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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. 2903

February 14, 2008

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The bill was read for the first time and referred to the Energy Finance and Policy Division

1.1 A bill for an act
1.2 relating to energy and the environment; extending the definition of biomass
1.3 with respect to renewable energy objectives, distributed energy resources, and
1.4 renewable energy resource planning; extending the expiration date for the
1.5 Metropolitan Area Water Supply Advisory Committee; amending Minnesota
1.6 Statutes 2006, sections 216B.2411, subdivision 2; 216B.2422, subdivision
1.7 1; 473.1565, subdivision 2; Minnesota Statutes 2007 Supplement, section
1.8 216B.1691, subdivision 1.

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

1.10 Section 1. Minnesota Statutes 2007 Supplement, section 216B.1691, subdivision 1,
1.11 is amended to read:

1.12 Subdivision 1. **Definitions.** (a) Unless otherwise specified in law, "eligible energy
1.13 technology" means an energy technology that generates electricity from the following
1.14 renewable energy sources: (1) solar; (2) wind; (3) hydroelectric with a capacity of less
1.15 than 100 megawatts; (4) hydrogen, provided that after January 1, 2010, the hydrogen must
1.16 be generated from the resources listed in this clause; or (5) biomass, which includes,
1.17 without limitation, landfill gas; an anaerobic digester system; and an energy recovery
1.18 facility used to capture the heat value of wastewater effluent, sludge, or related byproducts;
1.19 mixed municipal solid waste; or refuse-derived fuel from mixed municipal solid waste
1.20 as a primary fuel.

1.21 (b) "Electric utility" means a public utility providing electric service, a generation
1.22 and transmission cooperative electric association, a municipal power agency, or a power
1.23 district.

1.24 (c) "Total retail electric sales" means the kilowatt-hours of electricity sold in a year
1.25 by an electric utility to retail customers of the electric utility or to a distribution utility for
1.26 distribution to the retail customers of the distribution utility.

2.1 Sec. 2. Minnesota Statutes 2006, section 216B.2411, subdivision 2, is amended to read:

2.2 Subd. 2. **Definitions.** (a) For the purposes of this section, the terms defined in this
2.3 subdivision and section 216B.241, subdivision 1, have the meanings given them.

2.4 (b) "Eligible renewable energy sources" means fuels and technologies to generate
2.5 electricity through the use of any of the resources listed in section 216B.1691, subdivision
2.6 1, paragraph (a), ~~clause (1)~~, except that the term "biomass" has the meaning provided
2.7 under paragraph (c).

2.8 (c) "Biomass" includes:

2.9 (1) methane or other combustible gases derived from the processing of plant or
2.10 animal material;

2.11 (2) alternative fuels derived from soybean and other agricultural plant oils or animal
2.12 fats;

2.13 (3) combustion of barley hulls, corn, soy-based products, or other agricultural
2.14 products;

2.15 (4) wood residue from the wood products industry in Minnesota or other wood
2.16 products such as short-rotation woody or fibrous agricultural crops; ~~and~~

2.17 (5) landfill gas;

2.18 (6) wastewater effluent, sludge, or related byproducts; and

2.19 (7) mixed municipal solid waste, and refuse-derived fuel from mixed municipal
2.20 solid waste.

2.21 Sec. 3. Minnesota Statutes 2006, section 216B.2422, subdivision 1, is amended to read:

2.22 Subdivision 1. **Definitions.** (a) For purposes of this section, the terms defined in this
2.23 subdivision have the meanings given them.

2.24 (b) "Utility" means an entity with the capability of generating 100,000 kilowatts or
2.25 more of electric power and serving, either directly or indirectly, the needs of 10,000 retail
2.26 customers in Minnesota. Utility does not include federal power agencies.

2.27 (c) "Renewable energy" means electricity generated through use of any of the
2.28 following resources:

2.29 (1) wind;

2.30 (2) solar;

2.31 (3) geothermal;

2.32 (4) hydro;

2.33 (5) trees or other vegetation; ~~or~~

2.34 (6) landfill gas; or

2.35 (7) wastewater effluent, sludge, or related byproducts.

3.1 (d) "Resource plan" means a set of resource options that a utility could use to
3.2 meet the service needs of its customers over a forecast period, including an explanation
3.3 of the supply and demand circumstances under which, and the extent to which, each
3.4 resource option would be used to meet those service needs. These resource options
3.5 include using, refurbishing, and constructing utility plant and equipment, buying power
3.6 generated by other entities, controlling customer loads, and implementing customer
3.7 energy conservation.

3.8 (e) "Refurbish" means to rebuild or substantially modify an existing electricity
3.9 generating resource of 30 megawatts or greater.

3.10 Sec. 4. Minnesota Statutes 2006, section 473.1565, subdivision 2, is amended to read:

3.11 Subd. 2. **Advisory committee.** (a) A Metropolitan Area Water Supply Advisory
3.12 Committee is established to assist the council in its planning activities in subdivision 1.
3.13 The advisory committee has the following membership:

3.14 (1) the commissioner of agriculture or the commissioner's designee;

3.15 (2) the commissioner of health or the commissioner's designee;

3.16 (3) the commissioner of natural resources or the commissioner's designee;

3.17 (4) the commissioner of the Pollution Control Agency or the commissioner's
3.18 designee;

3.19 (5) two officials of counties that are located in the metropolitan area, appointed by
3.20 the governor;

3.21 (6) five officials of noncounty local governmental units that are located in the
3.22 metropolitan area, appointed by the governor; and

3.23 (7) the chair of the Metropolitan Council or the chair's designee, who is chair of
3.24 the advisory committee.

3.25 A local government unit in each of the seven counties in the metropolitan area must
3.26 be represented in the seven appointments made under clauses (5) and (6).

3.27 (b) Members of the advisory committee appointed by the governor serve at the
3.28 pleasure of the governor. Members of the advisory committee serve without compensation
3.29 but may be reimbursed for their reasonable expenses as determined by the Metropolitan
3.30 Council. The advisory committee expires December 31, ~~2008~~ 2010.

3.31 (c) The council must consider the work and recommendations of the advisory
3.32 committee when the council is preparing its regional development framework.

3.33 Sec. 5. **APPLICATION.**

- 4.1 Section 4 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
- 4.2 Scott, and Washington.