

1.1 moves to amend H.F. No. 2817 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. [216B.1649] ALLOCATION OF EMISSION CREDITS TO
1.4 AFFECTED COMMUNITIES.

1.5 Subdivision 1. **Definition.** For the purposes of this section, "Clean Power Plan"
1.6 means the final rule of the federal Carbon Pollution Emission Guidelines for Existing
1.7 Stationary Sources: Electric Utility Generating Units, issued by the United States
1.8 Environmental Protection Agency in Docket No. EPA-HQ-OAR-2013-0602, and any
1.9 subsequent amendments made to the plan.

1.10 Subd. 2. **Emission allowance allocation.** (a) Unless federal law provides otherwise,
1.11 emission allowances granted to the state by the United States Environmental Protection
1.12 Agency under the Clean Power Plan must be allocated as provided in this section.

1.13 (b) Ten percent of any emissions allowances granted to the state of Minnesota by the
1.14 United States Environmental Protection Agency under the Clean Power Plan must be set
1.15 aside for allocation to statutory and home rule charter cities and towns in which a coal-fired
1.16 electric generating plant has ceased operation prior to the expiration of its operating license.
1.17 When making a determination under this paragraph, the commission must consider:

1.18 (1) the extent to which implementation of the Clean Power Plan was a significant
1.19 factor contributing to the utility's decision to cease operations at the coal-fired electric
1.20 generating plant;

1.21 (2) the remaining useful life of the electric generating plant;

1.22 (3) projected changes in the utility's electricity demand and customer base; and

1.23 (4) other factors affecting the financial condition of the utility that owns the electric
1.24 generating plant that ceases operation.

1.25 (c) Allowances set aside under paragraph (b) must be distributed to an individual
1.26 city or town based on the proportion of carbon dioxide emissions from the city or town's
1.27 coal-fired electric generating plant compared to the total carbon dioxide emissions from

2.1 all coal-fired electric generating plants in Minnesota. The calculation under this paragraph
2.2 must be based on carbon dioxide emissions from the calendar year immediately preceding
2.3 the year in which electric generation ceases. A town or city may receive an allocation
2.4 under this paragraph only if the commission determines the city or town's closed coal-fired
2.5 plant meets the requirements under paragraph (b).

2.6 Subd. 3. **Displaced worker assistance; account.** Prior to allocation under
2.7 subdivision 2, the commission must set aside and sell one percent of the ten percent of
2.8 the emissions allowances. The proceeds of the sale must be deposited in a displaced
2.9 worker assistance account, which is created in the special revenue fund. Money in the
2.10 account is annually appropriated to the commissioner of employment and economic
2.11 development to retrain, relocate, and supplement retirement funds, if money is needed
2.12 to supplement the retirement funds, of workers displaced by the closure of coal-fired
2.13 electric generating plants.

2.14 Subd. 4. **Application; expiration.** (a) This section applies to any coal-fired electric
2.15 generating plant located in Minnesota that ceases operation after 2009 that the commission
2.16 determines has met the requirements under subdivision 2, paragraph (b).

2.17 (b) The commission must set aside and allocate emission allowances as provided by
2.18 this section for a period of 20 years, beginning the day emission allowances under the
2.19 Clean Power Plan begin.

2.20 **EFFECTIVE DATE.** This section is effective the day following final enactment."

2.21 Amend the title as follows:

2.22 Page 1, line 3, after the semicolon, insert "establishing an account; appropriating
2.23 money;"