

Minnesota Attorney General: Administrative Rules Proceedings

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Version 3
August 20, 2018

Our File No. 731

RULE REVIEW CHECKLIST

DATE RULE RECEIVED 9/16
DATE FOR REVIEW _____
DATE DUE 9/23

Adopted w/a hearing _____
Adopted w/o a hearing _____
Temporary rule X

Approved X Disapproved _____ Returned to Agency 9/21

Resubmitted _____ Due _____
Approved _____ Disapproved _____ Returned to Agency _____

Date filed w/Secretary of State 9/21 REVISOR - disapproved 9/17
- approved 9/17

✓ Rule as Adopted

✓ Rule as Proposed see S.R.

✓ Order Adopting 9.11.81

N/A Notice of Intent to Solicit Outside Opinion

✓ Order for rulemaking — not in the form we advise but is signed by authorized person.
_____ Date of Hearing

N/A Certificate of Board's Authorizing Resolution

N/A Notice of rulemaking
_____ Sufficiency

_____ Affidavit of Mailing Notice of rulemaking
_____ At least 30 days prior to hearing/adoption

✓ Mailing list Certificate

✓ Publication in State Register
8.3.81 At least ~~30~~/20 days prior to ~~hearing~~/adoption

NA Hearing Examiner's Report

✓ Chief Hearing Examiner's Report(s)
_____ Approving H.E.'s Report
_____ Approving agency action

✓ Agency's Findings of Fact

_____ LCRAR Report or agency Affidavit

_____ Certificate of Board's Resolution Adopting Rules

_____ Order Approving Incorporation by Reference

_____ Statement of Need and Reasonableness

_____ Petition for Adoption of a Rule

_____ Record (includes transcript or tape, exhibits, comments received by agency, requests for a hearing, and other relevant materials)

✓ Certificate of Compliance w/Rulemaking Procedures

NA Affidavit of Mailing Notice of Submission to Attorney General

_____ Notice of Submission to the Attorney General

STATE OF MINNESOTA

DEPARTMENT ATTORNEY GENERAL

Office Memorandum

TO : MARK MASON
Director
Minnesota Energy Agency

DATE: September 21, 1981

ATTN : Dwight S. Wagenius
Special Assistant, Attorney General

FROM : Ted A. Martinez
Special Assistant
Attorney General

PHONE: 296-0315

SUBJECT: In the Matter of the Proposed Adoption of Temporary Rules of the Minnesota Energy Agency Governing the Administration of the District Heating Bonding Act, 6 MCAR §§ 2.001-2.006.

Enclosed herewith are the rules you have submitted for approval. These rules have been approved by this office and filed with the Secretary of State. Please note that they have not been filed with the State Register; this must be done promptly by your agency.

Upon receipt and before transmittal to your agency, however, it is important that you recheck these rules as to:

1. Affixation of stamps of the Attorney General and Secretary of State to the last page of the rules;

2. Coverage by these stamps of all rules submitted; and

3. Inclusion of all pages to the rules in the approved set.

If you have any questions in this regard, please contact me.

Enc.

cc: Kathy Burek
Duane Harves

Adopted: September 11, 1981

AG copy.

underlinings show changes from Pr/Proposed

MINNESOTA ENERGY AGENCY

ALTERNATIVE ENERGY DEVELOPMENT DIVISION

Adopted Temporary Rules for the Administration of the District Heating Bonding Act

Temporary Rules as Adopted

6 MCAR § 2.001 (Temporary) Authority. Rules 6 MCAR §§ 2.001-2.006 (Temporary) are authorized by Laws of 1981, ch. 334, § 1, subd. 11.

6 MCAR § 2.002 (Temporary) Purpose. Rules 6 MCAR §§ 2.001-2.006 (Temporary) are promulgated for the purpose of allowing those projects that have already completed comprehensive engineering, economic, and design studies to make prompt and proper application for design loans. These rules set forth the procedures that municipalities must follow to apply for loans and establish the criteria by which the applications are reviewed.

