

Minnesota Attorney General: Administrative Rules Proceedings

Copyright Notice:

This material may be protected by copyright law (U.S. Code, Title 17). Researchers are liable for any infringement. For more information, visit www.mnhs.org/copyright.

Version 3
August 20, 2018

Our File No. 1057

withdrawn 8/30 waiting to sign cert.

RULE REVIEW CHECKLIST

New Submission 9/4/84

DATE RULE RECEIVED 8-16-84
DATE FOR REVIEW 8-25-84 9/13/84
DATE DUE 8-30-84 9/18/84

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

Approved 9-13-84 mjc Disapproved _____ Returned to Agency _____

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

Date filed w/Secretary of State _____ Revisor approved 8/16/84 disapproved _____

✓ Rule as Adopted

✓ Rule as Proposed

✓ Order Adopting 8.10.84 Date typo - misciteation to authorizing statute - combined with F of F

✓ Notice of Intent to Solicit Outside Opinion SR 5.21.84

✓ Order for rulemaking
N/A date of Hearing

N/A Certificate of Board's Authorizing Resolution

✓ Notice of rulemaking
✓ Sufficiency

✓ Affidavit of Mailing Notice or rulemaking
6.21.84 At least 30 days prior to ~~hearing~~/adoption

✓ Mailing list Certificate

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

N/A Hearing Examiner's Report

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

✓ Agency's Findings of Fact combined with Order Adopting

N/A LCRAR Report or agency Affidavit

✓ Certificate of Board's Resolution Adopting Rules

✓ Order Approving Incorporation by Reference

✓ Statement of Need and Reasonableness contains small biz statement

N/A 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

N/A Affidavit of Mailing Notice of Submission to Attorney General

✓ Notice of Submission to the Attorney General

SF-00006-02

STATE OF MINNESOTA

DEPARTMENT ATTORNEY GENERAL

Office Memorandum

TO : CONNIE LEWIS
Senior Administrative Officer

DATE: September 13, 1984

ATTN: THOMAS J. BARRETT
Special Assistant Attorney General

FROM : MARTHA J. CASSERLY MJC
Special Assistant Attorney General

PHONE: 296-4692

SUBJECT: In the Matter of the Proposed Adoption of Rules of the State Department of Energy & Economic Development Governing Distribution of Community Energy Council Grant Funds (4160.5100-4160-5900)

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;

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.

MJC:cb

Encs.

cc: Ms. Kathy Burek
Mr. Duane Harves

DEPARTMENT REVISOR OF STATUTES

STATE OF MINNESOTA

Office Memorandum

TO: Mark Schoenbaum
Department of Energy and
Economic Development

DATE: August 31, 1984

FROM: Maryanne V. Hruby
Assistant Revisor

PHONE: 297-2948

SUBJECT: AR0521 Adopted Rules Governing Community Energy Council Grants

The revisor's office has approved your adopted rules.

After the rule is filed with the secretary of state, notify our office, and we will prepare a notice of adoption for submission to the State Register.

If you have any questions, please call.

CRS/
Enclosure
ARO

Department of Energy and Economic Development

Energy Division

Adopted Rules Governing Community Energy Council Grants

Rules as Adopted

4160.5100 DEFINITIONS.

Subpart 1. **Scope.** For purposes of parts 4160.5200 to 4160.5900, the following terms have the meaning given them.

Subp. 2. **Commissioner.** "Commissioner" means the commissioner of the Department of Energy and Economic Development.

Subp. 3. **Community energy council.** "Community energy council" means a council, committee, board, or other body formed by a city or county, individually or through the exercise of joint powers agreements, to address local energy issues.

Subp. 4. **Department.** "Department" means the Department of Energy and Economic Development.

Subp. 5. **Eligible applicant.** "Eligible applicant" means a Minnesota city or county.

4160.5200 PURPOSE.

Parts 4160.5100 to 4160.5900 establish the method by which the department provides funds to Minnesota cities and counties in support of community energy council activities, as authorized by Laws of Minnesota 1984, chapter 654, article II, section 106.

4160.5300 GRANT PROGRAM.

Subpart 1. **Application schedule.** After announcement by the department in the State Register, the department shall accept applications for community energy council grants from cities and counties, individually, collectively, or through the exercise of joint powers agreements. The department shall consider for funding only applications received by the deadline announced in the State Register.

