

HOUSE RESEARCH

Bill Summary

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Authors: Davnie and others

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Analyst: Deborah A. Dyson

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Permits Hennepin County to be a limited partner in a business that constructs, acquires, owns, finances, or operates a wind or solar power generator in order to exercise authority granted to counties in section 373.48.

Specifies that the municipal tort liability limits apply to the county and to a limited liability company or corporation that is wholly owned by Hennepin County and formed under this bill.

Section 373.48 relates to renewable energy projects, specifically authorizing counties to purchase electricity from renewable projects through power purchase agreements and to sell it, subject to restrictions. The county may not sell or transmit electricity from an off-site facility, an on-site generation is limited to ten megawatts, and the total amount of energy purchased or produced may not exceed the amount of energy used by the county in its own facilities during the previous year. Also counties may enter into joint agreements for purchase of energy or for acquisition of interests in C-BED projects. If a county enters into a multiyear agreement, the county may finance the estimated cost by issuing revenue bonds, including clean renewable energy bonds, if the annual debt service on all of the bonds issued, together with the amounts paid by the county for purchase of energy in any year, does not exceed the project revenues.

Laws 2009, chapter 88, article 5, sections 20 and 21, authorized the Mt. Iron EDA and Winona County respectively to form limited liability companies (LLCs) to operate and finance C-BED projects.

Sec. 20. MOUNTAIN IRON ECONOMIC DEVELOPMENT AUTHORITY; WIND ENERGY PROJECT.

(a) The Mountain Iron economic development authority may form or become a member of a limited liability company organized under Minnesota Statutes, chapter 322B, for the purpose of developing a community-based energy development project pursuant to Minnesota Statutes, section 216B.1612. A limited liability company formed or joined under this section is subject to the open meeting requirements established in Minnesota Statutes, chapter 13D. A project authorized by this section may

not sell, transmit, or distribute the electrical energy at retail or provide for end use of the electrical energy to an off-site facility of the economic development authority or the limited liability company. Nothing in this section modifies the exclusive service territories or exclusive right to serve as provided in Minnesota Statutes, sections 216B.37 to 216B.43.

(b) The authority may acquire a leasehold interest in property outside its corporate boundaries for the purpose of developing a community-based energy development project as provided in Minnesota Statutes, section 216B.1612.

EFFECTIVE DATE. This section is effective the day after the city of Mountain Iron and its chief clerical officer comply with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 21. WINONA COUNTY ECONOMIC DEVELOPMENT AUTHORITY; WIND ENERGY PROJECT.

(a) The Winona County economic development authority may form or become a member of a limited liability company organized under Minnesota Statutes, chapter 322B, for the purpose of developing a community-based energy development project pursuant to Minnesota Statutes, section 216B.1612. A limited liability company formed or joined under this section is subject to the open meeting requirements established in Minnesota Statutes, chapter 13D. A project authorized by this section may not sell, transmit, or distribute the electrical energy at retail or provide for end use of the electrical energy to an off-site facility of the economic development authority or the limited liability company. Nothing in this section modifies the exclusive service territories or exclusive right to serve as provided in Minnesota Statutes, sections 216B.37 to 216B.43.

(b) The authority may acquire a leasehold interest in property outside its corporate boundaries for the purpose of developing a community-based energy development project as provided in Minnesota Statutes, section 216B.1612.

EFFECTIVE DATE. This section is effective the day after the county of Winona and its chief clerical officer comply with Minnesota Statutes, section 645.021, subdivisions 2 and 3.