6 MCAR § 2.003 (Temporary) Applicability. Rules 6 MCAR §§ 2.001-2.006 (Temporary) apply to the agency and to any municipality applying for design loans under the act.

6 MCAR § 2.004 (Temporary) Definitions.

A. Applicability. For the purposes of 6 MCAR §§ 2.001-2.006 (Temporary) the terms defined in this rule have the meanings given them.

B. Act. "Act" means Laws of 1981, ch. 334.

C. Director. "Director" means the Director of the Minnesota Energy Agency.

D. Agency. "Agency" means the Minnesota Energy Agency.

E. Preliminary engineering design. "Preliminary engineering design" means a design effort with the objective of estimating district heating design and construction costs within 15 percent.

F. Project. "Project" means district heating design project.

G. Design loan. "Design loan" means a loan made for the purpose of funding all activities required to be completed during the final design phase in order to finance and construct a district heating system, including, economic feasibility analysis, obtaining heat source commitments and customer contracts, structuring financing and related project management tasks. per Fof F 2.

6 MCAR § 2.005 (Temporary) Criteria. The director shall review each application as it is received according to:

A. The priorities and criteria of Laws of 1981, ch. 334, § 1.

B. The timeliness and completeness of the application. Applications which are received after the date the temporary rules expire or are superseded or which do not include all of the requirements of 6 MCAR § 2.006 (Temporary) shall not be considered for funding under these rules.

C. The sophistication and reasonableness of the technical approach as detailed in the application.

D. The experience and qualifications of the applicant as they relate to the project.

E. The project organization and personnel assignment.

F. The estimated cost of the project.

G. Rules 6 MCAR §§ 2.001-2.006 (Temporary) shall not be construed as requiring expenditures of monies not available.

6 MCAR § 2.006 (Temporary) Application contents and procedures. Applications for design loans under the act and 6 MCAR §§ 2.001-2.006 (Temporary) shall be submitted to the director. Ten complete copies shall be submitted. Applications will be accepted beginning on the date the rules become effective and continuing until either these rules expire or the temporary rules are replaced by permanent rules, whichever occurs first. The application shall contain the following:

A. Name, address, and telephone number of the responsible official of the municipality.

B. A comprehensive business plan for the project that includes no less than the following:

1. A preliminary engineering design of the project which includes all of the following:

a. An analysis of the proposed piping layout which addresses the areas of: optimum service to the total designated area; reliability of service; system temperatures and pressure requirements; thermal and hydraulic operability for normal and emergency conditions; optimum piping configuration to provide service; and flexibility for future expansion.

b. An analysis of the proposed piping design which addresses the areas of: reliability of service; ease of construction; ease of maintenance; installation methods; and specifications and standards.

c. An analysis of the heat source design which defines the proposed roles of the following heat sources in the development and the future operation of the system: base load heating plant; peaking plants; large boiler plants in existing buildings; mobile boilers; future heat sources such as ~~refuse-derived-fuel~~ solid waste, solar, and industrial waste heat; and accumulators.

Pg F 3

2. A market study of customers of the district heating system defined by the business plan representing 90 percent of the proposed thermal load. The study shall show detailed information on present fuel consumption or heating demand and the present heating system in each building.

3. A preliminary plan that shows how the system could be expanded to serve other parts of the community.

4. A preliminary economic analysis that includes cash flow, income, and balance sheets, all for a 20-year planning period, and a preliminary financing and development plan for the district heating system. This

shall include a cost estimate and expenditure schedule for the following:

a. All transmission and distribution piping;

b. Heat source conversion, purchase or rental;

c. Operating and maintenance costs (excluding fuel costs); and

d. Building heating conversion costs.

5. Letters of intent to purchase heat supplied by the project from major customers representing at least 50 percent of the thermal load.

6. A letter of intent to furnish heat from the owner of the heat source or the proposed system owner or operator.

7. An opinion by a registered professional engineer that the system described by the preliminary designs is technically feasible and that the preliminary engineering design and cost estimate is within standard engineering practice.

