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State of Minnesota
HOUSE OF REPRESENTATIVES

**EIGHTY-FIFTH
SESSION**

HOUSE FILE No. 393

January 29, 2007

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The bill was read for the first time and referred to the Committee on Finance

1.1 A bill for an act
1.2 relating to energy; funding a study of potential for the use of geothermal heat
1.3 pumps in Minnesota.

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

1.5 Section 1. **GEOTHERMAL HEAT PUMP STUDY.**

1.6 (a) From the money available to the Public Utilities Commission for purposes of
1.7 studies and technical assistance by the reliability administrator under Minnesota Statutes,
1.8 section 216C.052, and in conformity with the goals and directives of Minnesota Statutes,
1.9 section 16B.325, the reliability administrator shall perform a comprehensive technical,
1.10 economic, and environmental analysis of the benefits to be derived from greater use in
1.11 this state of geothermal heat pump systems for heating and cooling air and heating water.

1.12 The analysis must:

1.13 (1) estimate the extent of geothermal heat pump systems currently installed in this
1.14 state in residential, commercial, and institutional buildings;

1.15 (2) estimate energy and economic savings of geothermal heat pump systems in
1.16 comparison with fossil fuel-based heating and cooling systems, including electricity use,
1.17 on a capital cost and life-cycle cost basis, for residential, commercial, and institutional
1.18 buildings;

1.19 (3) compare the emission of pollutants and greenhouse gases from geothermal heat
1.20 pump systems and fossil fuel-based heating and cooling systems;

1.21 (4) identify financial assistance available from state and federal sources and
1.22 Minnesota utilities to defray the costs of installing geothermal heat pump systems;

2.1 (5) identify Minnesota firms currently manufacturing or installing the physical
2.2 components of geothermal heat pump systems and estimate the economic development
2.3 potential in this state if demand for such systems increases significantly;

2.4 (6) identify the barriers to more widespread adoption of geothermal heat pump
2.5 systems in this state and suggest strategies to overcome those barriers; and

2.6 (7) make recommendations for legislative action.

2.7 No more than \$50,000 may be expended on the analysis.

2.8 (b) Not later than March 15, 2008, the reliability administrator shall submit the
2.9 results of the analysis in a report to the chairs of the senate and house of representatives
2.10 committees with primary jurisdiction over energy policy.

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