Subp. 2. **Review process.** The commissioner shall select the members of a committee to assist him or her to review and

APPROVED BY THE REVISOR OF STATUTES OFFICE BY:

rank applications. The review committee shall score applications according to criteria in part 4160.5500 and transmit its recommendations to the commissioner. The commissioner shall approve, disapprove, or return for further consideration applications recommended by the committee. Upon approval by the commissioner, a grant agreement may be negotiated with the department in accordance with part 4160.5800.

Subp. 3. Maximum award amount. The maximum amount of a community energy council grant to an individual applicant is $15,000 and requires at least a ten percent local match. The maximum amount of a community energy council grant to a joint application is $15,000 for the first applicant and $12,000 for each additional applicant up to a maximum of $50,000, and requires at least a ten percent local match.

4160.5400 APPLICATION FOR COMMUNITY ENERGY COUNCIL GRANT.

Subpart 1. Form. Applications must be submitted in a form prescribed by the department.

Subp. 2. Contents. Applications must contain the following information:

A. Documentation of the existence of a community energy council must include a copy of the resolution of the governing body establishing a community energy council, and a list of members appointed by the governing body to serve on the community energy council, including the members' relevant affiliations, if any.

B. Applicants shall include a work plan that explains how the applicant intends to undertake program planning and implementation during the grant period. Applicants shall specify major tasks to be undertaken and a project schedule that includes beginning and ending dates for each task. The expected results or product of each task must be identified.

C. The budget must identify major expenditure categories and amounts and the amount and source of the local match.

D. Applicants shall submit a copy of the resolution or resolutions that authorize the submission of the application

APPROVED BY THE REVISOR OF STATUTES OFFICE BY:

to the department.

4160.5500 EVALUATION OF GRANT APPLICATION.

Subpart 1. Criteria. The review committee shall evaluate grant applications according to the following criteria:

A. Community energy councils must include representatives of labor, small business, volunteer organizations, senior citizens, and low and moderate income residents, and may include city and county officials, and other interested parties.

B. A work plan will be evaluated to determine its potential to reduce energy use and energy costs in the applicant community. Positive indicators of this potential are:

(1) a work plan that implements one or more eligible activities as listed in part 4160.5600, subpart 1, during the grant period;

(2) a work plan that demonstrates how the applicant will coordinate activities undertaken with community energy council grant funds with activities of other energy service providers, including cities and counties; or

(3) a work plan that indicates efforts that are underway or planned to secure funds in addition to a community energy council grant for project implementation.

C. Past or current experience in conducting energy-related community programs will be considered by the review committee as an indicator of the applicant's capability in this area and commitment to energy programs.

D. A grant application must be clear, concise, and complete.

Subp. 2. Point values for applications. The review committee shall award points to each application as follows:

A. representation of community energy council membership, up to a maximum of 35 points;

B. adequacy of applicant work plan, up to a maximum of 40 points;

C. energy-related program experience, up to a maximum of 15 points; and

APPROVED BY THE REVISOR OF STATUTES OFFICE BY:

D. clarity, conciseness, and completeness, up to a maximum of ten points.

4160.5600 CLASSIFICATION OF ELIGIBLE AND INELIGIBLE GRANTEE ACTIVITIES.

Subpart 1. Eligible activities. Planning, promotion, coordination, and implementation of the following activities are eligible for community energy council grants:

A. Residential energy conservation activities may include energy audits, workshops, distribution of energy conservation materials and information, and financing programs.

B. Business energy conservation activities may include meetings and workshops, energy audits, distribution of energy conservation materials and information, and financing programs.

C. Transportation energy conservation activities may include car-care clinics, promotion of energy efficient transportation modes, and traffic flow synchronization.

D. Community energy planning activities may include development of community energy use and cost profiles and estimates of energy conservation and alternative energy potentials.

E. Local government energy conservation activities may include energy use and cost accounting, fleet management, procurement of energy efficient vehicles and equipment, and recycling.

F. Energy efficient land use planning activities may include developing and amending comprehensive plans and zoning ordinances, subdivision regulations, and other land use controls to facilitate energy efficient development and the use of renewable energy resources.