C. Resolution of municipality. A resolution in support of the project from the governing body of the municipality. The resolution must include the pledges the municipality proposes to make to guarantee repayment of the design loan.

D. Declaration of intent. A resolution or letter of intent from the proposed owner or operator of the district heating system indicating that if the results of the design and final feasibility project are consistent with the preliminary feasibility study they would expect to proceed with construction.

E. Legal requirements. Identification of all licenses, permits, zoning regulations, and any other requirements of federal, state, or local governments that the project would be expected to comply with and present disposition of each.

F. Disclaimer. A negative declaration of the need for an environmental impact statement from a completed environmental assessment worksheet.

G. Personnel. A list of key personnel and their qualifications as they relate to the project.

H. Energy Savings. An estimate of the type and amount of fuel saved per year from the full operation of the district heating system compared to the type and amount of fuel to be used by the system.

APPROVED AS TO LEGALITY

September 21 19 81

WARREN SPANNAUS, ATTORNEY GENERAL

BY Ted A. Martinez

SPECIAL ASSISTANT ATTORNEY GENERAL

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
SEP 2 1 1981

Joan Anderson Growe
Secretary of State

2:15 PM

RECEIVED
SEP 16 1981
ATTORNEY GENERAL
ADMINISTRATIVE AGENCIES

STATE OF MINNESOTA
OFFICE OF THE ATTORNEY GENERAL
ST. PAUL 55155

WARREN SPANNAUS
ATTORNEY GENERAL

ADDRESS REPLY TO:
720 AMERICAN CENTER BLDG.
150 EAST KELLOGG BOULEVARD
ST. PAUL, MN 55101
TELEPHONE: (612) 296-6030

September 15, 1981

Mr. Jerry Anderson
Special Assistant Attorney General
G-25 Administration Building
50 Sherburne Avenue
St. Paul, Minnesota 55155

Re: In the Matter of the Proposed Adoption of Temporary Rules of the Minnesota Energy Agency Governing the Administration of the District Heating Bonding Act, 6 MCAR §§ 2.001-2.006.

Dear Sir:

Enclosed pursuant to Minn. Stat. § 15.0412, subd. 5, are the following documents required by 1 MCAR § 1.204 to be submitted for the review and approval of the above-entitled rules.

Temporary Rules as Adopted - original and three copies. Two of the copies reflect changes from the rules as proposed and two don't.

Order Adopting Temporary Rules - two copies.

Order for Publication. Please excuse the marked-up condition of this document. The Agency submitted the only copy to the State Register. It was retrieved in this condition.

Rules as Proposed.

Findings of Fact and Conclusions. Required because the Agency modified the proposed rules in three particulars based on data and views submitted.

Written comments on the rules.

Certificate of Compliance With Rulemaking Procedures.

A copy of the adopted rules is being submitted to the Revisor with a copy of this letter.

Sincerely,

DWIGHT S. WAGENIUS
Special Assistant
Attorney General

720 American Center Building
150 East Kellogg Boulevard
Saint Paul, Minnesota 55101
Telephone: (612) 296-8278

DSW:cl
Enclosures

cc: Revisor of Statutes

Thirty days written notice preceding the effective date of any alteration in rates must be given to the depositor by ~~warehousemen~~ the warehouseman.

~~PSC 257~~ 3 MCAR § 1.0277 Fire—protection. All warehouses must be protected against fire by an automatic device or fire extinguishers. Extinguishers must be recharged at least once a year and tagged, showing the date of ~~such re-charge~~ the recharge. Where an automatic device is maintained, it must be kept in complete working condition at all times. Goods, wares or merchandise must not be piled to a greater height than 1½ feet from the outlets of the automatic device.

