

JOBS, ENERGY AND COMMUNITY DEVELOPMENT SUBCOMMITTEE ON  
ENERGY

Friday, April 8, 2005  
Room G-15 Capitol  
8:00 AM

PRESENT

Gary Kubly  
Scott Dibble  
Chris Gerlach  
Steve Kelley  
James Metzen  
Mark Ourada  
Julie Rosen  
Tom Saxhaug  
David Senjem  
Dan Sparks  
Ellen Anderson

ABSENT

AGENDA

The meeting was called to order by Senator Kubly at 9:11 a.m.

Sen. Metzen presented SF 1901. Burl Haar, Executive Secretary, Public Utilities Commission testified in support of the bill. Sen. Senjem moved that the bill be laid over for possible inclusion in the omnibus bill. The motion passed on a voice vote.

Sen. Metzen presented SF 1902. Sen. Metzen moved the A-1 amendment. The motion passed on a voice vote. Handouts A, B, and C were passed out.

The following people testified on the bill:

Burl Haar, Executive Secretary, Public Utilities Commission  
Commissioner Ken Nickolai, Public Utilities Commission  
Edward Garvey, Deputy Commissioner of Commerce for Energy & Telecommunications

Sen. Metzen offered an oral amendment page 2, line 25 after "shall" insert "consult with other state agencies and". The motion passed on a voice vote.

Sen. Metzen moved that the bill be recommended to pass as amended and referred to the Jobs, Energy and Community Development Committee. The motion passed on a voice vote.

Senator Kubly recessed the meeting at 9:45 a.m.

Senator Kubly reconvened the meeting at 10:44 a.m.

Sen. Day presented SF 2091. Sen. Day offered an oral amendment page 1, line 21 delete "one mile" and insert "two miles". The motion passed on a voice vote. EJ Simon, President/CEO of Simon Industries, Inc. testified in support of the bill and presented handout D. Sen. Metzen moved that the bill be recommended to pass as amended and referred to the Jobs, Energy and Community Development Committee. The motion passed on a voice vote.

Sen. Pogemiller presented SF 2163. Tom Griffin from Crown Hydro, 5436 Columbus Ave, Minneapolis, MN 55417, testified in support of the bill. Sen. Metzen moved that the bill be recommended to pass as amended and referred to the Jobs, Energy and Community Development Committee. The motion passed on a voice vote.

Sen. Anderson presented SF 2166. Jim Alders from Xcel Energy, 414 Nicollet Mall, Minneapolis, MN 55401-1993, testified in support of the bill. Sen. Anderson moved that the bill be recommended to pass as amended and referred to the Jobs, Energy and Community Development Committee. The motion passed on a voice vote.

Sen. Anderson asked John Fuller, Senate Counsel, to explain Articles 1 and 2 of the Energy Omnibus Bill (SF 1368). John Fuller referenced handout E.

Sen. Anderson moved to delete everything after the enacting clause in SF 1368 and insert the BLO917 amendment. The motion passed on a voice vote.

Sen. Anderson moved the BLO917A-1 amendment to SF 1368. The motion passed on a voice vote.

Sen. Anderson moved BLO923-1 be included in SF 1368. The motion passed on a voice vote.

Sen. Anderson moved the BLO923A-2 amendment to SF 1368. The motion passed on a voice vote.

The following people testified in support of the bill:

Rick Evans, Xcel Energy, 825 Rice Street, St. Paul, MN

Edward Garvey, Deputy Commissioner of Commerce for Energy & Telecommunications

Beth Soholt, Executive Director, Wind on the Wires, 1619 Dayton Ave, Suite 203, St. Paul, Minnesota 55104

Bill Grant, Issac Walton League, 1619 Dayton Ave Ste 202, Saint Paul, MN 55104

Lester Bagley, MN Chamber of Commerce, 1820 Irving Ave S, Minneapolis, MN 55403

George Crocker, Executive Director, North American Water Office, PO Box 174, Lake Elmo, MN 55042

Sen. Anderson moved to reinstate the language on page 2, lines 19-22 of BLO923-1. The motion passed on a voice vote.

