

SF1393 - 1E - Data Center Energy Generation Redundancy

Chief Author: **Andrew Mathews**
 Committee: **Environment, Climate, And Legacy**
 Date Completed: **4/6/2025 3:09:47 PM**
 Agency: **Public Utilities Commission**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative.
 Reductions shown in the parentheses.

State Cost (Savings)		Biennium			Biennium	
Dollars in Thousands		FY2025	FY2026	FY2027	FY2028	FY2029
Total		-	-	-	-	-
Biennial Total				-		-

Full Time Equivalent Positions (FTE)		Biennium			Biennium	
		FY2025	FY2026	FY2027	FY2028	FY2029
Total		-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2025	FY2026	FY2027	FY2028	FY2029
	Total	-	-	-	-	-
	Biennial Total			-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
	Total	-	-	-	-	-
	Biennial Total			-		-
2 - Revenues, Transfers In*						
	Total	-	-	-	-	-
	Biennial Total			-		-

Bill Description

S.F. 1393 defines terms and establishes the procedure applicants must follow for approval to construct a combination of emergency backup generators designed to serve one person and located on property owned or controlled by the person.

Section 1 states that upon adoption by the responsible governmental unit of the environmental document and plan for mitigation under an alternative urban areawide review process, environmental review is complete with regards to the anticipated residential, commercial, warehousing, and light industrial development projects that are consistent with development assumptions within the established boundaries of the geographic area to which the alternative urban areawide review applies.

Section 2 defines “emergency backup generator” as a stationary compressed ignition or spark ignition engine that is installed with equipment that prevents the flow of electricity to the electric grid.

Section 3. Data center is defined as a freestanding structure that primarily contains electronic equipment used to process, store, and transmit digital information.

Section 4 exempts a combination of emergency backup generators at a single site with a combined capacity of 50,000 kilowatts or more from the certificate of need requirement in section 216B.243. This section is effective the day following final enactment and applies to applications under section 216B.243 that are pending before or submitted to the Public Utilities Commission on or after that date.

Section 5 adds the definition of “emergency backup generator” to section 216I.02.

Section 6 states allows a combination of emergency backup generators designed to serve one person and located on property owned or controlled by the person to use the procedures of standard review in section 216I.07, instead of the procedures of major review in section 216I.06.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to applications under section 216I.07 that are pending before or submitted to the Public Utilities Commission on or after that date.

Section 7 requires that a combination of emergency backup generators designed to serve one person and located on property owned or controlled by the person must include in its permit application a discussion of reasonable alternatives to the proposed project considering (i) the appropriateness of the size and type of the proposed method of generation compared to those of reasonable alternatives; (ii) the cost to the proposer of energy to be supplied by the project compared to the cost of energy that would be supplied by reasonable alternatives; (iii) the effects of the proposed project upon the natural and socioeconomic environments compared to the effects of reasonable alternatives; and (iv) the expected reliability of the proposed facility compared to the expected reliability of reasonable alternatives.

Assumptions

This legislation essentially swaps out the analysis of alternatives that would be conducted in a MN PUC Certificate of Need process for a backup generation of 50MW or greater for a data center to now do that analysis of alternatives in the environmental assessment for that project, in the permitting process overseen by the MN PUC. As a result, we do not see a fiscal impact to the agency.

Expenditure and/or Revenue Formula

n/a

Long-Term Fiscal Considerations

n/a

Local Fiscal Impact

n/a

References/Sources

n/a

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