~~PSC 258~~ 3 MCAR § 1.0278 Load—floor. No warehouse floor or part of a floor shall at any time be loaded or stored with a greater weight of goods or materials per square foot than the floor will sustain with safety~~, and~~. If the ~~Commission~~ commissioner directs a warehouseman to ascertain from a competent registered architect or engineer~~,~~ or from the proper municipal authorities ~~as to~~ what may be the safe load capacity in pounds per square foot of each floor of ~~his~~ the warehouse ~~or warehouses~~, ~~he~~ the warehouseman shall do so without unnecessary delay~~,~~ and ~~must~~ post signs in several conspicuous places on each floor~~,~~ stating the safe live load ~~such~~ the floor will sustain.

~~PSC 259~~ 3 MCAR § 1.0279 Warehouses—new—opening—abandonment. No building or structure shall be used as a warehouse or branch warehouse until it has been inspected and approved for warehousing purposes by the ~~Commission~~ commissioner.

Whenever a warehouseman ceases to use a building or other structure, he shall promptly notify the ~~Commission~~ commissioner ~~thereof~~.

~~PSC 260~~ 3 MCAR § 1.0280 Aisles—dust—litter—packing—crating. On each floor where there is open storage of goods, wares or merchandise, there must be aisles wide enough to permit ~~of~~ the free and unimpeded passage of goods, wares or merchandise. All aisles must be kept free from obstructions, dust and litter.

Pieces of overstuffed furniture, mattresses, rugs, carpets and other goods not stored in containers must be protected by wrapping before being placed in permanent storage.

Warehousemen storing household goods shall have available a packing or crating room partitioned off from the storage of goods on the same floor.

~~PSC 261~~ 3 MCAR § 1.0281 License period. All warehouse licenses expire on ~~September 30th~~ June 30 of each year.

~~PSC 262~~ 3 MCAR § 1.0282 Bonds. No surety bond required of a warehouseman under ~~Section~~ Minn. Stat. § 231.17 will be acceptable to the ~~Commission~~ commissioner unless it is written by a surety company authorized to do business in Minnesota.

Warehousemen subject to Minn. Stat. ch. 231 shall file a surety bond ~~and~~ in an amount ~~to be~~ determined by the ~~Commission as~~ commissioner to be reasonable ~~for warehousemen in cities and villages subject to Minn. Stat. 231, but~~. The amount shall not be less than ~~$10,000.00~~ $10,000.

A new surety bond must be filed with each application for a license to do business as a warehouseman.

~~PSC 263-269 Reserved for future use.~~

Minnesota Energy Agency
Alternative Energy Development Division

Proposed Temporary Rules for the Administration of the District Heating Bonding Act

Request for Public Comment

Notice is hereby given that, in compliance with Laws of 1981, Chapter 334, § 1, the District Heating Bonding Act ("act"), the Minnesota Energy Agency ("agency") is proposing the following temporary rules for the purpose of administering the act.

Persons interested in these rules have 20 days from this publication to submit data and views on the proposed temporary rules in writing. Comments should be submitted to:

Mr. Ronald Sundberg
Minnesota Energy Agency
980 American Center Building
150 East Kellogg Boulevard
St. Paul, Minnesota 55101
Telephone (612) 296-9096

The proposed temporary rules may be modified if the modifications are supported by the data and views submitted to the agency.

These proposed temporary rules, with modifications, if any, shall be submitted to the Attorney General for final approval as to form and legality. The temporary rules shall take effect immediately upon the Attorney General's approval.

These temporary rules shall be effective for 180 days or until they are replaced by permanent rules, whichever occurs first.

Mark Mason
Director

Temporary Rules as Proposed (all new material)

6 MCAR § 2.001 (Temporary) Authority. Rules 6 MCAR §§ 2.001-2.006 (Temporary) are authorized by Laws of 1981, ch. 334, § 1, subd. 11.

6 MCAR § 2.002 (Temporary) Purpose. Rules 6 MCAR §§.2.001-2.006 (Temporary) are promulgated for the purpose of allowing those projects that have already completed comprehensive engineering, economic, and design studies to make prompt and proper application for design loans. These rules set forth the procedures that municipalities must follow to apply for loans and establish the criteria by which the applications are reviewed.

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6 MCAR § 2.004 (Temporary) Definitions.

