Peace Officers Benefit Fund. Workers' Compensation Court of Appeals.

Minn. Stat. ch. 352E (1978), by excluding heart attack victims from the group of peace officers entitled to the statutory award, creates an arbitrary and unreasonable classification which denies relators the equal protection of the law.

Reversed. Wahl, J.

OFFICIAL NOTICES

Pursuant to the provisions of Minn. Stat. § 15.0412, subd. 6, an agency, in preparing proposed rules, may seek information or opinion from sources outside the agency. Notices of intent to solicit outside opinion must be published in the *State Register* and all interested persons afforded the opportunity to submit data or views on the subject,

either orally or in writing.

The *State Register* also publishes other official notices of state agencies, notices of meetings, and matters of public interest.

Department of Commerce Insurance Division

Notice of Meeting

Board of Directors

Minnesota Comprehensive Health Association

Tuesday, January 29, 1980

11:00 a.m.

Western Life Insurance Company

500 Bielenberg Drive

Woodbury, Minnesota

Changes in any scheduled meetings and notice of any additional meetings will be posted or otherwise available upon inquiry at the offices of the Insurance Division, and may also be obtained by telephone from the Life and Health Section, telephone 296-2202.

Department of Education Special and Compensatory Education Division

Notice of Intent to Solicit Outside Opinion Regarding Rules Governing Standards and Procedures for the Provision of Special Education Instruction and Services for Children and Youth Who Are Handicapped

The Department of Education is drafting rules to imple-

ment Minn. Stat. § 120.17, subd. 3, which permits the State Board of Education to promulgate rules governing standards for the instruction of handicapped children. These rules are being promulgated to replace temporary rules implementing the provisions of Laws of 1979, ch. 334, article III, subd. 3b., Procedures for Decisions, which expire June 30, 1980.

The department invites interested persons or groups to provide information, comment and advice on the subject in writing or orally to:

Will Antell, Ed.D.

Assistant Commissioner of Education

Minnesota State Department of Education

802 Capitol Square Building

550 Cedar Street

St. Paul, Minnesota 55101

Written statements will be made part of the public hearing record.

January 2, 1980

John Groos

Director, Special Education Section

Minnesota Teachers Retirement Association

Notice of Meeting

The Board of Trustees, Minnesota Teachers Retirement Association, will hold a meeting on Friday, February 8, 1980, at 9 a.m. in the office of the association, 302 Capitol Square Building, 550 Cedar Street, St. Paul, Minnesota, to consider matters which may properly come before the board.

STATE CONTRACTS

Pursuant to the provisions of Minn. Stat. § 16.098, subd. 3, an agency must make reasonable effort to publicize the availability of any consultant services contract or professional and technical services contract which has an estimated cost of over \$2,000.

Department of Administration procedures require that notice of any

consultant services contract or professional and technical services contract which has an estimated cost of over \$10,000 be printed in the *State Register*. These procedures also require that the following information be included in the notice: name of contact person, agency name and address, description of project and tasks, cost estimate, and final submission date of completed contract proposal.

Department of Administration

State Employee Assistance Program

Notice of Request for Proposals to Provide Diagnostic and Referral Services for the State Employee Assistance Program

Notice is hereby given that the Department of Administration intends to engage the services of a contractor in the following areas to provide diagnostic and referral services for state employees: Owatonna and Cambridge.

The estimated amount of the contract in these areas will not exceed \$2,000. Responses must be received by February 4, 1980. Direct inquiries to:

Warren Gahlon, Director
State Employee Assistance Program
Suite 101
2301 Woodbridge Avenue
Roseville, Minnesota 55113
Telephone : (612) 296-0765

Department of Education Instructional Division

Notice of Opening for Writer to Develop Energy Information Booklet for Teachers

A writer is needed to produce an energy "Primer." The primer will be used by teachers to find out about basic energy information and concepts and to anticipate student questions about energy, its nature, its application, and its impact on society.

The writer will:

- Review department generated energy curriculum materials in order to assess levels and topics covered;
- Develop an outline that covers basic facts and concepts relating to the nature and application of energy as they are covered in the elementary curriculum;
- Based on steps one and two above, the writer will attempt to anticipate questions commonly asked by students about energy. The writer will have to interview teachers who have taught energy units;

d. Upon approval of steps A-C above, the writer will present either camera-ready copy or complete printing specification including art work.

