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## 2021 MMUA Legislative Report

## Section 1: 2021 Legislative Session(s) Overview

As required by the Minnesota State Constitution, the 2021 Regular Session of the Minnesota State Legislature convened at noon on Tuesday, January 5. It convened, however, to basically empty chambers in an empty Capitol building, due to the pandemic. The House and Senate carried forward the rules promulgated during the 2020 Session for remote participation and voting by members. Left to some ambiguity was the process to get bills drafted and signed by members, but considering there were 2,572 Senate bills introduced, and 2,653 House bills, somebody found a way to make things work, and that was just for the Regular Session. The First Special Session saw an additional 71 Senate files and 69 House files introduced. In the end, however, only 31 bills from the Regular Session were signed by the Governor and just 14 survived the First Special Session, with 13 of them being the required budget bills.

Being the first year of a new legislative biennium, the Legislature's primary duty was to develop a balanced budget for the 2022-2023 fiscal biennium starting July 1, 2021. The November 2020 budget forecast revealed a projected mixed bag regarding the State's budget. The good news was a projected \$641 million surplus for the end of the 2021 budget year. However, the forecast also projected a \$1.27 billion shortfall for the 2022-2023 biennium, a figure that grew to \$2.64 when inflation was added into the equation. For the purpose of setting a biennial budget, however, the State is required to use the February forecast, and with a projected surplus of \$1.571 billion for the 2022-2023 fiscal years, the February 2021 forecast painted a much rosier picture than had been projected in the November 2020 forecast.

One would think that having more money available, and strong projections going forward, would make things easier when setting a budget, but it does not, particularly with a divided legislature. And Minnesota's legislature is particularly divided with four formal caucuses (DFL, Republican, New Republican, and Independent. And one member who had joined the New Republican caucus was evicted from that caucus and finished the term unaffiliated with any caucus.)

Further complicating things this year was that everyone knew a special session would be called in mid-June to deal with the governor's extension of the COVID-19 based peacetime emergency, which meant the real date for completing a budget deal was June 30, the last day of the 2021 fiscal year. This provided over a month of additional time for all sides to do their posturing before striking an agreement and adopting the new budget that increased key spending goals for things like E-12 education, while not imposing any new taxes.

A unique factor in reaching an agreement was the influx of federal COVID-19 relief funds. The Legislature had to wait until they knew how many hundreds of millions of dollars were being earmarked for Minnesota, when the funds would arrive, and what strings were attached to the funding. And as was the case with energy related money, it took a very long time to receive guidance from the Treasury Department as to what exactly the money could be used for.

The delay in setting a new budget is the main reason so few policy bills were signed coming out of the Regular Session.

Thankfully, one of the few bills that was adopted is the 2021 Energy Conservation and Optimization ACT (ECO.) The passage of this bill, which will be summarized below, represents over three years of negotiations and legislative efforts and was MMUA's primary priority for the 2021 Session. The final version of this bill was approved with a strong bi-partisan vote in both chambers and was signed by the Governor on May 25. ECO modernizes CIP and should be of assistance to municipal utilities across the State. In fact, ECO was deemed such a major accomplishment that a ceremonial bill signing was held. The ceremonial signing can be watched at <a href="https://youtu.be/Ua7JPCgi3s4">https://youtu.be/Ua7JPCgi3s4</a>.



The final negotiations on the bill required a concession from all utilities to agree to a two-week extension on both ends of the Cold Weather Rule; however, the CWR language was ultimately carried in the Omnibus Commerce and Energy Bill during the First Special Session and not in ECO itself.

Most other energy policy provisions were either included in draft (unofficial and non-binding) conference reports of their

underlying policy bills, or were deemed dead for the year. The 2021 Regular Session then petered out early in the afternoon of the last day instead of coming to a raucous end at midnight. Again, the knowledge of the need for a June special session took the urgency out of the normal battle to get things done by midnight of the last day.

The First Special Session convened on Monday, June 14 and quickly took on a very secretive feel. In theory, legislative committees were going to meet and act on the draft conference reports left hanging at the end of the Regular Session, plus any recommendations to amend the reports based on the efforts of "working groups" that had been meeting since the end of the Regular Session. By and large these working groups consisted of the chairs of the committees with jurisdiction over a section of the omnibus bill. Sometimes a few extra members joined the working group. However, working groups are not required to give any notice of their meetings and thus it was impossible to know who was meeting, where they were meeting, when they were meeting, or what was decided as a result of the meeting.

In the end, bills were drafted based on the work of these elusive working groups, but instead of being sent to the respective policy committees, these bill drafts were sent to the House Ways

and Means Committee and the Senate Finance Committee. No public testimony was taken, and no amendments were allowed unless necessary to correct an error in the bill. Some bills were subsequently referred to a policy committee for an "informational hearing" where limited testimony was sometimes taken, but because these hearings were informational only, no action could be taken by the policy committee to change or block the bill. This process led to many long nights and a protracted Special Session as House Republicans, who had been largely left out of bill negotiations, filibustered each bill as it came up for passage off the House floor.

MMUA originally thought the energy provisions of the Omnibus Commerce and Energy Bill were going to be harmless with only the extension of the CWR being of interest. But, when the bill was released just before its informational hearing, it was discovered that not only were the CWR extension provisions contained in the bill, but previously unintroduced language changing notice and reporting provisions related to disconnects was also in the bill. It turned out that MREA had spoken to the bill authors about including language clarifying the authority to conduct disconnects remotely using AMI devices. The Senate was fine with MREA's request but the House conditioned acceptance on co-ops and munis having to inform both the Department of Commerce and the local energy assistance agency of any notice of intent to disconnect, and to compile reports on disconnects if requested by the Department. MREA accepted the conditions without checking with MMUA. The House author also failed to reach out to us. Had MMUA been given the courtesy of being consulted on the language, it hopefully could have been drafted in a clearer manner that would not conflict with the Data Practices Act. But, because this courtesy was not extended, MMUA and MREA are now negotiating with the Department of Commerce to minimize the extra workload and to deal with the Data Practices provisions affected by the poorly drafted and secret amendment.