G. Alternative energy activities may include projects the objective of which is the substitution of alternative energy sources for fossil fuels.

Subp. 2. Ineligible activities. The following activities are ineligible for community energy council grants:

A. projects conducted outside a grantee's corporate

APPROVED IN THE
BUREAU OF STATUTES
OFFICE OF:

boundaries by the grantee alone; and

B. real property acquisition.

4160.5700 CLASSIFICATION OF ELIGIBLE AND INELIGIBLE GRANTEE EXPENDITURES.

Subpart 1. Eligible grantee expenditures. The following are eligible grantee expenditures:

A. salaries and wages;

B. fringe benefits;

C. in-state travel;

D. space rental and utilities;

E. rental and lease of equipment;

F. consumable supplies;

G. telephone;

H. postage;

I. printing and printed materials; and

J. insurance.

Subp. 2. Ineligible grantee expenditures. The following are ineligible grantee expenditures:

A. out-of-state travel, unless specifically approved in an agreement between the grantee and the department;

B. purchase of real property;

C. purchase of equipment, except consumable supplies; and

D. retroactive payment of grant funds for activities undertaken prior to the effective date of the grant agreement.

4160.5800 GRANT AGREEMENT.

Subpart 1. Contents. An agreement must specify the grant amount and the duration of the grant. The agreement must include assurance that the local share will be provided and that the work program agreed upon will be carried out. A grant agreement based upon a joint application must be executed by the applicant city or county that will be directly responsible for financial management of the grant, and that will be responsible for the required reports in part 4160.5800, subpart 5 4, and the records required in part 4160.5800, subpart 6 5. Amendments and

APPROVED IN THE REVISOR OF STATUTES OFFICE BY:

extensions may only be made in writing and must be signed by all parties.

Subp. 2. **Funding period.** Grants will be approved for a period of up to one year, unless other terms are agreed to by the commissioner.

Subp. 3. **Disbursement schedule.** The department shall disburse 80 percent of the grant money when it receives an invoice of projected costs. The department shall disburse the remaining 20 percent when the grantee work program is complete and the department receives a satisfactory final report.

Subp. 4. **Required reports.** The grantee shall submit to the department on the first of each month a one to two page report briefly stating the activities that have taken place during the month. The grantee shall provide the department with three copies of a final report and financial statement, describing all activities that took place during the grant period. The final report must summarize planning and implementation steps in chronological order and identify all parties involved during the grant period.

Subp. 5. **Records.** The grantee shall maintain financial records according to generally recognized accounting methods for a period of not less than three years from the date of the execution of the contract of all transactions related to the receipt and expenditure of grant money.

Subp. 6. **Grant agreement deviations.** Unless the ~~department agrees in writing~~ grantee demonstrates to the department that the grantee's circumstances have changed since execution of the grant agreement to such an extent that a deviation is necessary to complete the agreed upon work program, no grant funds may be used to finance activities by consultants or local staff if the activities are not included in the grant agreement. ~~Unless the department agrees in writing,~~ A grantee may not contract out all its energy-related activities to consultants unless the grantee demonstrates to the department that such contracting is necessary to complete the work program.

4160.5900 GRANT CLOSE-OUT.

APPROVED BY THE REVISOR OF STATUTES OFFICE BY:

Subpart 1. **Evaluation.** The department shall conduct an evaluation of the final report and all the required reports and financial documents within 60 days of their submission by the grantee to the department. The evaluation shall assess:

A. whether the local share contributed was equal to or greater than ten percent of the total cost of the ~~preliminary planning project~~ agreed upon work program;

B. whether the agreed upon work program was completed; and

C. whether the governing body has formally reviewed the completed final report.

Subp. 2. **Review.** Upon completion of a satisfactory evaluation by the department, the department shall disburse the remaining 20 percent of the grant to the grant recipient. If the results of the evaluation are unfavorable to the grantee and the grantee does not agree with the findings of the evaluation, the grantee may request a review by the commissioner.

