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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. **1145**

February 19, 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 utilities; establishing geothermal energy incentives; amending
1.3 Minnesota Statutes 2006, section 297A.67, by adding a subdivision; proposing
1.4 coding for new law in Minnesota Statutes, chapter 216B.

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

1.6 Section 1. **[216B.2427] GEOTHERMAL INCENTIVE.**

1.7 Subdivision 1. **Credit.** Each public utility, as defined in section 216B.02, shall offer
1.8 each of its customers a minimum onetime credit of \$200 per ton for geothermal heating and
1.9 cooling equipment purchased after June 30, 2007. For purposes of this section, "ton" is a
1.10 term used by the heating and cooling industry referring to the cooling power of a ton of ice.

1.11 Subd. 2. **Quarterly notice.** Each public utility shall inform its customers four times
1.12 per year (1) that geothermal energy can substantially reduce their heating bills and carbon
1.13 dioxide emissions and (2) that the incentive to purchase geothermal heating and cooling
1.14 equipment is available under this section and a sales tax credit is available under section
1.15 297A.67, subdivision 33, when geothermal equipment is purchased.

1.16 **EFFECTIVE DATE.** This section is effective for sales, purchases, and installations
1.17 occurring on and after July 1, 2007.

1.18 Sec. 2. Minnesota Statutes 2006, section 297A.67, is amended by adding a subdivision
1.19 to read:

1.20 Subd. 33. **Geothermal equipment.** The loop field collection system, the heat pump,
1.21 and charges for installation of geothermal heating and cooling systems are exempt.

- 2.1 **EFFECTIVE DATE.** This section is effective for sales, purchases, and installations
- 2.2 occurring on and after July 1, 2007.