Technically the First Special Session ended when the House adjourned sine die in the very early morning of June 30, but the Senate stayed in Session. Since no legislation could be adopted with the House already gone, the Senate's stated reason was to verify that the Governor actually signed all the budget bills and the tax bill. It turned out, however, that that the real reason they had not adjourned was so that they could take up confirmation hearings for a few more commissioners appointed by Governor Walz. Two commissioners were quickly confirmed and two more were set to be confirmed, but MPCA Commissioner Laura Bishop was essentially given the choice to resign or endure hours of testimony before not being confirmed which would have been tantamount to being fired by the Senate. She resigned shortly before her confirmation hearing was scheduled to begin. The next day Senate Democrats, still angry about the way things had gone down, moved to adjourn sine die, even though two commissioners' presumed approvals had been slated to be acted upon. After an interesting floor discussion, the motion to adjourn sine die was approved and the true end of the First Special Session occurred July 7.

Unexpectedly, MMUA became part of the floor discussion about the handling of Commissioner Bishop's appointment. While not expressly named, the MPCA's handling of air quality modeling of intermittent generators, particularly within the City of Glencoe with whom MMUA has been closely working on behalf of all municipal utilities, was cited as an example of a pattern of behavior the Senate majority did not like in the Commissioner. For the record, MMUA had no involvement in the confirmation process and had no advance knowledge of the intent to cite the Glencoe situation as justification for the commissioner's not being confirmed.

Although the peacetime emergency which had required all the special sessions was repealed by both legislative action in the Omnibus State Government Finance Bill, and by Executive Order of the Governor effective July 1, 2021, a second special session is anticipated to be called in September in order to finalize the expenditure of federal COVID-19 aid to front line workers. A special committee was appointed during the First Special Session to make recommendations on how to divvy up the one-time money.

The exemption of intermittent generators operating fewer than 500 hours per year from the mandate of air quality modeling remains a key issue for MMUA. Also on the Government Relations plate are implementing the changes to CIP via ECO, and pay equity issues as they apply to line workers. Kent and Bill also plan on making a few member visits this fall, and have already begun attending events and fundraisers for legislators that serve on relevant committees or who have a history of supporting municipal utilities.

The weekly Friday Government Relations Committee calls, and the printing of The Capitol Letter are on hiatus until the 2022 Legislative Session convenes which is slated for noon on January 31, 2022, or until something occurs that requires a special call or publication.

### Section 2: 2021 Session Laws

#### A. 2021 Regular Session

The following bill from the 2021 Regular Session is of interest to municipal utilities and was signed into law by the Governor:

Chapter 29 - The Energy Conservation and Optimization (ECO) Act of 2021
 HF 164 Rep. Stephenson
 SF 227 Sen. Rarick

The ECO Act of 2021 contains numerous provisions affecting municipal utilities, including:

- Article 2, section 2 increases the State's energy savings goal from 1.5% to 2.5% of annual retail energy sales of electricity and natural gas. *Note*: While not a part of CIP, this section is often incorrectly cited as an increased burden for COUs.
- Article 2, section 3 provides important definitions, including subd. 10, clause 3 which excludes from "Gross Annual Retail Energy Sales" the amount of electric sales associated with a utility's program, rate, or tariff for electric vehicle charging based on a methodology and assumptions developed by the Department of Commerce with stakeholders no later than December 31, 2021. This exemption expires December 31, 2032.
- Article 2, section 4, subd. 2 maintains COUs' savings goal of 1.5% of gross annual retail energy sales but changes how it can be met (IOUs saw their goal increased to 1.75%.) The first 0.95% must be from

conservation efforts, but the remaining 0.55% can come from a variety of sources, including efficient fuel switching improvements. However, until July 1, 2026, a COU may not spend more than 0.55% per year, averaged over a three-year period, of the utility's gross annual retail energy sales, on efficient fuel switching improvements.

Article 2, section 4, subd. 3 - provides for the transition to ECO plans, the first of which must be filed by June 1, 2022. The plan can be up to three years in duration. A COU opting to file a two or three-year plan does not have to ensure that each year of the plan will see at least a 0.95% savings, but over the life of the plan must average savings of at least 0.95%. Annual updates must be given on the status of each plan beginning June 1, 2023.

This portion of ECO also authorizes a COU to seek a reduction in their savings goal, but the Commerce Commissioner may not approve a reduction below 0.95% on the conservation side of the goal.

- Article 2, section 4, subd. 4 imposes a penalty if a utility fails to meet its savings goal for three consecutive years and has not spent an average of at least 1.5% of its gross operating revenue during that time for an electric utility and 0.05 percent gross operating revenue for a gas utility. The penalty remains in effect until the utility's savings goal has been met for three consecutive years. The Commerce Commissioner has some discretion to lower the penalty. This provision replaces the minimum spending requirement that applied to all utilities regardless of what it cost to meet their respective savings goal.
- Article 2, section 4, subd. 5 maintains a COU's obligation to fund a low-income program, but now allows some money to be spent on "pre-winterization" efforts. IOUs will see a steady increase in low-income spending, but this mandate does not apply to COUs. The Commerce Commissioner was required to have by August 1, 2021, convened a stakeholder group to establish updated guidelines for determining eligibility of multifamily buildings to participate in conservation programs offered to low-income households. Such a group must meet at least once every five years.
- Article 2, section 4, subd. 8 establishes criteria for measuring efficient fuel switching improvements, including requirements that it: results in a net reduction of source energy; results in a net reduction of statewide greenhouse gas emissions; and is cost effective.
- Article 2, section 7 establishes a stakeholders' group, including municipal utilities, to develop technical guidelines for efficient fuelswitching improvements. The Commerce Commissioner must issue an order by March 15, 2022.

- The ECO Act took effect May 26, the day following the Governor's signature.

