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State of Minnesota
HOUSE OF REPRESENTATIVES

**EIGHTY-FIFTH
SESSION**

HOUSE FILE No. 3343

February 21, 2008

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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; creating wind energy conversion system aggregation program;
1.3 creating an account; authorizing rulemaking; appropriating money; proposing
1.4 coding for new law in Minnesota Statutes, chapter 216F.

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

1.6 Section 1. **[216F.09] WECS AGGREGATION PROGRAM.**

1.7 Subdivision 1. **Program established.** (a) The wind energy conversion system
1.8 (WECS) aggregation program is established in the Department of Commerce. The purpose
1.9 of the program is to create a clearinghouse to coordinate and arrange umbrella sales
1.10 arrangements for groups of individuals, farmstead property owners, farmers' cooperative
1.11 associations, community-based energy project developers, school districts, and other
1.12 political subdivisions to aggregate small-volume purchases, as a group, in order to place
1.13 large orders for wind energy conversion systems with WECS manufacturers.

1.14 (b) The commissioner of finance shall provide applicable technical advice and
1.15 assistance in maintaining and administering the account created in subdivision 2.

1.16 (c) The commissioner of administration shall provide technical advice and assistance
1.17 regarding minimal procurement-related procedures considered necessary for administering
1.18 the program; however, this program is exempt from the state procurement provisions of
1.19 chapter 16C not adopted by rule under subdivision 3.

1.20 (d) This program is supplemental, and does not prevent or supersede, any other wind
1.21 energy conversion system aggregation program that may be conducted or undertaken by
1.22 farmers' cooperative associations, community-based energy project developers, political
1.23 subdivisions, or other individuals or organizations.

2.1 Subd. 2. WECS aggregation program account. The WECS aggregation program
2.2 account is established in the state treasury. Money in the account consists of purchase
2.3 money payments made by individuals, school districts, and other political subdivisions to
2.4 be aggregated as purchase money or down payments for a large-volume purchase from a
2.5 selected WECS manufacturer. Interest earned on money in the account is appropriated
2.6 annually to the commissioner of commerce to administer and coordinate the WECS
2.7 aggregation program.

2.8 Subd. 3. Rules. (a) After consulting with the commissioners of administration
2.9 and finance and the Rural Finance Authority, the commissioner of commerce and public
2.10 utilities commission shall jointly adopt rules under chapter 14 to implement and administer
2.11 the WECS aggregation program. At a minimum, the rules must:

2.12 (1) provide application procedures for participation in the program;

2.13 (2) set minimum standards for wind energy conversion systems to be considered for
2.14 purchase through the program, which may include price, quality and installation standards,
2.15 timely delivery schedules and arrangements, performance and reliability ratings, and any
2.16 other factors considered necessary or desirable for participants;

2.17 (3) set eligibility considerations and requirements for purchasers, including
2.18 availability to the applicant of land authorized for installation and use of WECS,
2.19 likelihood of a permit being approved by the commission or a county under this chapter,
2.20 documentation of adequate financing, and other necessary or usual financial or business
2.21 practices or requirements;

2.22 (4) provide a minimal framework for soliciting or contacting manufacturers on
2.23 behalf of participants;

2.24 (5) coordinate purchase agreements between the manufacturer and participants; and

2.25 (6) provide that participating manufacturers and applicants must agree in writing
2.26 that the state does not act as a guarantor for either the manufacturer or the purchasers and
2.27 that the state is not liable for civil damages for conduct in discharging its duties under this
2.28 section unless the state acts in a willful or wanton manner.

2.29 (b) Before drafting the rules, the commissioner and commission shall also
2.30 consider any additional issues and suggestions raised by interested farmers' cooperative
2.31 associations, communities participating in wind energy development projects, and other
2.32 individuals, organizations, and political subdivisions.

2.33 Subd. 4. Liability. The state:

2.34 (1) is not a guarantor on behalf of any manufacturer or purchaser participating
2.35 under this program; and

3.1 (2) is not liable for civil damages for conduct in discharging its duties under this
3.2 section unless the state acts in a willful or wanton manner.

3.3 **EFFECTIVE DATE.** Subdivisions 1, 2, and 4 are effective January 1, 2009.
3.4 Subdivision 3 is effective the day following final enactment.

3.5 Sec. 2. **TRANSITION PROVISION.**

3.6 The commissioner of commerce shall immediately begin compiling a list of persons
3.7 and organizations who want to purchase one or more wind energy conversion systems as
3.8 eligible participants in the WECS aggregation program.

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