Burl Haar, Executive Secretary, Public Utilities Commission testified in support of the bill.

Carol Overland, Overland Law Office, 402 Washington St. S, Northfield, MN testified in opposition to the bill and presented handout F.

Ron Gitek, Minnesota Attorney General's Office, testified in opposition to sections of the bill allowing utilities to form transmission companies that would only be subject to federal jurisdiction but in support of the rest of the bill.

Kristen Eide-Tollefson, CURE, 429 14th Ave SE, Minneapolis, MN 55414, testified in opposition to the bill and presented handout G.

Sen. Anderson moved BLO925 be included in SF1368. The motion passed on a voice vote.

Sen. Anderson presented SF 2041 to be included in SF 1368. Sen. Anderson offered the A-1 amendment. Edward Garvey and Burl Haar answered questions regarding the amendment. Sen. Anderson's motion passed on a voice vote. John Fuller reminded the committee that section 1 had been deleted during a previous subcommittee hearing on 4/6/05. Sen. Anderson moved SF 2041 as amended be included in SF 1368. The motion passed on a voice vote.

Sen. Anderson offered SF 2148 to be included in the omnibus bill. Sen. Anderson moved the H1530A1 amendment. The motion passed on a voice vote. Edward Garvey and Ron Elwood, Legal Services Advocacy Project, Midtown Commons, Suite 101, 2324 University Ave West, St. Paul, MN 55114 testified in support of the bill. Sen. Anderson moved SF 2148 as amended be included in SF 1368. The motion passed on a voice vote.

Sen. Anderson moved SF 940 as amended be included in SF 1368. The motion passed on a voice vote.

Sen. Anderson offered SF 1369 to be included in the omnibus bill. Sen. Anderson moved the A-1 amendment incorporating the oral amendment offered by Edward Garvey page 1, line 13 delete ", and the proposed zone" line 14 delete "contains at least two utility customer" after line 22 add "(c) Nothing in this section limits the ability of the utility and any customer to enter into customer-specific agreements pursuant to applicable statutory, rule or tariff provisions." The motion passed on a voice vote. Sen. Anderson moved SF 1369 as amended be included in SF 1368. The motion passed on a voice vote.

Sen. Anderson moved SF 1492 be included in SF 1368. The motion passed on a voice vote.

Sen. Anderson offered SF 1575CE to be included in the omnibus bill. Sen. Anderson moved the A-4 amendment. The motion passed on a voice vote. Sen. Anderson moved SF 1575 as amended be included in SF 1368. The motion passed on a voice vote.

Sen. Anderson moved SF 1902 as amended be included in SF 1368. The motion passed on a voice vote.

Sen. Anderson assumed the chair at 12:36 p.m.

Sen. Dibble moved SF 1924 as amended be recommended to pass and referred to the Jobs, Energy and Community Development Committee. The motion passed on a voice vote.

Sen. Anderson recessed at 12:40 p.m.

Sen. Kubly reconvened the meeting at 1:05 p.m.

Sen. Dibble presented SF 1399. Handouts H and I were passed out.

The following people testified on the bill;

Leonard Frame, Fluidyne Engineering Corporation. 5900 Olson Memorial Highway. Minneapolis, MN 55422-support

Julie Jorgensen, Co-President and CEO, Excelsior Energy Inc. , 294 Grove Lane East, Suite 260, Wayzata, MN 55391-opposition. Presented handout J.

Bill Grant, Isaac Walton League

Sen. Dibble moved SF 1399 be included in SF 1368. The chair was in doubt and asked for a show of hands. The motion failed on a vote of 4-6.

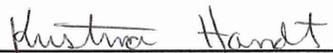
Sen. Kelley moved SCS0462A10 incorporating the oral amendment page 1, line 5 delete "In addition to the payments required" line 6 "by subdivision 3a, and" , "the" line 7 "amount the" and "is" and line 7 insert "an" before "owner" and after "owner" insert "of homestead or nonhomestead agricultural land that is used for farming" be included in SF 1368. The chair ruled the amendment passed on a voice vote. Sen. Ourada requested division. The amendment failed on a tie vote.

