12/26/24 **REVISOR** RSI/KR 25-01711 as introduced

SENATE STATE OF MINNESOTA **NINETY-FOURTH SESSION**

A bill for an act

relating to energy; amending the definition of "carbon-free"; amending Minnesota

S.F. No. 2710

(SENATE AUTHORS: FARNSWORTH, Hauschild, Mathews and Pappas)
DATE D-PG OFFICIAL STATUS

DATE 03/20/2025 **D-PG** 913 Introduction and first reading
Referred to Energy, Utilities, Environment, and Climate
Author stricken Eichorn

03/24/2025 1029

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1.3	Statutes 2024, section 216B.1691, subdivision 1.
1.4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
1.5	Section 1. Minnesota Statutes 2024, section 216B.1691, subdivision 1, is amended to read:
1.6	Subdivision 1. Definitions. (a) For purposes of this section, the following terms have
1.7	the meaning given them.
1.8	(b) "Carbon-free" means a technology that generates electricity without emitting carbon
1.9	dioxide. Carbon-free includes a technology that, as of the effective date of this act and
1.10	thereafter, generates at least 50 percent of a utility's annual retail electricity sales in Minnesota
1.11	by combusting wood chips derived from:
1.12	(1) limbs, branches, and other by-products of timber harvesting operations conducted
1.13	to obtain wood for nonenergy purposes; or
1.14	(2) discarded wood products.
1.15	(c) Unless otherwise specified in law, "eligible energy technology" means an energy
1.16	technology that generates electricity from the following renewable energy sources:
1.17	(1) solar;
1.18	(2) wind;
1.19	(3) hydroelectric with a capacity of: (i) less than 100 megawatts; or (ii) 100 megawatts
1.20	or more, provided that the facility is in operation as of February 8, 2023;
1.21	(4) hydrogen generated from the resources listed in this paragraph; or

Section 1. 1 2.1

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- (5) biomass, which includes, without limitation, landfill gas; an anaerobic digester system; the predominantly organic components of wastewater effluent, sludge, or related by-products from publicly owned treatment works, but not including incineration of wastewater sludge to produce electricity; and, except as provided in subdivision 1a, an energy recovery facility used to capture the heat value of mixed municipal solid waste or refuse-derived fuel from mixed municipal solid waste as a primary fuel.
- (d) "Electric utility" means: (1) a public utility providing electric service; (2) a generation and transmission cooperative electric association; (3) a municipal power agency; (4) a power district; or (5) a cooperative electric association or municipal utility providing electric service that is not a member of an entity in clauses (2) to (4).
- (e) "Environmental justice area" means an area in Minnesota that, based on the most recent data published by the United States Census Bureau, meets one or more of the following criteria:
 - (1) 40 percent or more of the area's total population is nonwhite;
- 2.15 (2) 35 percent or more of households in the area have an income that is at or below 200 percent of the federal poverty level;
- 2.17 (3) 40 percent or more of the area's residents over the age of five have limited English proficiency; or
 - (4) the area is located within Indian country, as defined in United State Code, title 18, section 1151.
 - (f) "Total retail electric sales" means the kilowatt-hours of electricity sold in a year by an electric utility to retail customers of the electric utility or to a distribution utility for distribution to the retail customers of the distribution utility.
- 2.24 **EFFECTIVE DATE.** This section is effective the day following final enactment.

Section 1. 2