The writer must have had teaching experience at some level, and/or educational writing experience and have a physical science background sufficient to do the tasks outlined above.

The deadline for the submission of proposals will be the close of the working day on February 1, 1980. The estimated cost of the project is \$8,000-\$10,000 covering the Primer text, format, and art work. Interested persons are invited to send vitae and samples of their work by January 15, 1980, to:

Mr. Thomas Ryerson
Room 518 Department of Education
Capitol Square Building
St. Paul, MN 55101

Notice of Availability of National Basic Skills Improvement Grants

An application packet giving information of how to apply for federal funds for three Basic Skills National Programs is available from the State Department of Education.

The three programs are 13.599-A Basic Skills in the School Program, 13.599-B Parent Participation, and 13.599-C Out-of-School Programs.

The State Basic Skills Office will comment on each application on the basis of the following criteria:

1. The extent to which an LEA is basing the project on the needs of the target population as indicated by results on assessment instruments.
2. The extent to which the project provides for effective coordination of federal, state, and local resources and activities.
3. The quality and appropriate experiences of the staff identified for the project activities.
4. The SEA may take into account the demographic distribution of the proposed projects.

For further information and/or an application packet, contact Patricia Moran, Supervisor of the Basic Skills Unit (Telephone: 612/297-2657) or Alton Greenfield, Supervisor of the Reading Unit (Telephone: 612/296-6998).

Housing Finance Agency Notice of Fund Availability for 1980 Section 8 Housing Program

The Minnesota Housing Finance Agency (MHFA) is requesting proposals for the new construction or substantial rehabilita-

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tion of multi-family housing developments under the Section 8 Housing Assistance Payments Program.

Based on approximately \$4.6 million in Section 8 funds from the U.S. Department of Housing and Urban Development (HUD) anticipated in January/February 1980, the MHFA will select proposals only from the Standard Metropolitan Statistical Areas (SMSAs) and Non-Metro counties listed below with emphasis on family housing, substantial rehabilitation, and partially subsidized developments where rental market conditions permit:

Metro (Estimated Units: 350)

<u>Region</u>	<u>County</u>
1	Polk*
3	St. Louis
4	Clay*
7W	Benton*
7W	Sherburne*
7W	Stearns*
7W	Wright
7E	Chisago
10	Olmsted*
11	Anoka
11	Carver
11	Dakota
11	Hennepin
11	Ramsey
11	Scott
11	Washington

*It should be noted that the initial allocation does not provide funds for these counties; however, should surplus or recapture funds become available in the fiscal year, proposals from these counties may be considered.

Approximately 200 additional units will be available for Neighborhood Strategy Areas (NSA) in Minneapolis and St. Paul. These units are only for substantial rehabilitation.

Non-Metro (Estimated Units: 350)

<u>Region</u>	<u>County</u>
1	Pennington
2	Clearwater
3	Aitkin
3	Lake
4	Becker
4	Pope
4	Wilkin
6W	Yellow Medicine
6E	Kandiyohi
7E	Isanti
8	Murray
8	Pipestone
8	Redwood
8	Rock
9	Brown
9	LeSueur
9	Martin
9	Waseca
10	Wabasha

These funds are available with 30 year Section 8 Contract Authority and 30 year mortgage term. In NSA Areas only, 40 year Contract Authority funds are available.

The agency strongly encourages applications from qualified minority developers and development teams with meaningful minority involvement as well as developers who have not previously participated in the program.

All applications must be received by the MHFA no later than 5:00 p.m., February 29, 1980. Applications received after this time will not be considered.

Any developer who has previously submitted an application to MHFA for one of the specified counties must indicate in writing between January 2 and February 29 that he wishes the application to be considered. Additional data to be provided at this time includes evidence of current site control, any changes in program, or any changes which might strengthen the proposal (updated market material, letters of support from the community, indications of improved site or utility conditions, etc.).

All applications mailed to the agency shall be by certified mail (return receipt requested). Anyone delivering an application to the agency must request a receipt.

A Developer's Packet containing application materials may be obtained from the Minnesota Housing Finance Agency, Suite 200, 333 Sibley Street, St. Paul, Minnesota 55101, or by calling (612) 296-7620.