APPROVED BY THE REVISOR OF STATUTES OFFICE BY:

1:30 PM

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
SEP 14 1984
Joan Anderson Growe
Secretary of State

APPROVED AS TO FORM AND LEGALITY
September 13 1984
HUBERT H. HUMPHREY, III
ATTORNEY GENERAL
BY Martha J Cassedy
SPECIAL ASSISTANT ATTORNEY GENERAL

mail 7-3768

To: Moty
Date: 8/27/84
Re: Energy + Economic Development — Community Energy Council Grants.

Rules As Adopted

p. 6 OK
line #.

. 5800, subp. 2.

This section provides that grants shall be for one year "unless other terms are agreed to by the commissioner." There are no criteria by which the commissioner shall determine when and if a different period of time will be agreed to.

pg 2, line 5 - upon approval, agmt may be negotiated
→ OK may is meumbanton q rastes

pg 2, line 12 - FF justify $13,500/rule is $12,000

☆ K rule problems
pg 5, line 35 - wavier via K
pg 6, line 4 -
pg 6, line 25 etc

Rules as Proposed (all new material)

4160.5100 DEFINITIONS.

Subpart 1. **Scope.** For purposes of parts 4160.5200 to 4160.5900, the following terms have the meaning given them.

Subp. 2. **Commissioner.** "Commissioner" means the commissioner of the Department of Energy and Economic Development.

Subp. 3. **Community energy council.** "Community energy council" means a council, committee, board, or other body formed by a city or county, individually or through the exercise of joint powers agreements, to address local energy issues.

Subp. 4. **Department.** "Department" means the Department of Energy and Economic Development.

Subp. 5. **Eligible applicant.** "Eligible applicant" means a Minnesota city or county.

4160.5200 PURPOSE.

Parts 4160.5100 to 4160.5900 establish the method by which the department provides funds to Minnesota cities and counties in support of community energy council activities, as authorized by Laws of Minnesota 1984, chapter 654, article II, section 106.

4160.5300 GRANT PROGRAM.

Subpart 1. **Application schedule.** After announcement by the department in the State Register, the department shall accept applications for community energy council grants from cities and counties, individually, collectively, or through the exercise of joint powers agreements. The department shall consider for funding only applications received by the deadline announced in the State Register.

Subp. 2. **Review process.** The commissioner shall select the members of a committee to assist him or her to review and rank applications. The review committee shall score applications according to criteria in part 4160.5500 and transmit its recommendations to the commissioner. The commissioner shall approve, disapprove, or return for further consideration applications recommended by the committee. Upon

APPROVED IN THE REVISOR OF STATUTES OFFICE BY: MVH

approval by the commissioner, a grant agreement may be negotiated with the department in accordance with part 4160.5800.

Subp. 3. **Maximum award amount.** The maximum amount of a community energy council grant is $15,000 and requires at least a ten percent local match.

4160.5400 APPLICATION FOR COMMUNITY ENERGY COUNCIL GRANT.

Subpart 1. **Form.** Applications must be submitted in a form prescribed by the department.

Subp. 2. **Contents.** Applications must contain the following information:

A. Documentation of the existence of a community energy council must include a copy of the resolution of the governing body establishing a community energy council, and a list of members appointed by the governing body to serve on the community energy council, including the members' relevant affiliations, if any.

B. Applicants shall include a work plan that explains how the applicant intends to undertake program planning and implementation during the grant period. Applicants shall specify major tasks to be undertaken and a project schedule that includes beginning and ending dates for each task. The expected results or product of each task must be identified.

C. The budget must identify major expenditure categories and amounts and the amount and source of the local match.

D. Applicants shall submit a copy of the resolution or resolutions that authorize the submission of the application to the department.

4160.5500 EVALUATION OF GRANT APPLICATION.

Subpart 1. **Criteria.** The review committee shall evaluate grant applications according to the following criteria:

A. Community energy councils must include representatives of labor, small business, volunteer organizations, senior citizens, and low and moderate income residents, and may include city and county officials, and other

APPROVED IN THE REVISOR OF STATUTES OFFICE BY:

interested parties.

B. A work plan will be evaluated to determine its potential to reduce energy use and energy costs in the applicant community. Positive indicators of this potential are:

(1) a work plan that implements one or more eligible activities as listed in part 4160.5600, subpart 1, during the grant period;

(2) a work plan that demonstrates how the applicant will coordinate activities undertaken with community energy council grant funds with activities of other energy service providers; or

(3) a work plan that indicates efforts that are underway or planned to secure funds in addition to a community energy council grant for project implementation.