#### B. 2021 First Special Session

The following bills from the 2021 First Special Session are of interest to municipal utilities and were signed into law by the Governor:

- Chapter 3 Omnibus Agriculture Bill
  HF 8 Rep. Westrom
  SF 25 Sen. Sundin
  - Article 2 appropriates \$350,000 in both FY 2022 and FY 2023 for Border-to-Border Broadband. Request had been \$70 million for the biennium.
- Chapter 4 Omnibus Commerce, Climate and Energy Bill HF 8 Rep. Stephenson (and Long) SF 19 Sen. Dahms
  - Article 4 Renewable Development Account (RDA) Appropriations. Assorted expenditures from the RDA, including: \$2.5 million for the Clear Energy Career Training Pilot Program; \$5.5 million to Mountain Iron EDA for city owned solar module plant; \$500,000 in both FY 2022 and FY 2023 for third-party evaluation of proposals for RDA funds; \$2.4 million in FY 2022 and \$1.2 million in FY 2023 for microgrid research by University of St. Thomas; \$1.242 million in FY 2022 to fund solar on State colleges and universities; \$10 million in FY 2023 to U of M Board of Regents for research and development of energy storage systems utilizing hydrogen and ammonia from renewable or other clean energy sources; \$5 million in FY 2022 to fund State building energy conservation improvements; \$219,000 in FY 2022 and \$88,000 in FY 2023 for administrative revolving loan program for energy conservation in State buildings, and establishing a base of \$90,000 for FY 2024 and \$92,000 in FY 2025.
  - Article 8, section 2 establishes a State Building Energy Improvement Conservation Loans Program.
  - Article 8, section 3 establishes a Closed Landfill Solar Redevelopment and Reuse Account to capture revenue from the lease of PCA managed closed landfills by utilities for solar energy generating systems. Funds must be used to facilitate reuse and redevelopment in solar projects located at a closed landfill.
  - Article 8, section 4 establishes an RDA funded solar energy production incentive program (40 kW per premise).

- Article 8, section 6 establishes an Energy Transition Office to help develop and coordinate efforts to help communities impacted by the loss of an electric generation unit powered by coal, nuclear energy, or natural gas and owned by a public utility. Section 7 goes on to create an Energy Transition Advisory Committee. Section 8 requires the advisory committee to submit a transition plan by July 1, 2022.
- Article 8, section 9, subd. 2 (b) extends the protections of the Cold Weather Rule (CWR) to apply from October 1 of any year to the following April 30, beginning this year.
- Article 8, section 10 modifies the dates between which a reminder of CWR protections and responsibilities must be sent by 1<sup>st</sup> class mail, or electronically if so requested by a customer, to August 15 and October 1 of each year.
- Article 8, section 11 Further clarifies that the CWR protected disconnection / re-connection period is from October 1 of any year to the following April 30.
- Article 8, section 12 requires notice of a proposed disconnect to be sent to the Department of Commerce and the local energy assistance program at the same time as it is sent to the customer during a CWR protection period. MMUA is working with Commerce to determine exactly what notice must be given and not violate the Data Practices Act (Minnesota Statutes Chapter 13), and how frequently it must be given.
- Article 8, section 13 clarifies the authorized use of remote disconnects using AMI infrastructure as defined by law, during a CWR protection period. It also extends from 20 to 30 the number of days between notice sent to a customer by mail and when the disconnect may be made (the waiting period remains 15 days for notices delivered in person.)
- Article 8, section 14 provides for cost-recovery for the use of AMI infrastructure or in-person visits to disconnect or reconnect a customer during a CWR protection period.
- Article 8, section 15 allows the Department of Commerce to request up to daily reports related to disconnects and re-connections during a CWR protection period. (Again, MMUA is working with Commerce to minimize the impact of this new provision on all parties.)
- Article 8, section 17 establishes the Minnesota Efficient Technology Accelerator Program for a qualified non-profit who demonstrates to the Department of Commerce that it has a program which should lead to lower energy costs to consumers. Public utilities with over 300,000

customers may participate. Only one program can be approved and in operation at any one time.

- Article 8, section 19 imposes requirements to the resource plan of any utility shutting down a generation site as discussed above.
- Article 8, section 20 establishes the Natural Gas Innovation Plan Program which essentially establishes CenterPoint's Renewable Natural Gas proposal. The program is designed to encourage MPUCregulated gas utilities to develop plans to utilize biogas, renewable natural gas, power-to-hydrogen, power-to-ammonia, carbon capture and utilization, strategic electrification, district energy and energy efficiency.
- Article 8, section 23 establishes a Solar on Schools Program. Allows installation of equipment on or adjacent to the school building within the service territory of the utility currently providing electricity to the school building.
- Article 8, section 24 establishes a separate Solar on Schools program for XCEL Energy.
- Article 8, section 26 implements a Wind Turbine Lighting System program.
- Article 8, section 27 requires the PUC, as of August 1, 2021, to begin to evaluate changes to natural gas utilities' regulatory and policy structures needed to meet or exceed the State's greenhouse gas emissions reduction goals.
- Article 8, section 30 imposes the policy provisions for the RDA funded Clean Energy Careers Pilot Program highlighted above.

#### - Chapter 6 - Omnibus Environment Bill

HF 5 Rep. Hansen, R. **SF 20** Sen. Ingebrightsen

Article 1, section 1- Environment and Natural Resources Appropriation Article 1, section 2 - Pollution Control Agency Appropriations:

- (a) \$99,000 the first year and \$109,000 the second year are from the general fund for:
- (1) a municipal liaison to assist municipalities in implementing and participating in the rulemaking process for water quality standards and navigating the NPDES/SDS permitting process;
- (2) enhanced economic analysis in the rulemaking process for water quality standards, including more specific analysis and identification of cost-effective permitting;

