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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH  
SESSION

HOUSE FILE No. **1182**

March 2, 2009

Authored by Bly, Falk, Paymar, Buesgens, Drazkowski and others  
The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform,  
Technology and Elections

March 25, 2009

Committee Recommendation and Adoption of Report:  
Re-referred to the Committee on Finance without further recommendation

February 8, 2010

By motion, recalled and re-referred to the Energy Finance and Policy Division

February 18, 2010

Committee Recommendation and Adoption of Report:  
To Pass as Amended and re-referred to the Committee on Civil Justice

1.1 A bill for an act  
1.2 relating to eminent domain; clarifying use of eminent domain authority by public  
1.3 service corporations; amending Minnesota Statutes 2008, sections 117.225;  
1.4 216E.03, subdivision 7; Minnesota Statutes 2009 Supplement, section 117.189.

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

1.6 Section 1. Minnesota Statutes 2009 Supplement, section 117.189, is amended to read:

1.7 **117.189 PUBLIC SERVICE CORPORATION EXCEPTIONS.**

1.8 Sections 117.031; 117.036; 117.055, subdivision 2, paragraph (b); 117.186; 117.187;  
1.9 117.188; and 117.52, subdivisions 1a and 4, do not apply to the use of eminent domain  
1.10 authority by public service corporations; for any purpose other than construction or  
1.11 expansion of:

1.12 (1) a high-voltage transmission line of 100 kilovolts or more, or ancillary  
1.13 substations; or

1.14 (2) a natural gas, petroleum, or petroleum products pipeline, or ancillary compressor  
1.15 stations or pumping stations.

1.16 For purposes of an award of appraisal fees under section 117.085, the fees awarded  
1.17 may not exceed \$1,500 for all types of property except for a public service corporation's  
1.18 use of eminent domain for a high-voltage transmission line, where the award may not  
1.19 exceed \$3,000.

1.20 For purposes of this section, "pipeline" does not include a natural gas distribution  
1.21 line transporting natural gas to an end user.

1.22 EFFECTIVE DATE. This section is effective the day following final enactment  
1.23 and applies to eminent domain proceedings or actions commenced on or after that date.

2.1 "Commenced" means when service of notice of the petition under Minnesota Statutes,  
2.2 section 117.055, is made.

2.3 Sec. 2. Minnesota Statutes 2008, section 117.225, is amended to read:

2.4 **117.225 EASEMENT DISCHARGE.**

2.5 Whenever claiming that an easement acquired by condemnation is not being used for  
2.6 the purposes for which it was acquired, the underlying fee owner may apply to the district  
2.7 court of the county in which the land is situated for an order discharging the easement,  
2.8 upon such terms as are just and equitable. Due notice of said application shall be given  
2.9 to all interested parties. Provided, however, this section shall not apply to easements  
2.10 acquired by condemnation by a public service corporation now or hereafter doing business  
2.11 in the state of Minnesota: for any purpose other than construction or expansion of:

2.12 (1) a high-voltage transmission line of 100 kilovolts or more, including ancillary  
2.13 substations; or

2.14 (2) a natural gas, petroleum, or petroleum products pipeline, including ancillary  
2.15 compressor stations or pumping stations.

2.16 For purposes of this section, "pipeline" does not include a natural gas distribution  
2.17 line transporting natural gas to an end user.

2.18 **EFFECTIVE DATE.** This section is effective the day following final enactment  
2.19 and applies to eminent domain proceedings or actions commenced on or after that date.

2.20 "Commenced" means when service of notice of the petition under Minnesota Statutes,  
2.21 section 117.055, is made.

2.22 Sec. 3. Minnesota Statutes 2008, section 216E.03, subdivision 7, is amended to read:

2.23 **Subd. 7. Considerations in designating sites and routes.** (a) The commission's  
2.24 site and route permit determinations must be guided by the state's goals to conserve  
2.25 resources, minimize environmental impacts, minimize human settlement and other land  
2.26 use conflicts, and ensure the state's electric energy security through efficient, cost-effective  
2.27 power supply and electric transmission infrastructure.

2.28 (b) To facilitate the study, research, evaluation, and designation of sites and routes,  
2.29 the commission shall be guided by, but not limited to, the following considerations:

2.30 (1) evaluation of research and investigations relating to the effects on land, water  
2.31 and air resources of large electric power generating plants and high-voltage transmission  
2.32 lines and the effects of water and air discharges and electric and magnetic fields resulting  
2.33 from such facilities on public health and welfare, vegetation, animals, materials and

3.1 aesthetic values, including baseline studies, predictive modeling, and evaluation of new or  
3.2 improved methods for minimizing adverse impacts of water and air discharges and other  
3.3 matters pertaining to the effects of power plants on the water and air environment;

3.4 (2) environmental evaluation of sites and routes proposed for future development and  
3.5 expansion and their relationship to the land, water, air and human resources of the state;

3.6 (3) evaluation of the effects of new electric power generation and transmission  
3.7 technologies and systems related to power plants designed to minimize adverse  
3.8 environmental effects;

3.9 (4) evaluation of the potential for beneficial uses of waste energy from proposed  
3.10 large electric power generating plants;

3.11 (5) analysis of the direct and indirect economic impact of proposed sites and routes  
3.12 including, but not limited to, productive agricultural land lost or impaired;

3.13 (6) evaluation of adverse direct and indirect environmental effects that cannot be  
3.14 avoided should the proposed site and route be accepted;

3.15 (7) evaluation of alternatives to the applicant's proposed site or route proposed  
3.16 pursuant to subdivisions 1 and 2;

3.17 (8) evaluation of potential routes that would use or parallel existing railroad and  
3.18 highway rights-of-way;

3.19 (9) evaluation of governmental survey lines and other natural division lines of  
3.20 agricultural land so as to minimize interference with agricultural operations;

3.21 (10) evaluation of the future needs for additional high-voltage transmission lines  
3.22 in the same general area as any proposed route, and the advisability of ordering the  
3.23 construction of structures capable of expansion in transmission capacity through multiple  
3.24 circuiting or design modifications;

3.25 (11) evaluation of irreversible and irretrievable commitments of resources should the  
3.26 proposed site or route be approved; and

3.27 (12) when appropriate, consideration of problems raised by other state and federal  
3.28 agencies and local entities.

3.29 (c) If the commission's rules are substantially similar to existing regulations of a  
3.30 federal agency to which the utility in the state is subject, the federal regulations must  
3.31 be applied by the commission.

3.32 (d) No site or route shall be designated which violates state agency rules.

3.33 (e) In issuing a route permit for a high-voltage transmission line, the commission  
3.34 shall, consistent with the safe and efficient operation of transportation systems, give  
3.35 priority consideration to utilizing existing utility, highway, publicly owned railway  
3.36 corridors. The term corridor means land in or in reasonable proximity to an existing

- 4.1 utility, publicly owned railway or highway easement or right-of-way. The commission
- 4.2 shall also give consideration to placing high-voltage transmission lines underground
- 4.3 to the maximum extent feasible.