Sen. Sparks moved BLO922 be included in SF 1368. The motion passed on a voice vote.

Sen. Anderson moved SF 1368 as amended be recommended to pass and referred to the Jobs, Energy and Community Development Committee. The motion passed on a voice vote.

Sen. Kubly adjourned the meeting at 2:15 p.m.

  
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Senator Gary Kubly, Chair

  
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Kristina Handt, Sub. Sec.

00:33:45A  
01:57:05B Part 1  
01:09:51C  
3 Parts

**JOBS, ENERGY AND COMMUNITY DEVELOPMENT SUBCOMMITTEE ON  
ENERGY  
FRIDAY, APRIL 8, 2005  
ROOM G-15 CAPITOL  
9:00 AM**

**AGENDA**

**SF 1901-Metzen: Public utilities commission costs recovery authority expansion**

- Burl Haar, Executive Secretary, Public Utilities Commission

**SF 1902-Metzen: Power plant siting and routing, wind energy conversion systems and pipelines authority transfer**

- Burl Haar, Executive Secretary, Public Utilities Commission

### Senate Committee Meeting Log

Committee Name: Jobs, Energy, Community Development  
 Date: April 8, 2005 Day: Friday Start Time: 9:43

**Agenda**

Bill # (or Topic)	2091
Author	Day
Short Descriptor	property tax exemption for electric facility personal property.
Action(s)	Passed, Referred to Full Committee
Bill # (or Topic)	<del>2091</del> 2163
Author	Page Miller
Short Descriptor	State and personal property tax exemption for hydroelectric generating facilities
Action(s)	Passed; Referred to Full Committee
Bill # (or Topic)	2166
Author	Anderson
Short Descriptor	Property tax electric power generation facility efficiency modification and deification for prop tax
Action(s)	Passed; Referred to Full Committee
Bill # (or Topic)	SF1368
Author	Anderson
Short Descriptor	Public
Action(s)	Amended - by adding Article I (BL0917)

A-1 Amended - Passed  
 Amended by adding Article II (BL0923-1)  
 Article 2 Amended - Passed  
 BL925 - Amendment - Passed C-over →

Part 2

**JOBS, ENERGY AND COMMUNITY DEVELOPMENT SUBCOMMITTEE ON  
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FRIDAY, APRIL 8, 2005  
ROOM G-15 CAPITOL  
10:30 AM**

**AGENDA**

**SF 2091-Day:** Property tax exemption for electric generation facility personal property

**SF 2163-Pogemiller:** Sales and personal property tax exemptions for hydroelectric generating facilities

- Bob Hentges

**SF 2166-Anderson:** Property tax electric power generation facility efficiency modification and clarification for property tax purposes

**SF 2148-Anderson:** Energy assistance programs statutory references correction and obsolete energy conservation measures or efficiency standards provisions repeal

**SF 1399-Dibble:** Public utility innovative energy projects renewable development account grants eligibility elimination

**OMNIBUS ENERGY POLICY BILL:**

**HF1344/SF 1368-Anderson:** Public utilities community based energy development tariffs adoption and renewable energy resources and objectives provisions modifications

### Senate Committee Meeting Log

Committee Name: Jobs, Energy, Community Development - Energy-Sub-Committee  
 Date: April 8, 2005 Day: Friday Start Time: 9:05 am

**Agenda**

Bill # (or Topic)	1902
Author	Metzen
Short Descriptor	Power plant siting and routing, wind energy conversion systems and pipelines authority transfers
Action(s)	Amended - Passed - ORALCJ Amended - Passed Referred to Full Committee
Bill # (or Topic)	1901
Author	Metzen
Short Descriptor	Public Utilities commission costs recovery authority expansion
Action(s)	Passed & Referred to Full Committee
Bill # (or Topic)	
Author	
Short Descriptor	
Action(s)	
Bill # (or Topic)	
Author	
Short Descriptor	
Action(s)	