- (3) developing statewide economic analyses and templates to reduce the amount of information and time required for municipalities to apply for variances from water quality standards; and
- (4) coordinating with the Public Facilities Authority to identify and advocate for the resources needed for municipalities to achieve permit requirements.
- (k) \$600,000 the first year is to develop and implement an initiative to reduce sources of perfluoroalkyl and polyfluoroalkyl substances (PFAS) in the environment that are eventually conveyed to municipal wastewater treatment facilities. In developing and implementing the initiative, the commissioner must work in cooperation with the Department of Health and with an advisory group consisting of one representative designated by each of the following: the League of Minnesota Cities; the Coalition of Greater Minnesota Cities; the Minnesota Environmental Science and Economic Review Board; the Minnesota Municipal Utilities Association: Metropolitan Council Environmental Services; Minnesota Association of Small Cities; National Waste and Recycling Association; Minnesota Rural Water Association; Association of Minnesota Counties; Solid Waste Administrators Association; Partnership on Waste and Energy; Minnesota Resource Recovery Association; Minnesota Inter-County Association; Minnesota Manufacturer's Coalition; and the Association of Metropolitan Municipalities. In developing and implementing the municipal initiative, the commissioner must:
- (1) identify sources of PFAS introduced into the environment that are eventually conveyed to municipal wastewater treatment facilities and contained in solid waste that are disposed at solid waste facilities;
- (2) identify source reduction strategies that can effectively reduce the amount of PFAS entering the environment that are eventually conveyed to municipal wastewater treatment facilities or are disposed at solid waste facilities;
- (3) publish and distribute throughout the state guidance documents for local governments that include education materials about effective strategies to reduce PFAS sources;
- (4) identify issues for future study; and
- (5) by January 31, 2023, report to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over the environment and natural resources on the development and implementation of the initiative. This is a onetime appropriation.
- (I) \$104,000 the second year is from the environmental fund for the purposes of the perfluoroalkyl and polyfluoroalkyl substances food packaging provisions under Minnesota Statutes, section 325F.075. The base for this appropriation in fiscal year 2024 and later is \$144,000.
- (n) \$250,000 the first year and \$250,000 the second year are from the environmental fund for identifying potential sources of PFAS contamination. This is a one-time appropriation.

#### Chapter 10 Omnibus DEED and DLI Bill

HF 1 Rep. Noor **SF 9** Sen. Pratt

 Article 1, section 7- directs DEED to apply for \$70 million of federal funds to finance the Border-to-Border Broadband program.

## Chapter 12 Omnibus State Government Finance Bill HF 12 Rep. Nelson, M. SF 2 Sen. Kiffmeyer

- Article 2, section 6 requires the Department of Administration to develop a charge sufficient to recoup the cost of power, plus administrative costs, associated with providing EV charging at the Capitol Complex.
- Chapter 14 Omnibus Tax and Public Finance Bill
  HF 9 Rep. Marquart
  SF 26 Sen. Nelson

Article 10, section 2 – clarifies that a municipal gas agency may exercise any powers of a power agency when engaging in tax-exempt prepayments and related transactions under the IRS code.

### Section 3: Bills of Interest That Did Not Become Law

Bills introduced in the first year of a legislative biennium carry forward to the second. If a bill has made it to a chamber's floor, it reverts to the last policy committee to have heard the bill. The committee then usually refers it back to the floor with no further testimony or amendments. Bills sitting in a committee remain in that committee for further action. Bills drafted but not introduced need to be introduced during the second year if they are to move towards a vote. Bills introduced in a special session do not carry forward to any other regular or special session. The following represent bills that are or could become bills of interest to municipal utilities in 2022. Issues that were largely resolved during the 2021 Regular Session and the First Special Session of 2021 are not included in this list, and amendments could make other bills relevant to municipal utilities.

HF 10 Stephenson SF 955 Senjem

Clean Energy First Act - To make changes to the MPUC processes for analyzing Certificates of Need and Integrated Resource Plans to prioritize local employment benefits as well as newly defined "clean energy resources" and "carbon-free resources."

HF 14 Ecklund SF 22 Bakk

To appropriate \$60 million in 2022 and \$60 million in 2023 to the Border-to-Border grant program.

HF 66 Bahner SF 1174 Koran To establish a Legislative Commission on Cybersecurity consisting of four senators and four representatives.

HF 78 Wazlawik SF 156 Bigham

To designate perfluorochemicals as a hazardous substance. See also, HF 1030 - SF 1852.

HF 98 Albright SF 8 Rosen

To restrict spending of any COVID-related federal funding except pursuant to a direct appropriation by law.

HF 129 Novotny SF 1378 Ingebrigtsen

To establish specific criminal penalties and vicarious liability for trespass to critical infrastructure and for recruiting or educating individuals to commit such trespass. See also, HF 254, HF 1558, SF 355.

HF 168 Lee SF 186 Champion

To require the MPCA to analyze and consider for air permit approval the cumulative levels and effects of past and current environmental pollution from all sources on the environment and residents of the geographic area within which a facility's emissions are likely to be deposited for permits in Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington counties.

HF 191 Koznick SF 141 Goggin

To appropriate \$9 million to Dakota County to construct capital improvements and replace turbines at the Byllesby Dam on the Cannon River.

HF 215 Lislegard SF 181 Rarick

To exempt repair or replacement of load management equipment that received initial inspection from re-inspection requirements.

HF 225 Quam SF 305 Senjem

To create a fund to provide loans and grants to local governments for repair or reconstruction of critical infrastructure affected by a disaster.

HF 248 Wazlawik

#### SF 606 Chamberlain

To require a local public hearing before the MPCA finalizes a stipulation agreement or consent decree with a facility.

HF 252 Quam SF 252 Senjem

To appropriate money for a feasibility study on the use of hydrogen produced by nuclear power plants in Minnesota.

HF 257 Wazlawik SF 2267 Housley

To restrict homeowner associations from prohibiting solar systems and to delineate what restrictions they are allowed to impose on such systems. See also, SF 381.

HF 266 Mortensen No Senate Companion

To restrict the state from enforcing any laws related to occupational licenses issued by a state agency or board and to require the revisor of statutes to prepare legislation to repeal all laws related to occupational licensing.

HF 278 Long SF 643 Frentz

To increase the RES for all utilities to 40% by 2025 and 55% by 2035; to establish a carbon-free energy standard for all utilities of 65% by 2025, 80% by 2030, 90% by 2035, and 100% by 2040; to require prevailing wage for large energy plant projects. (MMUA submitted written testimony.)