State Planning Agency Environmental Quality Board

Notice of Request for Proposal for Professional Service Contract

The Environmental Quality Board requires the service of a qualified consultant to conduct a study and present a documented report on "The Variation of Electricity Cost as Determined by the Size of Electric Power Generating Plants."

Estimated fee range: about \$150,000.00

Time: To be negotiated.

Firms/individual desiring consideration should send their response, including resume of their training and work experience, to Dennis Rothenmaier, Project Manager, Environmental Quality Board, State Planning Agency, 15B Capitol Square Building, 550 Cedar Street, St. Paul, Minnesota 55101. All responses should be sent in no later than 5:00 p.m., February 15, 1980.

Environmental Quality Board Power Plant Siting Program Request for Proposal

January 7, 1979

"Variation of Electricity Cost As Determined By the Size of Electric Power Generating Plants"

I. Purpose

The purpose of this study is to enable the citizens of Minnesota to assess the effect of various alternatives in electric power

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generating unit and plant design on the cost of electricity. Citizens of Minnesota have expressed a desire to see electrical power generating plants built in smaller sizes, at more dispersed locations closer to the electrical load rather than in larger sizes, and located at some distance from the electrical loads.

Several studies of hypothetical utility systems have shown that, when considering the total reliability of the generating system and the uncertainty of future load growths, a program of building several smaller power plants may be more economical than building fewer but larger plants. Conversely, larger power plants may offer some definite economies of large scale production. The purpose of this project is to study the effect of the size of future power plants on the cost of electricity for the specific utility systems in Minnesota, and to allow interested citizens to evaluate how alternative decisions regarding future power plants will affect their cost of electricity.

Consideration will be limited to coal-fired electric plants rated 50 megawatts or greater. "Cost of electricity" is defined as the *cost* in dollars per kilowatt-hour at the high voltage bushings of the generating unit main transformer. All non site-specific costs associated with the generating system—such as design, license, construction, operation and maintenance of reserve—shall be included except where otherwise specified for analytical purposes. The transmission system shall not be included. Using appropriate costs of coal, capital recovery, and operation and maintenance, as specified later in this document, show the cost of electricity.

This Request for Proposal does not obligate the state to complete the project and the state reserves the right to cancel the solicitation if it is considered to be in its best interests. However, the project is considered to be important and funds for it have been budgeted.

II. Scope of the Project

This study will be divided into three parts. Part I will consist primarily of a survey of the literature, a critical review and evaluation of similar studies that have been performed in the past, the formulation of the techniques that will be used to accomplish the objectives of this study, and the preliminary design of a computer model (if an adequate existing model is not available) for the analysis of the effect of the various alternatives on the cost of electricity. The review and evaluation shall discuss the appropriateness of previously used methods to the utility systems of Minnesota. Part II will consist of the actual preparation or acquisition of a computer model, collection of data for a specific utility system, the testing of the model on that system and the preparation of a report. Part III will consist of the collection of data and actual analyses for two other Minnesota utility systems and the preparation of a report.

III. Specific Tasks of the Project

Specific Tasks of Part I of the Study

Part I of the study shall consist of a review of the literature and survey of institutions to determine the extent of existing similar work and the preliminary design or acquisition of a computer model to do the analyses. The contractor shall prepare a written

report critically evaluating existing studies and formulating techniques for this study.

For a hypothetical electric utility, determine and report to the state how the size of existing generating units affects forecasting, scheduling of engineering and construction activities, reliability of operation, spinning and idle reserve requirements, determination of the size of future units, and how these factors affect the cost of electricity. Discuss how membership in a pool—particularly Mid-Continent Area Power Pool—or participation in joint-venture plant ownership might alter the effects.

The objective of this discussion of a hypothetical utility is to allow citizens to comprehend, in general, how various utility decisions affect the cost of electricity. The discussion should avoid the use of complex formulas or technical language that would be unfamiliar to interested citizens. The contractor shall assume the reader will be reasonably well-educated but lacking in formal economic or engineering training. Additional or necessary highly technical discussion shall be included appendices.

A preliminary draft of the Part I Report shall be submitted in three copies for review. Following return of the preliminary draft, the contractor shall submit a revised draft, also in three copies, for review. Following return of the revised draft, the contractor shall submit three copies of the final Part I Report.

