



# SB 3051/HF 3299 PERMITTING REFORM BILL

## About the Bill

Chief Authors: Sen. Rarick/Rep. Stephenson

### This bill seeks to:

- ◆ Reform and streamline the siting and permitting process;
- ◆ Better reflect Minnesota's changing energy landscape;
- ◆ Maintain robust public participation and regulatory oversight;
- ◆ Acknowledge the importance of using local labor in construction and maintenance;
- ◆ Maximize the local economic benefits that accompany utility-scale wind and solar projects.

## Investor Owned Utilities (IOUs) and Independent Power Producers (IPPs)

Minnesota's regulatory framework was designed for the exclusive oversight of investor owned utilities (IOUs), not for the massive influx of renewable energy projects and the advent of independent power producers (IPPs). State laws, regulatory processes and tight interconnection capacity can have a significant impact on the cost and timing to develop projects. **Unlike IOUs, IPPs do not have captive ratepayers nor do they exercise eminent domain authority.** IPPs rely exclusively on voluntary easements for every aspect of their projects. Reforming the permitting process makes it easier for IPPs to satisfy the needs of utilities and other customers, who continue to push for more renewable energy projects on the grid.

## Bill Provisions:

- ◆ **Eliminate the Certificate of Need (CN) Requirement for IPP wind and solar projects.**
  - ◆ The intent of the CN statute is to prevent utilities from overbuilding and charging captive ratepayers. The CN requirements are not necessary for IPPs because if an IPP cannot procure a buyer, the project never gets built.
  - ◆ CN requirements entail a long process, around 16-months, to approve a permit; requiring IPPs to take these steps is unnecessary and makes Minnesota much less competitive with surrounding states.
- ◆ **Recognize that IPPs rely exclusively on voluntary easements.**
  - ◆ Current law requires any generation tie line over five miles to have two proposed routes. The bill would increase this limit, permitting IPPs to propose only one route for generation tie lines under 30 miles in length.
  - ◆ IPPs do not seek agreements for alternate routes after securing voluntary preferred routes. Requiring IPPs to propose two routes under current law creates confusion and concern with non-participating landowners on the alternate route that will never get built.

For Questions or Comments on this bill, please contact Peder Mewis at [pmewis@cleangridalliance.org](mailto:pmewis@cleangridalliance.org) or Madelyn Smerillo at [msmerillo@cleangridalliance.org](mailto:msmerillo@cleangridalliance.org)

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## Bill Provisions (cont.)

### ◆ Combine small gen-tie lines with the site permit for solar facilities.

- ◆ Small gen-tie lines fall below the threshold for PUC oversight and are instead permitted at the local level. Oftentimes, local governments are uncomfortable with permitting these lines because they lack the technical understanding to do so.
- ◆ Combining small lines with site permits will simplify the permitting process and align it with original gen-tie line statutory intent and function.

### ◆ Recognize the importance of local labor and community economic benefits.

- ◆ The bill authorizes the PUC to consider local labor and local economic benefits in various proceedings including large energy facility permits, integrated resource plans, utility cost recovery, and the bidding and procurement process.
- ◆ This language emphasizes the value of including local workers and fostering local economies through the development, construction and maintenance of utility-scale renewable energy projects.

## Amendment to be added in Committee

An amendment will be added to allow the PUC to consider broad **environmental and socioeconomic factors** when evaluating wind and solar site permit applications. These provisions are taken directly from the CN statute and embedded in the site permit statutes.

## TOP 10 MINNESOTA

Counties for Wind & Solar Tax Revenue 2021

ENERGY SOURCE	PRODUCTION IN MWH	2021 TAX
Lincoln Wind	2,143,478.84	\$2,515,228.86
Mower Wind	1,781,682.01	\$2,097,791.64
Jackson Wind	1,539,261.38	\$1,823,269.43
Nobles Wind	1,194,719.80	\$1,411,291.69
Murray Wind & Solar	1,116,233.88	\$1,277,235.11
Pipestone Wind & Solar	1,151,697.50	\$1,223,720.17
Rock Wind	673,393.57	\$792,326.91
Cottonwood Wind	581,451.21	\$697,741.50
Freeborn Wind & Solar	523,310.81	\$627,824.54
Stearns Wind & Solar	429,109.40	\$514,931.29

MN Dept of Revenue Energy Production Tax Data

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