C. Past or current experience in conducting energy-related community programs will be considered by the review committee as an indicator of the applicant's capability in this area and commitment to energy programs.

D. A grant application must be clear, concise, and complete.

Subp. 2. **Point values for applications.** The review committee shall award points to each application as follows:

A. representation of community energy council membership, up to a maximum of 35 points;

B. adequacy of applicant work plan, up to a maximum of 40 points;

C. energy-related program experience, up to a maximum of 15 points; and

D. clarity, conciseness, and completeness, up to a maximum of ten points.

4160.5600 CLASSIFICATION OF ELIGIBLE AND INELIGIBLE GRANTEE ACTIVITIES.

Subpart 1. **Eligible activities.** Planning, promotion, coordination, and implementation of the following activities are eligible for community energy council grants:

A. Residential energy conservation activities may

APPROVED IN THE REVISOR OF STATUTES OFFICE BY:

include energy audits, workshops, distribution of energy conservation materials and information, and financing programs.

B. Business energy conservation activities may include meetings and workshops, energy audits, distribution of energy conservation materials and information, and financing programs.

C. Transportation energy conservation activities may include car-care clinics, promotion of energy efficient transportation modes, and traffic flow synchronization.

D. Community energy planning activities may include development of community energy use and cost profiles and estimates of energy conservation and alternative energy potentials.

E. Local government energy conservation activities may include energy use and cost accounting, fleet management, procurement of energy efficient vehicles and equipment, and recycling.

F. Energy efficient land use planning activities may include developing and amending comprehensive plans and zoning ordinances, subdivision regulations, and other land use controls to facilitate energy efficient development and the use of renewable energy resources.

G. Alternative energy activities may include projects the objective of which is the substitution of alternative energy sources for fossil fuels.

Subp. 2. **Ineligible activities.** The following activities are ineligible for community energy council grants:

A. projects conducted outside a grantee's corporate boundaries by the grantee alone; and

B. real property acquisition.

4160.5700 CLASSIFICATION OF ELIGIBLE AND INELIGIBLE GRANTEE EXPENDITURES.

Subpart 1. **Eligible grantee expenditures.** The following are eligible grantee expenditures:

A. salaries and wages;

B. fringe benefits;

APPROVED IN THE REVISOR OF STATUTES OFFICE BY:

C. in-state travel;

D. space rental and utilities;

E. rental and lease of equipment;

F. consumable supplies;

G. telephone;

H. postage;

I. printing and printed materials; and

J. insurance.

Subp. 2. **Ineligible grantee expenditures.** The following are ineligible grantee expenditures:

A. out-of-state travel, unless specifically approved in an agreement between the grantee and the department;

B. purchase of real property;

C. purchase of equipment, except consumable supplies; and

D. retroactive payment of grant funds for activities undertaken prior to the effective date of the grant agreement.

4160.5800 GRANT AGREEMENT.

Subpart 1. **Contents.** An agreement must specify the grant amount and the duration of the grant. The agreement must include assurance that the local share will be provided and that the work program agreed upon will be carried out. A grant agreement based upon a joint application must be executed by the applicant city or county that will be directly responsible for financial management of the grant, and that will be responsible for the required reports in part 4160.5800, subpart 5, and the records required in part 4160.5800, subpart 6. Amendments and extensions may only be made in writing and must be signed by all parties.

Subp. 2. **Funding period.** Grants will be approved for a period of up to one year, unless other terms are agreed to by the commissioner.

Subp. 3. **Disbursement schedule.** The department shall disburse 80 percent of the grant money when it receives an invoice of projected costs. The department shall disburse the remaining 20 percent when the grantee work program is complete

APPROVED IN THE REVISOR OF STATUTES OFFICE BY:

and the department receives a satisfactory final report.

Subp. 4. **Required reports.** The grantee shall submit to the department on the first of each month a one to two page report briefly stating the activities that have taken place during the month. The grantee shall provide the department with three copies of a final report and financial statement, describing all activities that took place during the grant period. The final report must summarize planning and implementation steps in chronological order and identify all parties involved during the grant period.