HF 323 Franke SF 233 Bigham

To appropriate \$315,000 to the U of M for a review of health issues potentially related to exposure to per- and polyfluoroalkyl substances.

HF 325 Masin SF 33 Cwodzinski

To repeal the limit on political subdivision employment compensation. See also, HF 1819 - SF 1060.

HF 347 Scott SF 1127 Limmer

To require security breach notification when government data acquisition is used for nongovernmental or governmental purpose.

HF 402 Hansen SF 568 Osmek

To appropriate \$20 million from state bond proceeds to the Met Council for grants to cities within the metropolitan area for capital improvements in wastewater collection systems to reduce inflow and infiltration. See also, HF 839 - SF 778.

HF 523 Elkins SF 1880 Franzen

To establish a road usage charge for EVs.

HF 533 Gruenhagen SF 1264 Draheim

To create a civil cause of action against employers for employees or potential hires discharged, disciplined, or denied employment for refusing to receive an immunization. See also, HF 667.

HF 539 Quam No Senate Companion

To establish a revolving loan fund to facilitate dredging of waterways to benefit hydroelectric facilities and require Xcel Energy to transfer \$5 million to the fund for 3 years.

HF 544 Quam No Senate Companion

To establish a loan fund for rural wastewater systems under the Public Facilities Authority with funding of 5% of annual appropriations of Local Government Aid to cities and counties.

HF 557 Mekeland SF 357 Mathews

To decrease required wetland replacement amounts. See also, HF 885.

HF 629 Fischer SF 228 Wiger

To allow artificial recharge of aquifers.

HF 630 Fischer SF148 Wiger

To appropriate funds from the general fund to the MPCA to monitor groundwater and surface water near compost facilities for the presence of PFAS; to appropriate funds from the general fund to the Department of Health to develop a network of sites to monitor unregulated contaminants in sources of drinking water.

HF 639 Hansen SF 1342 Dziedzic

To transfer \$1.2m from the clean water fund to the Board of Water and Soil Resources to purchase and restore permanent conservation sites to treat and store water on the land for water quality improvement.

HF 653 Acomb SF 1666 Rarick

To allow Xcel solar garden subscribers to be located outside the county or contiguous county area of the facility if the facility has a minimum setback of 100 feet from the nearest residential property. Applies to solar gardens for which application is made after the date of law enactment.

HF 665 Backer SF 1787 Westrom

To exempt all electricity from sales tax.

HF 731 Torkelson SF 261 Weber

To appropriate money from the general fund to the Board of Water and Soil Resources to develop a plan to increase water storage in strategic locations across the state.

HF 746 Hornstein SF 922 Marty

To exclude from RES eligibility energy from landfill gas and incinerated mixed municipal solid waste.

HF 751 Acomb SF 936 Dibble

To allow investor-owned utilities to submit to the MPUC plans to promote transition to electrical end uses from non-electrical uses in buildings.

HF 768 Swedzinski SF 216 Rarick

To exempt from sales tax building or construction materials, supplies and equipment purchased by a contractor or builder and used in projects for local governments and certain other entities. See also, HF 1117.

HF 802 Morrison SF 1713 Isaacson To increase the RES for all utilities to 40% by 2025 and 55% by 2035; to establish a carbon-free energy standard for all utilities of 65% by 2025, 80% by 2030, 90% by 2035, and 100% by 2040; to require the MPUC, when petitioned for a standard modification, to consider potential environmental costs, impacts on areas of concern for economic justice, and whether petitioning utility has met its obligations to upgrade or construct transmission lines and maximized cost-effective electricity delivery; to specify local workforce benefits and Minnesota societal benefits the MPUC must maximize through its regulation under the RES/CFS statute; to require prevailing wage for large energy plant projects. See also, HF 278 - SF 643.

HF 820 Koegel SF 852 Jasinski

To allow a member of a city, board, commission, or other public body to participate remotely in a meeting subject to open meeting laws from a private location more than three times between Jan. 1 and July 1 of 2021, effective retroactively.

HF 831 Long SF 2077 Senjem

To change the way the energy code for commercial buildings is adopted to achieve a net-zero energy standard for new commercial buildings by 2036.

HF 851 Demuth SF 620 Howe

To change, for purposes of Government Data statutes, the definition of "public official," to include managers, chiefs, heads or directors of departments, divisions, bureaus, or boards and any equivalent positions to include those of cities with populations of less than 7,500.

HF 877 Green No Senate Companion

To eliminate the PCA's and DNR's existing authority to promulgate rules; to repeal their existing rules, unless enacted by the Legislature.

HF 914 Fischer No Senate Companion

To require proper labelling of nonwoven disposable products. See also, SF 883.

HF 953 Hansen SF 1853 Hawi

To require public notice of wastewater overflows, bypasses, and releases from publicly owned treatment facilities.

HF 977Acomb No Senate Companion To establish a revolving loan fund for state agencies to install solar on their buildings and appropriate \$16 million from state bond proceeds to the fund.

HF 1011 Lippert SF 979 Tomassoni

To appropriate \$750,000 to the MPCA in partnership with the Minnesota Rural Water Association and the U of M technical assistance program to implement a program to optimize existing local mechanical and pond wastewater treatment systems to increase nutrient removal and improve efficiency.

HF 1031 Stephenson SF 972 Dahms

To repeal the sunset on the Department of Commerce authority to assess utilities for the department's activities in representing the interests of Minnesota residents, businesses and governments before bodies and agencies outside the state.

HF 1070 Baker SF 1015 Lang

To establish a fund and claims process for businesses negatively affected by the closing of the poultry waste biomass energy plant in Benson.

HF 1089 Masin SF 324 Carlson

To require all motorized vehicles used at MAC airports to be all-electric by 2030.

HF 1100 Frederick SF 1000 Dornink

To appropriate \$100 million from bond proceeds for the Public Facilities Authority for clean water programs.