Each chapter or each section of the report shall include a summary, written in non-technical language, that summarizes the chapter. It is intended that this summary will allow interested, reasonably well-educated citizens to comprehend the effects of power system alternatives on their cost of electricity. To minimize the changes in draft reports, personnel from the Power Plant Siting Staff will work closely with the contractor as the work for this, and subsequent parts, progresses.

Specific Tasks of Part II of the Study

Prepare and document a computer model to assist in evaluation of size and reliability effects. The model should incorporate features to permit flexibility and convenience of use. Key assumptions should be accessible for modification to permit easy and extensive sensitivity analyses.

Determine the cost of electricity for generation additions for the Southern Minnesota Municipal Power Agency which is forecasting the addition of 400 megawatts of generation within the next 15 years. Assume single-unit power plants using low sulfur Western coal (0.9% S; 11.0% ash; and a higher heating value of 8300 BTU/lb). Economic parameters and costs of variously sized electrical generating units as given in the Burns and Roe *Definition of Model Coal-Fired Electric Generating Stations in the 50 MW to 2400 MW Range* shall be used where appropriate.

Cost of electricity shall be shown graphically and the costs of the various alternatives shall be shown on the same graph. Costs shall include capital recovery, fixed and variable operation and maintenance costs plus projected fuel costs. The objective is to allow citizens with little formal economic training to compare future costs of electricity due to the different alternatives. The determination of the effect of plant size on the cost of electricity

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shall be made by assuming various estimates of load growth and existing system capacity; several combinations of differently sized plants might then be constructed to satisfy that projected demand. (For example, the load growth curve may suggest an additional 400 megawatts of load will exist at some future date. That load could be satisfied by a single 400 megawatt unit or by constructing a sequence of small units.) The particular load growth curves for the utility system and the combination of plant sizes will be specified to the successful bidder at a later date, but it is anticipated that unit sizes will be 50 MW, 100 MW, 200 MW, and 400 MW. Perform the determinations under the following sets of conditions:

1. Include the costs of maintaining adequate system reserve, but neglect costs or penalties associated with differences in reliability of differently sized units. In addition and where appropriate, identify and quantify major cost differentiating design features such as steam conditions, condenser cooling methods, the use of precipitators or baghouse filters, and wet or dry scrubbers. Data furnished in the Burns and Roe report shall be used where appropriate. Discuss how differential lead time of the differently sized units and the accumulation of interest during construction affects the cost of electricity.

2. Repeat Task 1 except include the effects of differential lead time and differences in reliability for differently sized units. Discuss how the system reserve requirement might vary with differently sized units. Discuss system reliability as defined by a percentage reserve requirement and by a given loss-of-load-probability. Does such a different definition of reliability affect overall required capacity and cost of electricity?

3. Repeat Task 2 except assume that 5 years after a decision is made to construct a unit, revised load forecast shows a 20.0 percent increase (decrease) in the growth rate.

4. Repeat Task 3 except assume multi-unit power plants. Discuss and quantify the savings that can be realized by constructing more than one generating unit at a plant.

5. Discuss how unit thermal efficiency and air pollution control equipment energy requirements and collection rates vary with unit loading, cycling versus base-load operation, and frequency of start-up and shutdown operation. Determine how loading, cycling versus baseload operation, rate of response to changes in load, and frequency of start up and shutdown might vary with unit size.

6. Determine and compare the efficiencies of various systems in differently sized units. For example, compare the efficiencies of the steam and cooling water cycles, air pollution control equipment, etc. for differently sized units using commercially available equipment. Discuss the cause of differences in efficiencies. Are those differences due to size per se or are more efficient technologies commercially available only for larger sized units? If economic considerations limit availability of more efficient technologies to larger units, might those technologies be economically feasible on smaller units if design and manufacturing procedures were more standardized or if more but smaller plants were built?

7. Perform sensitivity analysis for the major variables of the above tasks.

8. Responder may propose additional or alternate tasks if they will substantially improve the results of the project.

Written reports for Part II of the study shall be submitted in the same manner as for Part I.