Subp. 5. **Records.** The grantee shall maintain financial records according to generally recognized accounting methods for a period of not less than three years from the date of the execution of the contract of all transactions related to the receipt and expenditure of grant money.

Subp. 6. **Grant agreement deviations.** Unless the department agrees in writing, no grant funds may be used to finance activities by consultants or local staff if the activities are not included in the grant agreement. Unless the department agrees in writing, a grantee may not contract out all its energy-related activities to consultants.

4160.5900 GRANT CLOSE-OUT.

Subpart 1. **Evaluation.** The department shall conduct an evaluation of the final report and all the required reports and financial documents within 60 days of their submission by the grantee to the department. The evaluation shall assess:

A. whether the local share contributed was equal to or greater than ten percent of the total cost of the preliminary planning project;

B. whether the agreed upon work program was completed; and

C. whether the governing body has formally reviewed the completed final report.

Subp. 2. **Review.** Upon completion of a satisfactory evaluation by the department, the department shall disburse the remaining 20 percent of the grant to the grant recipient. If

APPROVED BY THE REVISOR OF STATUTES OFFICE BY:

the results of the evaluation are unfavorable to the grantee and the grantee does not agree with the findings of the evaluation, the grantee may request a review by the commissioner.

APPROVED IN THE REVISOR OF STATUTES OFFICE BY:

OFFICE OF THE REVISOR OF STATUTES

Proposed Rule

RD521

Agency: Department of Energy and Economic Development

Division: Energy

Agency Contact: Mark Schoenbaum 297-3602

Minnesota Rules: Parts 4160.5100 to 4160.5900

Title: Proposed Rules Governing Community Energy Council Grants

Type of Rules: Permanent

Incorporations by Reference: None

Steven C. Cross
Revisor of Statutes

Maryanne V. Hruby
Assistant Revisor
Phone: 297-2948
Date: June 6, 1984

STATE OF MINNESOTA

Department of Energy & Economic Development

In the Matter of the Proposed Adoption of Rules of the State Department of Energy & Economic Development Governing Distribution of Community Energy Council Grant Funds (4160.5100-4160.5900)

Order Adopting Rules

Notice of the Commissioner's intent to adopt the above-entitled rules without a public hearing was published in the State Register on June 25, 1984 and was sent by United States Mail to all persons on the list maintained by the Department pursuant to Minnesota Statutes section 14.14, subdivision 1a on June 21, 1984. After affording interested and affected persons an opportunity to submit comments for a public hearing within the 30-day comment period, reviewing and considering the comments, and determining the need and reasonableness of the above-captioned rules,

NOW, THEREFORE IT IS ORDERED that these rules identified as Rules Governing Community Energy Council Grants (4160.5100-4160.5900) are adopted this 31 day of Aug. 1984 pursuant to authority invested in me by Laws of Minnesota 1984, Chapter 602, Section 2, Subdivision 2.

STATE OF MINNESOTA

Connie Lewis

Connie Lewis
Senior Administrative Officer of
The Department of
Energy and Economic Development,
Acting Pursuant to a Delegation
of Authority from the Commissioner
Dated July 25, 1984.

AG copy

Department of Energy and Economic Development

Energy Division

Adopted Rules Governing Community Energy Council Grants

Rules as Adopted

4160.5100 DEFINITIONS.

Subpart 1. **Scope.** For purposes of parts 4160.5200 to 4160.5900, the following terms have the meaning given them.

Subp. 2. **Commissioner.** "Commissioner" means the commissioner of the Department of Energy and Economic Development.

Subp. 3. **Community energy council.** "Community energy council" means a council, committee, board, or other body formed by a city or county, individually or through the exercise of joint powers agreements, to address local energy issues.

Subp. 4. **Department.** "Department" means the Department of Energy and Economic Development.

Subp. 5. **Eligible applicant.** "Eligible applicant" means a Minnesota city or county.

4160.5200 PURPOSE.

Parts 4160.5100 to 4160.5900 establish the method by which the department provides funds to Minnesota cities and counties in support of community energy council activities, as authorized by Laws of Minnesota 1984, chapter 654, article II, section 106.

