

This Document can be made available in alternative formats upon request

State of Minnesota
HOUSE OF REPRESENTATIVES
NINETIETH SESSION

H. F. No. 2723

02/20/2018 Authored by West
The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance

1.1 A bill for an act
1.2 relating to energy; requiring the Public Utilities Commission to approve tariffs
1.3 incorporating adjustments in utility rates reflecting the changes in corporate income
1.4 taxes contained in Public Law 115-97.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. **UTILITY RATE ADJUSTMENTS DUE TO FEDERAL TAX CHANGES.**

1.7 The rates of a public utility offering natural gas or electric service in this state are
1.8 determined to be unjust and unreasonable as of January 1, 2018, until the effective date of
1.9 a tariff approved by the Minnesota Public Utilities Commission that has adjusted base rates,
1.10 rate riders, and any other rate recovery mechanisms to reflect the provisions of Public Law
1.11 115-97 that reduce a public utility’s operating costs by lowering federal corporate tax rates
1.12 and making associated changes that may affect the buildup and crediting of accumulated
1.13 deferred income tax liability. The commission has the authority, by general order, order in
1.14 a general rate case, and orders in rate rider and other rate recovery proceedings, to develop
1.15 a methodology that a public utility must follow in calculating and implementing the rate
1.16 adjustments required under this section and to issue credits or refunds, including applicable
1.17 interest, to the public utility’s customers for any overcharges paid to the public utility
1.18 between January 1, 2018, and the effective date of a tariff approved by the commission that
1.19 incorporates the tax adjustments. The commission must approve a methodology that meets
1.20 the requirements of this section for each public utility no later than August 1, 2018.

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