Specific Tasks of Part III of the Study

Part III of the study shall consist of the analyses as stated for Part II of the various alternatives for the Cooperative Power Association system and for the system of Northern States Power. Projected load curves and the unit sizes to be considered will be furnished to the successful bidder. It is anticipated that unit sizes to be considered will be 50 MW, 100 MW, 200 MW, 400 MW and 800 MW. Written reports for Part III shall be submitted in the same manner as for Part I.

IV. Department Contacts

Prospective responders who have any questions regarding this request for proposal may call or write:

Dennis Rothenmaier—Project Manager
Power Plant Siting—Environmental Quality Board
State Planning Agency
15 Capitol Square Building
550 Cedar Street
St. Paul, Minnesota 55101
(612) 296-2169

V. Instructions to Bidders

All proposals must be sent to and received by Dennis Rothenmaier by 5 p.m., February 15, 1980. Late proposals will not be accepted.

Ten copies of the proposal shall be submitted, sealed in mailing envelopes or packages with the responders name and address clearly written on the outside. Each copy of the proposal must be signed by an authorized member of the firm. Prices and terms of the proposal must be valid for the length of the contract.

VI. Proposal Contents

The following will be considered minimum contents of the proposal:

- A. A restatement of the purpose and scope to demonstrate the responder's view of the nature of the project. The statement shall include, but not necessarily be limited to, the following:

1. Economic parameters, such as fixed charge rates, interest rates, and "time-horizon" for the study.

2. A generalized statement, evaluating how adequately the tasks as specified in this proposal request might accomplish the stated purpose of the study. Bidders shall discuss how meaningful comparisons can be made in view of the many technical and site specific alternatives that exist. Bidders shall also discuss, in general terms, if this study might be overly simplified by neglecting transmission system considerations, or the advantages or disadvantages of a mix of several types and sizes of units.

- B. Outline the responder's background and experience with

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particular emphasis on local, state and federal government work. Identify personnel to conduct the project and detail their training and work experience. No change in key personnel assigned to the project will be permitted without the approval of the State project director or manager.

C. Responder shall prepare a detailed cost and work schedule which will identify the major tasks to be accomplished and be used as a scheduling and managing tool as well as basis for invoicing.

VII. Evaluation

All proposals received by the deadline will be evaluated by a State contractor-selection committee. In some instances, an interview will be part of the evaluation process. Factors upon which proposals will be judged include but are not limited to the following:

A. Bidder's expressed understanding of the project objectives.

B. An evaluation of the effectiveness and creativity of Bidder's proposed methods.

C. An evaluation of the project cost detail and work schedule. The State is not bound to accept the lowest bid if considerations other than cost are offsetting.

D. Qualifications of both company and personnel. Experience of project personnel will be given greater weight than that of the firm.

VIII. Attachments

The following documents will be furnished to the successful bidder, and will form a part of the contract. They are currently available for inspection in the Power Plant Siting Program office:

A. *1979 Inventory of Power Plant Study Areas*. This document contains maps of the state, showing broad regions (called "study areas") where variously sized plants might be located. A plant or unit is constrained by the requirements that the unit be located within the utility's service region and within an appropriate Inventory Study area.

B. *1978 Advance Forecast Report to the Minnesota Environmental Quality Board*. This document includes data on current electric system capacity, forecasted load, and planned generation. Additional information, as required, will be furnished to the contractor.

C. *1979 Update of the 1978 Advance Forecasting Report to the Minnesota Environmental Quality Board—July 1979*. This document is a revision of the previously listed forecast.

D. *Burns and Roe Definition of Model Coal-Fired Generating Stations in the 50 MW to 2400 MW Range*. This report describes conventional, coal-fired power plants of 200, 400, and 800 megawatts. It also describes 50 MW, 200 MW and 400 MW district heating power plants. Numerous cost and technical data are given including capital, fixed, and variable costs for each size plant and for various systems of the plants.

IX. Tentative Schedule of Work

Following is a tentative work schedule. Each bidder shall include a proposed schedule with his bid. The final schedule and final completion date will be negotiated with the successful bidder.