4160.5300 GRANT PROGRAM.

Subpart 1. **Application schedule.** After announcement by the department in the State Register, the department shall accept applications for community energy council grants from cities and counties, individually, collectively, or through the exercise of joint powers agreements. The department shall consider for funding only applications received by the deadline announced in the State Register.

Subp. 2. **Review process.** The commissioner shall select the members of a committee to assist him or her to review and

APPROVED BY THE REVISOR OF STATUTES OFFICE BY:

rank applications. The review committee shall score applications according to criteria in part 4160.5500 and transmit its recommendations to the commissioner. The commissioner shall approve, disapprove, or return for further consideration applications recommended by the committee. Upon approval by the commissioner, a grant agreement may be negotiated with the department in accordance with part 4160.5800.

Subp. 3. **Maximum award amount.** The maximum amount of a community energy council grant to an individual applicant is $15,000 and requires at least a ten percent local match. The maximum amount of a community energy council grant to a joint application is $15,000 for the first applicant and $12,000 for each additional applicant up to a maximum of $50,000, and requires at least a ten percent local match.

FF p.7

FF & says 13,500

4160.5400 APPLICATION FOR COMMUNITY ENERGY COUNCIL GRANT.

Subpart 1. **Form.** Applications must be submitted in a form prescribed by the department.

Subp. 2. **Contents.** Applications must contain the following information:

A. Documentation of the existence of a community energy council must include a copy of the resolution of the governing body establishing a community energy council, and a list of members appointed by the governing body to serve on the community energy council, including the members' relevant affiliations, if any.

B. Applicants shall include a work plan that explains how the applicant intends to undertake program planning and implementation during the grant period. Applicants shall specify major tasks to be undertaken and a project schedule that includes beginning and ending dates for each task. The expected results or product of each task must be identified.

C. The budget must identify major expenditure categories and amounts and the amount and source of the local match.

D. Applicants shall submit a copy of the resolution or resolutions that authorize the submission of the application

REVISOR OF STATUTES OFFICE COPY

to the department.

4160.5500 EVALUATION OF GRANT APPLICATION.

Subpart 1. Criteria. The review committee shall evaluate grant applications according to the following criteria:

A. Community energy councils must include representatives of labor, small business, volunteer organizations, senior citizens, and low and moderate income residents, and may include city and county officials, and other interested parties.

B. A work plan will be evaluated to determine its potential to reduce energy use and energy costs in the applicant community. Positive indicators of this potential are:

(1) a work plan that implements one or more eligible activities as listed in part 4160.5600, subpart 1, during the grant period;

(2) a work plan that demonstrates how the applicant will coordinate activities undertaken with community energy council grant funds with activities of other energy service providers, including cities and counties; or FF p.7

(3) a work plan that indicates efforts that are underway or planned to secure funds in addition to a community energy council grant for project implementation.

C. Past or current experience in conducting energy-related community programs will be considered by the review committee as an indicator of the applicant's capability in this area and commitment to energy programs.

D. A grant application must be clear, concise, and complete.

Subp. 2. Point values for applications. The review committee shall award points to each application as follows:

A. representation of community energy council membership, up to a maximum of 35 points;

B. adequacy of applicant work plan, up to a maximum of 40 points;

C. energy-related program experience, up to a maximum of 15 points; and

D. clarity, conciseness, and completeness, up to a maximum of ten points.

4160.5600 CLASSIFICATION OF ELIGIBLE AND INELIGIBLE GRANTEE ACTIVITIES.

Subpart 1. **Eligible activities.** Planning, promotion, coordination, and implementation of the following activities are eligible for community energy council grants:

A. Residential energy conservation activities may include energy audits, workshops, distribution of energy conservation materials and information, and financing programs.

B. Business energy conservation activities may include meetings and workshops, energy audits, distribution of energy conservation materials and information, and financing programs.

C. Transportation energy conservation activities may include car-care clinics, promotion of energy efficient transportation modes, and traffic flow synchronization.

D. Community energy planning activities may include development of community energy use and cost profiles and estimates of energy conservation and alternative energy potentials.

E. Local government energy conservation activities may include energy use and cost accounting, fleet management, procurement of energy efficient vehicles and equipment, and recycling.

