

Session Winding Down

With the adjournment date of May 17 fast approaching, the legislature is dealing with the budget and finishing up energy legislation. Here is a summary of the main energy bills we have been monitoring.

- **Eminent Domain:** The House and Senate voted on final passage the last week of April on HF 1182. It was signed by the Governor quickly on April 30. Because the bill was amended to only apply to high voltage transmission lines and large pipelines, distribution utilities are not affected by the changes.
- **Technical Energy Bill (mini-omnibus):** The technical energy bill, SF 2971 was finally heard on the House floor. It was amended on a 73 to 59 vote to repeal the nuclear moratorium. However, the repeal requires that the utility building the new plant would not be able to recover from Minnesota ratepayers costs associated with planning, design, engineering, regulatory procedures, or state and federal licensing/permitting until the plant was constructed and operating at 85% capacity. It also provided that the utility could never recover from ratepayers any construction cost overruns. The bill passed as amended (86-43) on May 7 and now goes to conference committee. The conferees are: Senators Prettner Solon, Dibble and Koch; and Representatives Hilty, Knuth and Gunther.
- **CBED:** The CBED bill, SF 3081, was amended on the House floor on Thursday May 6 to cap CBED projects at 50 MW (passed on voice vote). After the bill passed off the House floor (103-29), conferees met Friday in a “walking conference” (literally walking down the hall and talking). The 50 MW cap was dropped from the bill. Municipal ownership of CBED has also been protected by the conferees. It is expected that both houses will adopt the conferees’ recommendations.
- **Budget:** It is crunch time. The legislature has until May 17 to figure out how to close an almost \$3 billion budget gap. Just a few weeks ago, it was a \$536 million gap. But with the Minnesota Supreme Court's reversal of Governor Pawlenty's use of his unallotment powers, the Capitol is at near-meltdown. As legislators now wrestle with this \$3 billion problem, Local Government Aid is being watched very closely. The only thing known for certain on the budget is that the Vikings will not get legislative help for a new stadium.

As always, the bills MRES is tracking during session can be found at www.MrEnergy.com®. On the home-page, simply click on the Legislative Digest link on the left. Then click on the Minnesota Legislative Digest Link.