A. Applicability. For the purposes of 6 MCAR §§ 2.001-2.006 (Temporary) the terms defined in this rule have the meanings given them.

B. Act. "Act" means Laws of 1981, ch. 334.

C. Director. "Director" means the Director of the Minnesota Energy Agency.

D. Agency. "Agency" means the Minnesota Energy Agency.

E. Preliminary engineering design. "Preliminary engineering design" means a design effort with the objective of estimating district heating design and construction costs within 15 percent.

F. Project. "Project" means district heating design project.

6 MCAR § 2.005 (Temporary) Criteria. The director shall review each application as it is received according to:

A. The priorities and criteria of Laws of 1981, ch. 334, § 1.

B. The timeliness and completeness of the application. Applications which are received after the date the temporary rules expire or are superseded or which do not include all of the requirements of 6 MCAR § 2.006 (Temporary) shall not be considered for funding under these rules.

C. The sophistication and reasonableness of the technical approach as detailed in the application.

D. The experience and qualifications of the applicant as they relate to the project.

E. The project organization and personnel assignment.

F. The estimated cost of the project.

G. Rules 6 MCAR §§ 2.001-2.006 (Temporary) shall not be construed as requiring expenditures of monies not available.

6 MCAR § 2.006 (Temporary) Application contents and procedures. Applications for design loans under the act and 6 MCAR §§ 2.001-2.006 (Temporary) shall be submitted to the director. Ten complete copies shall be submitted. Applications will be accepted beginning on the date the rules become effective and continuing until either these rules expire or the temporary rules are replaced by permanent rules, whichever occurs first. The application shall contain the following:

A. Name, address, and telephone number of the responsible official of the municipality.

B. A comprehensive business plan for the project that includes no less than the following:

1. A preliminary engineering design of the project which includes all of the following:

a. An analysis of the proposed piping layout which addresses the areas of: optimum service to the total designated

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." ADOPTED RULES SECTION — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

area; reliability of service; system temperatures and pressure requirements; thermal and hydraulic operability for normal and emergency conditions; optimum piping configuration to provide service; and flexibility for future expansion.

b. An analysis of the proposed piping design which addresses the areas of: reliability of service; ease of construction; ease of maintenance; installation methods; and specifications and standards.

c. An analysis of the heat source design which defines the proposed roles of the following heat sources in the development and the future operation of the system: base load heating plant; peaking plants; large boiler plants in existing buildings; mobile boilers; future heat sources such as refuse-derived fuel, solar, and industrial waste heat; and accumulators.

2. A market study of customers of the district heating system defined by the business plan representing 90 percent of the proposed thermal load. The study shall show detailed information on present fuel consumption or heating demand and the present heating system in each building.

3. A preliminary plan that shows how the system could be expanded to serve other parts of the community.

4. A preliminary economic analysis that includes cash flow, income, and balance sheets, all for a 20-year planning period, and a preliminary financing and development plan for the district heating system. This shall include a cost estimate and expenditure schedule for the following:

a. All transmission and distribution piping;

b. Heat source conversion, purchase or rental;

c. Operating and maintenance costs (excluding fuel costs); and

d. Building heating conversion costs.

5. Letters of intent to purchase heat supplied by the project from major customers representing at least 50 percent of the thermal load.

6. A letter of intent to furnish heat from the owner of the heat source or the proposed system owner or operator.

7. An opinion by a registered professional engineer that the system described by the preliminary designs is technically feasible and that the preliminary engineering design and cost estimate is within standard engineering practice.

C. Resolution of municipality. A resolution in support of the project from the governing body of the municipality. The resolution must include the pledges the municipality proposes to make to guarantee repayment of the design loan.

D. Declaration of intent. A resolution or letter of intent from the proposed owner or operator of the district heating system indicating that if the results of the design and final feasibility project are consistent with the preliminary feasibility study they would expect to proceed with construction.

E. Legal requirements. Identification of all licenses, permits, zoning regulations, and any other requirements of federal, state, or local governments that the project would be expected to comply with and present disposition of each.

