

CHAPTER 453

MUNICIPAL ELECTRIC POWER

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453.51 INTENT.

Sections 453.51 to 453.62 are intended to provide a means for those Minnesota cities which now or hereafter own and operate a utility pursuant to law for the local distribution of electric energy to secure, by individual or joint action among themselves or by contract with other public or private entities within or outside the state, an adequate, economical, and reliable supply of energy. It is also the purpose of sections 453.51 to 453.62 to provide a means for Minnesota cities to construct and operate hydroelectric generating plants. To accomplish these purposes it is necessary for such cities to have power, by agreement between or among two or more of their number, to create a separate municipal corporation with the power and authority to finance and acquire facilities for the generation or transmission of electric energy, or interests in such facilities or rights to part of all of the capacity thereof. It is determined that an adequate, economical, and reliable supply of electric energy is essential to the orderly growth and prosperity of these communities, and a shortage of such energy is inimical to the safety, health, morale, and welfare of residents of the state and to the sound growth and developments of its communities. Such a shortage exists and is expected to continue or increase because of the difficulty, among others, in the operation of municipal generating plants, of achieving economies of size, limiting environmental impacts, and providing for peak loads. Accordingly it is determined that the exercise of the powers granted herein will benefit the people of the state and serve a valid public purpose in improving and otherwise promoting their health, welfare, and prosperity.

History: 1Sp1985 c 10 s 91

453.54 MUNICIPAL POWER AGENCIES; POWERS.

[For text of subds 1 to 14, see M.S.1984]

Subd. 15. It may contract with any person, within or outside the state, for the construction of any project or for the sale, with or without advertising for bids, or transmission of electric energy generated by any project, or for any interest therein or any right to capacity thereof, on such terms and for such period of time as its board of directors determines.

[For text of subds 16 to 21, see M.S.1984]

History: 1Sp1985 c 10 s 92

453.55 BONDS AND NOTES.

[For text of subds 1 to 10, see M.S.1984]

Subd. 11. Neither the officials, the directors, nor the members of a municipal power agency nor any person executing bonds or notes shall be liable personally on the bonds or notes or be subject to any personal liability or accountability by reason of the issuance thereof. A municipal power agency shall have power to indemnify and to purchase and maintain insurance on behalf of any director, officer, employee,

or agent of the municipal power agency, in connection with any threatened, pending, or completed action, suit, or proceeding, to the same extent and in the same manner and with the same force and effect as provided in the case of a private corporation under the provisions of section 300.083.

[For text of subds 12 and 13, see M.S.1984]

History: 1985 c 56 s 1; 1985 c 248 s 59

453.58 CITY POWERS.

[For text of subds 1 to 3, see M.S.1984]

Subd. 4. **No taxation of property; intent.** (a) Notwithstanding anything in sections 453.51 to 453.62 to the contrary, a city, by the exercise of any or all of the powers granted in sections 453.51 to 453.62, is not subject to any duty under section 453.54, subdivision 20, to pay amounts in lieu of taxes on any of its property. The sale or distribution of electric energy to private persons shall not cause a project to be treated as not used exclusively for a public purpose.

(b) This subdivision is adopted to clarify the powers intended to be granted to cities under this section, and the consequences thereof, is remedial in character, and applies to all property heretofore or hereafter acquired through the exercise of any of the powers of sections 453.51 to 453.62.

History: 1Sp1985 c 10 s 93