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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 1782

03/12/2015 Authored by Anzelc, Dill and Baker

The bill was read for the first time and referred to the Committee on Mining and Outdoor Recreation Policy

1.1 A bill for an act
1.2 relating to energy; providing for competitive rate schedules for energy-intensive
1.3 trade-exposed electric utility customers; proposing coding for new law in
1.4 Minnesota Statutes, chapter 216B.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. [216B.1696] COMPETITIVE RATE FOR ENERGY-INTENSIVE
1.7 TRADE-EXPOSED ELECTRIC UTILITY CUSTOMER.

1.8 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms
1.9 have the meanings given them.

1.10 (b) "Clean energy technology" is energy technology that generates electricity from a
1.11 noncarbon-emitting resource, including but not limited to solar, wind, hydroelectric,
1.12 nuclear, and biomass.

1.13 (c) "Energy-intensive trade-exposed customer" is defined to include:

1.14 (1) an iron mining extraction and processing facility, including a scam mining
1.15 facility as defined in Minnesota Rules, part 6130.0100, subpart 16;

1.16 (2) a paper mill, wood products manufacturer, sawmill, or oriented strand board
1.17 manufacturer;

1.18 (3) a copper, nickel, or precious metals mining extraction and processing facility;

1.19 (4) a steel mill and related facilities;

1.20 (5) an oil and liquids pipeline;

1.21 (6) a ceiling panel manufacturer; and

1.22 (7) any other globally competitive electric utility customer whose energy costs are a
1.23 significant portion of the customer's overall cost of production.

2.1 (d) "EITE rate schedule" means a rate schedule under which an investor-owned
2.2 electric utility may set the terms of service for an individual or group of energy-intensive,
2.3 trade-exposed customers.

2.4 (e) "EITE rate" means the rate or rates offered by the utility under an EITE rate
2.5 schedule.

2.6 Subd. 2. **Rates and terms of EITE rate schedule.** (a) It is the energy policy of the
2.7 state of Minnesota to ensure competitive electric rates for energy-intensive, trade-exposed
2.8 customers. To achieve this objective, an investor-owned electric utility may propose
2.9 various EITE rate options under an EITE rate schedule, including but not limited to fixed
2.10 rates, market-based rates, and rates to encourage utilization of clean energy technology.

2.11 (b) Notwithstanding section 216B.03, 216B.05, 216B.06, 216B.07, or 216B.16, the
2.12 commission shall approve a proposed EITE rate schedule if it finds the schedule provides
2.13 net benefits to the utility or the state.

2.14 (c) The commission shall make a final determination in any proceeding begun under
2.15 this section within 90 days of a miscellaneous rate filing by the electric utility.

2.16 (d) Upon approval of an EITE rate schedule, the utility shall recover any costs
2.17 associated with the EITE rate from the utility's nonenergy-intensive, trade-exposed
2.18 customers.