HF 1135 Bierman SF 1018 Senjem

To repeal the sunset for recovery of gas utility infrastructure costs.

HF 1172 Lippert No Senate Companion

To require the MPUC to develop, by December 1, 2021, financial incentives to encourage an investor-owned utility to invest in infrastructure upgrades that facilitate the interconnection of distributed energy resources that the utility does not own.

HF 1189 Long SF 2322 Frentz

"Securitization bill" to allow utilities to finance "energy transition costs" for non-depreciated generation assets through new "energy transition bonds." Also referred to as "securitization."

HF 1198 Scott SF 745 Limmer

To limit legal liability for persons who design, manufacture, label, sell, distribute, or donate PPE, medical devices, medications, or COVID-19 tests used by a government entity, health care personnel or essential business; to limit the right to file a lawsuit by or against certain persons that claims injury, damage, death, or economic loss related to COVID-19.

HF 1211 Ecklund SF 204 Ingebrigtsen

To establish setback lengths for solar systems from public roads, trails, parks, and wildlife management areas.

HF 1226 Acomb SF 2452 Frentz

To allow renewable qualifying facilities to be paid more than a utility's avoided cost for energy from the same resource elsewhere. Promoted by MNSEIA.

HF 1277 Munson No Senate Companion

To prohibit political subdivisions from spending public money to attempt to influence, directly or indirectly, the outcome of any legislation pending before the legislature or spend any money on membership dues of a lobbying local government association, and to provide for injunctive legal action by residents.

HF 1289 Hollins SF 1621 Frentz

To make changes in how the MPUC may direct investor-owned utilities to compensate intervenors in commission actions involving them.

HF 1294 Hansen No Senate Companion

To require the DNR to hold a public meeting before issuing a water-use permit or plan for consumptive use of more than 216,000 gallons per day; to strictly limit DNR authority to permit vintage groundwater appropriation, and to require the DNR to find aquifer levels will recharge sustainably before issuing consumptive water-use permits.

HF 1323 Acomb SF 1997 Johnson Stewart

To establish and appropriate \$16 million from bond proceeds for a loan fund for solar energy systems in state buildings.

HF 1397 Long SF 1508 Rarick

To allow solar gardens on Xcel's system to qualify as "community access projects" if they meet certain requirements and require Xcel to purchase all energy from them at the retail rate.

HF 1423 Christensen No Senate Companion

To appropriate money from Xcel's Renewable Development Account to fun installation of solar facilities in state parks in Xcel's service territory. See also, HF 1853.

HF 1428 Acomb SF 1630 McEwen

To require all governmental units in Minnesota (including cities) to incorporate for their operations new state greenhouse gas reduction targets culminating in net-zero emissions by 2050.

HF 1473 Franzen SF 225 Kiffmeyer

To end the moratorium on approval of new nuclear electric generation facilities. See also, HF 420.

HF 1491 Hansen SF 1110 Ruud

To prohibit the DNR from issuing permits to appropriate water in excess of 1 million gallons per year for bulk transport or sale for consumptive use to a location more than 50 miles away. See also, HF 2237.

HF 1521 Haley SF 1230 Mathews

To extend whistleblower protections to public employees reporting gross mismanagement or gross waste of funds to their employer, any governmental body, law enforcement official, the legislative auditor, a member of the legislature, or a constitutional officer.

HF 1556 Mekeland SF 301 Kiffmeyer To allow municipal utilities and co-ops to modify their annual CIP energy savings goals; to disallow municipal and cooperative energy savings from energy infrastructure projects and waste heat recovery converted to electricity.

HF 1647 Hollins SF 1751 Kunesh

To require the Department of Commerce to provide technical support and expertise to assist any efforts by the 11 Indian tribes in Minnesota to establish a tribal advocacy council on energy.

HF 1651 Hollins SF 1674 Housley

To require Minnesota Power and Ottertail Power to submit a demand credit rider that reimburses all demand metered customers with solar systems greater that 40 kW for demand charge overbilling that occurs. Note: The MPUC went ahead with this requirement on its own.

HF 1668 Stephenson SF 1684 Senjem

To establish a variety of policies in support of electric vehicles.

HF 1843 Carlson SF 578 Weber

To change the depreciation calculation for wind and solar energy production tax to actual depreciation.

HF 1850 Bierman SF 2026 Frentz

To provide a tax credit for municipal and cooperative electric customers equal to 15%, 13%, then 11% of installation costs for solar facilities for 2021, 2022 and 2023, respectively.

HF 1853 Bierman No Senate Companion

To appropriate money from Xcel's Renewable Development Account to fund installation of solar facilities in state parks in Xcel's service territory.

HF 1862 Mekeland SF 1955 Mathews

To prohibit local regulations banning the use of natural gas as a residential energy source until after July 1, 2021. See also, HF 2264 / SF 2185.

HF 1878 Petersburg SF 1602 Howe To establish a tax on public and private EV charging stations of 5.01 cents/kWh on electricity, collectible and payable by the utility serving the charging station and to repeal the \$75 registration surcharge for EVs.

HF 1879 Lippert SF 1678 Pratt

To appropriate \$3 million from Xcel's Renewable Development Account to retire bonds associated with the Anoka-Ramsey closed landfill in order to remove bond covenants prohibiting economic activity on the site that prevent it from being used by Connexus for a 5 MW solar facility.

HF 1885 Backer SF 946 Westrom

To appropriate \$60 million to the Border-to-Border Broadband grant fund in each of 2022 and 2023; to appropriate \$15 million to the Border-to-Border Broadband grant fund in each of 2022 and 2023 to be used only to provide service in unserved areas or infrastructure in underserved areas.

HF 1899 Lee SF 1918 Dibble

To require the Met Council to purchase only all-electric buses and to appropriate \$4.1 million from Xcel's Renewable Development Account to the Met Council to help defray the cost of purchasing them.

HF 1987 Long No Senate Companion

To make it a goal of the state to reduce energy use in existing commercial and residential buildings by 50% by 2035.