Proposal due	February 15, 1980
Award contract	March 3, 1980
Preliminary draft of Part I Report Due	May 30, 1980
Preliminary draft of Part II Report Due	September 1, 1980
Preliminary draft of Part III Report Due	October 31, 1980

Department of Public Service Utilities Division

Notice of Request for Proposals for Consultant Services

The Department of Public Service (Department) is soliciting proposals from qualified consultants with experience in public utility ratemaking to assist the department in meeting its obligations to consider and make determinations concerning the six Ratemaking Standards of the Public Utility Regulatory Policies Act (PURPA). Specifically, the department is seeking assistance in meeting these obligations under PURPA with respect to Otter Tail Power Company (OTP) in the context of a general rate case proceeding.

The consultant services required include:

A. Prepare a detailed and comprehensive analysis of OTP's marginal costs of service. (See PURPA Cost of Service Standard, Title I, Subtitle B, Sections 111 and 115.)

Using this marginal cost of service study as a basis, provide the following:

B. An analysis which shows that the energy component of each customer class's rate structure declines, as KWH use increases, only to the extent that such decrease is justified by reduced energy costs. (See PURPA Declining Block Rate Standard, Title I, Subtitle B, Section 111.)

C. A set of time-of-day rates for each customer class or an analysis demonstrating that such rates are not cost effective, i.e. the long-run benefits of such rates to OTP and its customers in the class concerned, are not likely to exceed the metering costs and other costs associated with the use of such rates. (See PURPA Time-of-Day Rate Standard, Title I, Subtitle B, Sections 111 and 115.)

D. A set of seasonal rates for each class of service which reflects the costs of such service, or an analysis which shows that OTP's cost structure does not justify such rates. (See PURPA Seasonal Rate Standard, Title I, Subtitle B, Section 111.)

E. A set of interruptible rates for the industrial and commercial classes or an analysis which demonstrates that such rates

STATE CONTRACTS

would not be cost justified. (See PURPA Interruptible Rate Standard, Title 1, Subtitle B, Section 111.)

F. An evaluation of the appropriateness and feasibility of implementing load management techniques. This evaluation should include a determination as to whether they are:

1. Practical and cost effective
2. Reliable
3. Provide useful energy or capacity management advantages.

(See PURPA Load Management Technique Standard, Title 1, Subtitle B, Sections 111 and 115.)

As a member of the Participating Department Staff (PDS), the consultant will be expected to:

G. Develop and deliver direct, rebuttal and surrebuttal testimony on the cost of service and rate design issues outlined above.

H. Be prepared to assist the PDS and PDS counsel in preparation of cross-examination of company and intervenor witnesses on marginal cost of service and rate design issues.

I. Work closely with designated members of the PDS in all stages of the project including but not limited to the following:

1. Gathering of all the required information and data from OTP and other sources.
2. Preparing and analyzing the required information and data.
3. Developing and preparing the marginal cost study.
4. Developing and preparing rate proposals.
5. Developing and preparing any associated cost-benefit analysis.

J. Provide the department with a written work plan for conducting marginal cost studies, developing rate structures and evaluating the costs and benefits of new rate proposals. The work plan should be sufficiently comprehensive and detailed to enable department staff to perform these tasks in the future.

The estimated amount of the contract is \$50,000.

The due date for proposals is February 11, 1980.

Direct any inquiries to:

Phillip J. Zins
Department of Public Service
160 East Kellogg Boulevard
St. Paul, Minnesota 55101
(612) 296-7531

Department of Transportation Office of Transit Administration

Notice of Request for Proposals for Consultant Services

The Office of Transit Administration, Department of Transportation, is seeking qualified organizations to evaluate paratransit demonstration projects, to develop alternatives for new projects, to prepare a paratransit program summary report and to develop paratransit and transit performance measures for project monitoring. These work tasks are outlined in detail in the Request for Proposals (RFP) Project Tasks Section. The formal RFP may be requested and inquiries should be directed to:

Robert Howdek, Assistant Director
Office of Transit Administration
B-26A Transportation Building
St. Paul, MN 55155

It is anticipated that the activities will not exceed a total cost to the state of \$50,000. The deadline for the submission of completed proposals is 3:00 p.m., Feb. 6, 1980.

Richard P. Braun
Commissioner of Transportation

STATE OF MINNESOTA
OFFICE OF THE STATE REGISTER

Suite 415, Hamm Building
408 St. Peter Street
St. Paul, Minnesota 55102
(612) 296-8239

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