F. Disclaimer. A negative declaration of the need for an environmental impact statement from a completed environmental assessment worksheet.

G. Personnel. A list of key personnel and their qualifications as they relate to the project.

SUPREME COURT

Decisions Filed Friday, July 24, 1981

Compiled by John McCarthy, Clerk

51315/Sp. State of Minnesota v. Anthony Dent, Appellant. Hennepin County.

Evidence was sufficient to support defendant's conviction of first-degree premeditated murder.

Unintentional elicitation by prosecutor of evidence suggesting that defendant had a prior criminal record was nonprejudicial.

Defendant, by failing to object, is deemed to have forfeited his right to have this court on appeal consider certain issues relating to the admission of evidence and the instructions.

Affirmed. Sheran, C. J.

OFFICE OF THE REVISOR OF STATUTES
Disapproval of Form of Rules

X The form of the attached rules is not approved. The revisor requests the changes described below before the rules will be approved.

Page 1, line 5, before "2.001-2.006" insert an additional section sign

Page 1, line 6, before "Temporary)" insert the parenthesis

Steven C. Cross
Revisor of Statutes

Name: Ann L. Bateson

Title: Ann L. Bateson
Deputy Revisor

Phone: 296-1536

____ The changes requested by the revisor are approved by the agency.

____ The changes requested by the revisor are not approved by the agency

Agency's Representative

____ The attorney general agrees that the changes requested by the revisor are form changes, not substantive changes.

Assistant Attorney General

STATE OF MINNESOTA

MINNESOTA ENERGY AGENCY

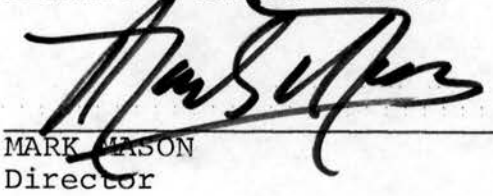
In the Matter of the Proposed Adoption of Temporary Rules of the Minnesota Energy Agency Governing the Administration of the District Heating Bonding Act, 6 MCAR §§ 2.001-2.006.

ORDER ADOPTING TEMPORARY RULES

The temporary rules proposed for adoption in the above-entitled matter, and a notice of intent to adopt those rules, was published in the State Register at 6 S.R. 136-37 on August 3, 1981, pursuant to Minn. Stat. § 15.0412, subd. 5. After affording all interested persons an opportunity to submit data and views on the proposed temporary rules within 20 days of the publication date, reviewing and considering the data and views, and determining that the above-captioned rules are needed and reasonable,

NOW, THEREFORE, IT IS ORDERED that these rules identified as temporary rules for the administration of the District Heating Bonding Act are hereby adopted this eleventh day of September, 1981, pursuant to authority vested in me by Laws of Minnesota 1981, Chapter 334, Section 1, Subdivision 11.

MINNESOTA ENERGY AGENCY



MARK MASON
Director

MINNESOTA ENERGY AGENCY

ALTERNATIVE ENERGY DEVELOPMENT DIVISION

Proposed Temporary Rules for the Administration of the District Heating Bonding Act

Request for Public Comment

Notice is hereby given that, in compliance with Minnesota Laws, 1981, Chapter 334, Section 1, the District Heating Bonding Act ("Act"), the Minnesota Energy Agency ("Agency") is proposing the following temporary rules for the purpose of administering the Act.

Persons interested in these rules have 20 days from this publication to submit data and views on the proposed temporary rules in writing. Comments should be submitted to:

Mr. Ronald Sundberg
Minnesota Energy Agency
980 American Center Building
150 East Kellogg Boulevard
St. Paul, Minnesota 55101
Telephone (612) 296-9096

The proposed temporary rules may be modified if the modifications are supported by the data and views submitted to the Agency.

These proposed temporary rules, with modifications, if any, shall be submitted to the Attorney General for final approval as to form and legality. The temporary rules shall take effect immediately upon the Attorney General's approval.

Mark Mason
Director

Insert Copy "A" as last ¶.