HF 2028 Hornstein SF 1797 Dibble

To allow the Pollution Control Agency to regulate greenhouse gas emissions through air permits.

HF 2052 Lippert No Senate Companion

To allow siting of solar systems on prime farmland under certain conditions.

HF 2081 Reyer SF 2367 Champion To require the state's sustainable building guidelines to contain resiliency guidelines related to climate change adaptation.

HF 2083 Lippert SF 2027 Senjem

Future Fuels Act to require the Department of Commerce to establish annual standards leading to aggregate carbon intensity of transportation fuels sold in Minnesota of at least 20% below the 2018 level by 2035 and create a market for trading offset credits from sources including aggregators of EV charging such as utilities.

HF 2109 Long SF 2076 Senjem

To appropriate money from Xcel's Renewable Development Account to fund installation of solar facilities on state-owned buildings in Xcel's service territory.

HF 2150 Mekeland SF 992 Mathews

To repeal the Conservation Improvement Program.

HF 2165 Aakland SF 1186 Draheim

To expand state testing of statewide broadband availability to include wireless systems and to appropriate \$25 million in each of 2022 and 2023 to the Border-to-Border Broadband grant program to provide broadband service in unserved areas and broadband infrastructure in underserved areas.

HF 2174 Lee SF 2343 Dibble

To authorize the Department of Management and Budget to issue appropriation bonds for the purpose of providing funds to the Met Council to install electric transit vehicle charging infrastructure.

HF 2181 Anderson SF 2209 Howe

To require property to be classified as 3a if it contains more than one solar generating system that cannot be combined with the nameplate capacity of another solar system for the purpose of the production tax under section 272.0295.

HF 2194 Rasmusson SF 945 Westrom

To appropriate \$60 million to the Border-to-Border Broadband grant fund in each of 2022 and 2023.

HF 2200 Vang No Senate Companion

To establish and appropriate \$5 million to a City Climate Action Grant Program under the Pollution Control agency for cities to develop and implement plans or create new organizations and institutions to mitigate impacts of climate change on the cities or reduce the cities' contributions to the causes of climate change.

HF 2216 Long SF 2132 Senjem

To appropriate an amount of funding to be determined for loans to municipal gas utilities to pay for natural gas purchased February 12 through 17, and to appropriate an unspecified amount of funding to be determined for assistance to pay the February price surge related amount of gas utility bills of all Minnesota eligible low-income customers. *Note*: This effort failed due to a disagreement as to where the money would come from. Sen. Senjem amended his bill onto another bill deemed controversial by the House and it soon became too late for this effort to be of assistance.

HF 2220 Noor No Senate Companion

To appropriate funds for rental assistance and utilities for eligible people.

HF 2224 Hausman SF 2234 Duckworth

To appropriate funds for mortgage, homeowner insurance, property tax and utility payments for foreclosure prevention and the cost of expenses associated with the provision of economic support in connection with the public health emergency.

HF 2234 Boe SF 2416 Housley

To require the Department of Commerce to develop a network of EV charging stations in parting facilities at county government centers and to appropriate \$4.1 million from Xcel's Renewable Development Account to install them.

HF 2237 Boe No Senate Companion

To reduce future allowable water diversion and consumptive use permits from 2 million gallons per day to 1 million and require their legislative approval, except for "domestic water supply, excluding industrial and commercial uses of a municipal water supply" and other specified uses.

HF 2250 Petersburg SF 1086 Howe

To increase the \$75 surcharge on electric vehicles to \$229 for all-electric vehicles and \$114.50 for plug-in hybrid electric vehicles and automatically adjust the amounts to correspond with future changes in the gasoline excise tax.

HF 2251 Torkelson SF 2088 Lang

To prohibit the DNR from making changes to the public waters list and to require the DNR to submit a report to the legislature on the list modification process and change recommendations necessary to ensure local government involvement.

HF 2252 Torkelson SF 2089 Lang

To require the DNR to provide notice to local government units of revisions to the public waters inventory list.

HF 2278 Swedzinski No Senate Companion

To transfer all funds in the Renewable Development Account to LIHEAP payments.

HF 2282 Mekeland SF 1969 Kiffmeyer

To establish various restrictions on municipal powers to annex property.

HF 2303 Christensen SF 1696 Housley

To establish and appropriate sufficient funds from the general fund for electric generation transition aid to cities that lose tax assessment funds due to closing of a coal-fired electric generating plant.

HF 2368 Fischer No Senate Companion

To reestablish the Legislative Water Commission and the Advisory Council on Water Supply Systems and Wastewater Treatment Facilities; to establish a soil and water conservation district grant program; to require a statewide drinking water plan.

HF 2386 Lee SF 2527 Champion To make grants to incorporate energy technologies identified in the bill as part of the renovation or new construction of buildings damaged or destroyed by civil unrest in May and June 2020.

HF 2407 Berg SF 51 Rest

To establish an environmental assessment on primary carbon-based fuels and fuels used to generate electricity for in-state consumption of \$50 per ton of CO<sub>2</sub> emitted increasing \$5 annually to \$200. Biofuels and waste oil, and waste chemical fuels are exempt.

HF 2454 Nelson, N SF 2248 Rarick

To allow the Mora Public Utilities Commission to increase its membership to five.

HF 2455 Lislegard SF 2333 Tomassoni

To require the Department of Labor and Industry to issue only a written warning to an employer upon the first finding of a nonserious OHSA violation.

HF 2538 Stephenson SF 2422 Senjem

To require state agencies, when purchasing a motorboat, to purchase an electric motorboat, if suited to the purpose.

HF 2582 Pierson SF 2421 Senjem

To authorize public-private partnerships for certain types of infrastructure projects.

HF 2624 Lippert No Senate Companion

To make farmland and water conservation measures eligible under Property Assessed Clean Energy Programs and to require written notice to and consent from mortgage holders.

HF 2638 Petersburg SF 2537 Jasinski

To allow solar generating systems of up to 1 MW on agricultural preserve lands.

HF 2650 McEwen SF 2531 Jordan

To establish a grant program to replace the privately owned portion of all residential lead drinking water service lines in the state by 2032.

