

HOUSE RESEARCH

Bill Summary

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Overview

Exempts the attached machinery and other personal property of a proposed electric generation facility that meets certain criteria. This facility is proposed to be built in the City of Cottage Grove; Washington County. Effective for taxes payable in 2006 and thereafter.

Section

1 **Electric generation facility personal property.** (a) Exempts the attached machinery and other personal property which is part of either (i) a simple-cycle, combustion-turbine electric generation facility that produces at least 150 megawatts of power, or (ii) a combined-cycle, combustion-turbine electric generation facility that produces at least 225 megawatts of power, and that meets the following criteria at the time of construction:

- (1) utilizes natural gas as a primary fuel;
- (2) is not owned by a public utility;
- (3) is located in a metro county with a population between 190,000 and 225,000, and within one mile of both an existing natural gas pipeline and an existing electrical transmission substation; and
- (4) is designed to provide energy and ancillary services and has received a certificate of

Section

need under section 216B.243.

The proposal would exempt an expansion of the current Cogentrix plant in the City of Cottage Grove, Washington County.

(b) Construction of the facility must be commenced after January 1, 2005, and before January 1, 2008. Property eligible for this exemption does not include electric transmission lines and interconnections appurtenant to the property or the facility.

Effective date. Effective for taxes payable in 2006, and thereafter.