~~Temporary Rules as Proposed (all new material)~~

Copy "A"

These temporary rules shall be effective for 180 days or until they are replaced by permanent rules, whichever occurs first.

STATE OF MINNESOTA

MINNESOTA ENERGY AGENCY

In the Matter of the Proposed Adoption of Temporary Rules of the Minnesota Energy Agency Governing the Administration of the District Heating Bonding Act, 6 MCAR §§ 2.001-2.006.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

A notice of intent to adopt the temporary rules proposed for adoption in the above-entitled matter, published in the State Register at 6 S.R. 136-137 on August 3, 1981, afforded all interested persons an opportunity to submit data and views on the proposed temporary rules within 20 days of the publication date.

Having considered the proposed temporary rules and the written data and views submitted regarding them, I make the following

FINDINGS OF FACT

1. Three written comments were submitted to the Minnesota Energy Agency in response to the notice of intent to adopt temporary rules published on August 3, 1981.

2. The first comment, from the Saint Paul District Heating Development Corporation, suggested that the Agency state with greater specificity in the temporary rules the expenditures for which a design loan may be used. The Corporation further suggested parameters for such a definition. The District Heating Bonding Act does not specify uses for design loan funds. The Corporation's suggestion is found to be a reasonable one which is needed to assist applicants and the Agency implement the program.

3. The second submission, from the Minnesota Pollution Control Agency, expressed a concern that use of the term "refuse-derived fuel" in proposed temporary rule 6 MCAR § 2.006 B.1.c. as a heat source to be discussed in the analysis of heat source design is too restrictive. The MPCA suggested replacing "refuse-derived fuel" with "solid waste" as a more inclusive term. In the context of the rule, refuse-derived fuel is included as an example of a future heat source. For the reasons stated in the MPCA submission, the Agency agrees that "solid waste" is a reasonable and preferable term in the rule because it is a more inclusive example.

4. The third submission, from the Department of Public Service, asked that 6 MCAR § 2.006 Application Contents and Procedures, be changed to require applicants to include in their applications their estimates of energy savings expected to be realized by the proposed district heating system. The estimation of expected savings is a relatively simple calculation and does not pose a significant additional burden on applicants. Rather, it is a calculation that should already have been made by the time an application is submitted. Inclusion of that estimation is a reasonable change to the proposed rules which is needed as another factor by which to assess and compare applications.

Based on the foregoing Findings of Fact I make the following

CONCLUSIONS

1. The modifications to the proposed rules suggested in the written submissions to the Agency are supported by the data and views expressed in the submissions.

2. The suggested modifications are necessary for the improvement of rules as supported by the data and views submitted to the Agency.

3. The Agency believes that the suggested modifications of the proposed rules constitute minor, insubstantial changes which clarify and improve the rules within the limits of their intended purpose.

WHEREFORE the Temporary Rules of the Minnesota Energy Agency Governing the Administration of the District Heating Bonding Act shall be adopted in the slightly modified form supported by the data and views submitted to the Agency. The rules are adopted in a separate Order Adopting Temporary Rules.

Dated: September 11, 1981.

MINNESOTA ENERGY AGENCY

MARK MASON
Director

STATE OF MINNESOTA

MINNESOTA ENERGY AGENCY

In the Matter of the Proposed Adoption of Temporary Rules of the Minnesota Energy Agency Governing the Administration of the District Heating Bonding Act, 6 MCAR §§ 2.001-2.006.

STATEMENT OF COMPLIANCE WITH RULEMAKING PROCEDURES

I, Special Assistant Attorney General Dwight S. Wagenius, do hereby declare that I have examined the rules and all related documents and that, based on my examination and my personal familiarity with the applicable procedures, the Administrative Procedure Act and the rules of the Attorney General have been followed.

Dated: September 15, 1981.