SF 39 Draheim

No House Companion

To require simple majority of voters approval for any county or city capital improvement valued at over \$1 million.

SF 338 Dibble

No House Companion

To remove RES eligibility electricity from mixed municipal solid waste or refuse-derived fuel from mixed municipal solid waste.

SF 381 Fateh

No House Companion

To restrict homeowner associations from prohibiting solar systems and to delineate what restrictions they are allowed to impose on such systems. See also, HF 257.

SF 466 Draheim

No House Companion

To establish a Department of Water Resources and transfer to it the duties of the Board of Soil and Water Resources, Environmental Quality Board

SF 910 Draheim

No House Companion

To prohibit the Department of Labor & Industry from adopting building codes unless approved by law or adopting energy codes unless it determines that any increased cost to construction or remodeling would be offset within five years.

SF 993 Newman

No House Companion

To make contested case decisions of the Office of Administrative Hearings final, rather than advisory to the referring state agency.

SF 995 Newman

No House Companion

To prohibit the use of public funds by the secretary of state or any public official for promoting or defeating a ballot question.

SF 1112 Eken

No House Companion

To change the calculation for Local Government Aid allocations.

SF 1295 Howe No House Companion

To prohibit inspectors from enforcing 2020 NEC provisions requiring 250-volt GFCI receptacles, setting outdoor outlet requirements, and requiring exterior disconnects on new and upgraded electrical services.

SF 1536 Duckworth No House Companion

To allow broadband grants to be used for fixed wireless.

SF 1891 Carlson No House Companion

To allow state agencies to meet their 2% wind or solar requirement with facilities located off-site and remove the 300-kW cap.

SF 2032 McEwen No House Companion

To prohibit the sale in Minnesota of less than two liters of water in plastic bottles.

SF 2090 Dornink No House Companion

To appropriate funds allowing investor-owned gas utilities to provide up to \$240 in relief to each residential customer.

SF 2156 Housley No House Companion

To require Xcel to develop a detailed timeline to decommission and demolish the Allen S. King plant in Oak Park Heights.

SF 2382 Rarick No House Companion

To require investor-owned electric utilities to provide service to their large industrial customers upon request at either their wholesale renewable energy cost or the MISO locational marginal price.

SF 2420 Senjem No House Companion To provide rebates for purchasing electric motorboats and electric marine power trains funded by the Renewable Development Account for Xcel customers and the general fund for non-Xcel customers.

SF 2526 Marty No House Companion

To reestablish the previously repealed strategy planning process for a sustainable energy future that ends Minnesota's contribution to greenhouse gases from fossil fuels no later than 2040.

Links to the Session Laws and bills summarized in this Report can be found at <a href="https://www.leg.state.mn.us">www.leg.state.mn.us</a>, And of course members are welcome to contact the Government Relations team at MMUA.

House Files	HF 113516	HF 221622
	HF 117217	HF 222022
HF 110	HF 1189 17	HF 222422
HF 58	HF 119817	HF 223422
HF 86	HF 1211 17	HF 223718
HF 910	HF 122617	HF 225023
HF 1010	HF 127717	HF 225123
HF 1210	HF 128917	HF 225223
HF 1411	HF 129418	HF 227823
HF 6611	HF 132318	HF 228223
HF 7811	HF 139718	HF 230323
HF 9811	HF 142318	HF 236823
HF 12911	HF 142818	HF 238624
HF 1644	HF 147318	HF 240724
HF 16811	HF 149118	HF 245424
HF 19111	HF 152118	HF 245524
HF 21511	HF 155619	HF 262424
HF 22512	HF 164719	HF 263824
HF 24812	HF 165119	HF 265025
HF 25212	HF 166819	
HF 25712	HF 184319	
HF 26612	HF 185019	
HF 27812	HF 185318	
HF 32312	HF 186220	
HF 32512	HF 187820	
HF 34713	HF 187920	
HF 40213	HF 188520	
HF 52313	HF 189920	
HF 53913	HF 198720	
HF 54413	HF 202820	
HF 55713	HF 205221	
HF 62913	HF 208121	
HF 63014	HF 208321	
HF 63914	HF 210921	
HF 65314	HF 215021	
HF 101116	HF 216521	
HF 103116	HF 217421	
HF 107016	HF 218121	
HF 108916	HF 219422	
HF 110016	HF 220022	

Senate Files	SF 91025	SF 179720
	SF 92214	SF 185316
SF 24	SF 93614	SF 18611
SF 811	SF 94522	SF 189126
SF 910	SF 94620	SF 191820
SF 196	SF 95510	SF 195520
SF 208	SF 97216	SF 196923
SF 224	SF 97916	SF 199718
SF 256	SF 99221	SF 202619
SF 2610	SF 99325	SF 202721
SF 3312	SF 99525	SF 203226
SF 3925	SF 100016	SF 207621
SF 5124	SF 101516	SF 207715
SF 14111	SF 101816	SF 208823
SF 15611	SF 108623	SF 208923
SF 18111	SF 111018	SF 209026
SF 20417	SF 111226	SF 213222
SF 21614	SF 112713	SF 215626
SF 22518	SF 117411	SF 220921
SF 2274	SF 118621	SF 223422
SF 22813	SF 123018	SF 224824
SF 23312	SF 126413	SF 226712
SF 25212	SF 129526	SF 232217
SF 26114	SF 134214	SF 233324
SF 30119	SF 137811	SF 234321
SF 30512	SF 150818	SF 236721
SF 32416	SF 153626	SF 238226
SF 33825	SF 160220	SF 241622
SF 35713	SF 162117	SF 242027
SF 38112	SF 163018	SF 242124
SF 46625	SF 166614	SF 242224
SF 56813	SF 167419	SF 245217
SF 57819	SF 167820	SF 252627
SF 60612	SF 168419	SF 252724
SF 62015	SF 169623	SF 253125
SF 64312	SF 171315	SF 253724
SF 74517	SF 175119	
SF 85215	SF 178714	





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