

**Fiscal Note**

**2023-2024 Legislative Session**

**HF3900 - 0 - High Voltage Transmission Line Modifications**

Chief Author: **Larry Kraft**  
 Committee: **Climate And Energy Finance And Policy**  
 Date Completed: **2/26/2024 4:01:02 PM**  
 Agency: **Public Utilities Commission**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

<b>State Cost (Savings)</b>	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-

<b>Full Time Equivalent Positions (FTE)</b>	Biennium			Biennium		
		FY2023	FY2024	FY2025	FY2026	FY2027
<b>Total</b>	-	-	-	-	-	-

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Karl Palm      **Date:** 2/26/2024 4:01:02 PM  
**Phone:** 651-296-6055      **Email:** karl.palm@lbo.mn.gov

**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		Biennium			Biennium	
Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027	
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-
<b>2 - Revenues, Transfers In*</b>						
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-

**Bill Description**

This bill sets a policy preference for siting of high-voltage transmission lines (HVTLS) and modifies relocation reimbursement provisions.

Under current state law, when a utility facility needs to be relocated due to highway construction, the owner or operator of the utility facility may be reimbursed for the cost of relocation through state trunk highway funds. For HVTLS, this reimbursement is only available if the entity receiving the route permit provides retail electric service in Minnesota.

Section 1 states that HVTLS that receive a route permit on or after July 1, 2024, are not eligible for relocation reimbursement.

Section 2 establishes a policy preference that HVTLS should be sited, to the greatest extent possible and consistent with other considerations, in the following order of preference:

1. Existing utility corridors;
2. Interstate, freeway, and state trunk highway and railroad corridors;
3. Recreational trails, provided that the transmission lines are constructed below ground and do not significantly impact environmentally sensitive areas; and
4. New corridors.

**Assumptions**

The PUC issues route permits for high-voltage transmission lines (HVTLS) under Minn. Stat. Chapter 216E. The policy preferences established in this bill would impact the development and consideration of route alternatives, which is part of the record development process. The PUC anticipates that these issues would be raised during the regular course of HVTL dockets and would not have an additional fiscal impact.

**Expenditure and/or Revenue Formula**

**Long-Term Fiscal Considerations**

**Local Fiscal Impact**

**References/Sources**

**Agency Contact:** Lauren Bethke

**Agency Fiscal Note Coordinator Signature:** Kay Urquhart

**Phone:** 651-201-2222

**Date:** 2/26/2024 9:34:01 AM

**Email:** kay.urquhart@state.mn.us