Dwight S. Wagenius

DWIGHT S. WAGENIUS
Special Assistant Attorney General

SAINT
PAUL
DISTRICT
HEATING
DEVELOPMENT
COMPANY
INCORPORATED

a private, non-profit company

138 Bremer Building
417 North Robert
Saint Paul, MN 55101
612-297-8955

Board of Directors

George Latimer - *Chairman**
Mayor of St. Paul

Clifford G. Olson - *Vice Chairman**
First Bank St. Paul

Hans O. Nyman - *President**
St. Paul District Heating
Development Company, Inc.

Willie Mae Wilson - *Secretary**
St. Paul Urban League

A. Kent Shamblin - *Treasurer**
St. Paul Companies

Delbert F. Anderson
Former Minnesota State
Representative

Jack Angland
Northern States Power

William Buth
Building Owners and
Managers Association

Frank Horak
Saint Paul AFL-CIO

Robert Lowe*
Saint Paul AFL-CIO

Daniel Magraw
Minnesota Department
of Administration

Amos Martin
St. Paul Chamber of Commerce

John Nasseff
West Publishing Company

Joanne Showalter*
St. Paul City Council

Peter Stumpf
Minnesota State Senate

*denotes executive committee
member

August 20, 1981

Ron Sundberg
Minnesota Energy Agency
980 American Center Bldg.
150 E. Kellogg Boulevard
St. Paul, MN 55101

Dear Mr. Sundberg:

As you recall, we have had several conversations about the rules now being developed regarding design loans under the District Heating Bonding Act (Laws 1981, Chapter 334). You have always stated that the intent of the rules is to allow funding for all aspects of project work between the completion of preliminary planning and the commencement of construction.

In reading the proposed temporary rules which appeared in the State Register August 3, 1981 (6 S.R. 136-138), I believe this intent needs to be made explicit. I would suggest that the proposed temporary rules be amended by adding a definition after 6 MCAR 2.004 B to read along these lines:

> Design loan. "Design loan" means a loan made pursuant to 6 MCAR 2.001 - 2.006 (temporary) for the purpose of funding all activities required to be completed during the final design phase in order to finance and construct a district heating system, including but not limited to, detailed engineering design, economic feasibility analysis, obtaining heat source commitments and customer contracts, structuring financing, and related project management tasks."

Please contact me if you need further information.

Sincerely,

Rudy Brynolfson
Director of Finance & Administration

RB:gr
cc: Jim O'Leary, Bill Mahlum

RECEIVED
AUG 24 1981

Minnesota Pollution Control Agency

AUG 24 1981

Mr. Ronald Sundberg
Minnesota Energy Agency
980 American Center Building
150 East Kellogg Boulevard
St. Paul, Minnesota 55101

Dear Mr. Sundberg:

This is in response to the August 3, 1981 notice in the State Register on 6MCAR §§2.001-2.006.

In 6MCAR §2.006 B.1.c. heat sources include refuse-derived fuel. The Agency is concerned that this may be too restrictive a term for the use of solid waste as a fuel. Refuse-derived fuel is only one technology available for the recovery of energy from solid waste. The Agency suggests that "refuse-derived fuel" be replaced by the words "solid waste".

If you have any questions, please contact Curtis Sparks at (612) 297-2724.

Sincerely,

Richard A. Svanda
Deputy Director
Division of Solid & Hazardous Waste

RAS:vjp

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JoAnn Hanson
Dai Hong

August 26, 1981

Bill Marshall Bill

Review and Comment on Proposed Energy Agency rules: 6MCAR § 2.001-2.006 (Temporary) published in the State Register August 7, 1981 (Ref: Laws of 1981, ch. 334 § 1, subd. 11.)

These rules deal with the methods by which district heating loans can be made available to applicants. They contain the criteria for acceptability, and the procedures and content for applications.

On the whole, they are complete, comprehensive and adequate. Two additions might be useful: a) the basic content of the agreement with the State that the applicant will be required to sign as a condition for receiving the loan, and b) a method whereby a future comparison can be made between the expected and the actual energy savings to facilitate project evaluation and feedback of project experience into subsequent projects.

/pb

c: Dick Auld
Ron Sundberg ✓
MEA