F. Energy efficient land use planning activities may include developing and amending comprehensive plans and zoning ordinances, subdivision regulations, and other land use controls to facilitate energy efficient development and the use of renewable energy resources.

G. Alternative energy activities may include projects the objective of which is the substitution of alternative energy sources for fossil fuels.

Subp. 2. **Ineligible activities.** The following activities are ineligible for community energy council grants:

A. projects conducted outside a grantee's corporate

boundaries by the grantee alone; and

B. real property acquisition.

4160.5700 CLASSIFICATION OF ELIGIBLE AND INELIGIBLE GRANTEE EXPENDITURES.

Subpart 1. Eligible grantee expenditures. The following are eligible grantee expenditures:

A. salaries and wages;

B. fringe benefits;

C. in-state travel;

D. space rental and utilities;

E. rental and lease of equipment;

F. consumable supplies;

G. telephone;

H. postage;

I. printing and printed materials; and

J. insurance.

Subp. 2. Ineligible grantee expenditures. The following are ineligible grantee expenditures:

A. out-of-state travel, unless specifically approved in an agreement between the grantee and the department;

B. purchase of real property;

C. purchase of equipment, except consumable supplies; and

D. retroactive payment of grant funds for activities undertaken prior to the effective date of the grant agreement.

4160.5800 GRANT AGREEMENT.

Subpart 1. Contents. An agreement must specify the grant amount and the duration of the grant. The agreement must include assurance that the local share will be provided and that the work program agreed upon will be carried out. A grant agreement based upon a joint application must be executed by the applicant city or county that will be directly responsible for financial management of the grant, and that will be responsible for the required reports in part 4160.5800, subpart 5 4, and the records required in part 4160.5800, subpart 6 5. (Amendments and

FF p5

extensions may only be made in writing and must be signed by all parties.

Subp. 2. **Funding period.** Grants will be approved for a period of up to one year, unless other terms are agreed to by the commissioner.

Subp. 3. **Disbursement schedule.** The department shall disburse 80 percent of the grant money when it receives an invoice of projected costs. The department shall disburse the remaining 20 percent when the grantee work program is complete and the department receives a satisfactory final report.

Subp. 4. **Required reports.** The grantee shall submit to the department on the first of each month a one to two page report briefly stating the activities that have taken place during the month. The grantee shall provide the department with three copies of a final report and financial statement, describing all activities that took place during the grant period. The final report must summarize planning and implementation steps in chronological order and identify all parties involved during the grant period.

Subp. 5. **Records.** The grantee shall maintain financial records according to generally recognized accounting methods for a period of not less than three years from the date of the execution of the contract of all transactions related to the receipt and expenditure of grant money.

Subp. 6. **Grant agreement deviations.** Unless the department agrees in writing, no grant funds may be used to finance activities by consultants or local staff if the activities are not included in the grant agreement. Unless the department agrees in writing, a grantee may not contract out all its energy-related activities to consultants.

4160.5900 GRANT CLOSE-OUT.

Subpart 1. **Evaluation.** The department shall conduct an evaluation of the final report and all the required reports and financial documents within 60 days of their submission by the grantee to the department. The evaluation shall assess:

A. whether the local share contributed was equal to

APPROVED BY THE REVISOR OF STATUTES OFFICE BY:

or greater than ten percent of the total cost of the ~~preliminary planning project~~ agreed upon work program; } FF p. 6

B. whether the agreed upon work program was completed; and

C. whether the governing body has formally reviewed the completed final report.

Subp. 2. Review. Upon completion of a satisfactory evaluation by the department, the department shall disburse the remaining 20 percent of the grant to the grant recipient. If the results of the evaluation are unfavorable to the grantee and the grantee does not agree with the findings of the evaluation, the grantee may request a review by the commissioner.

DEPARTMENT OF ENERGY AND ECONOMIC DEVELOPMENT - ENERGY DIVISION

PROPOSED RULES GOVERNING DISTRIBUTION OF COMMUNITY ENERGY COUNCIL GRANT FUNDS

Notice of Intent to Adopt Rules without a Public Hearing

NOTICE IS HEREBY GIVEN that the Department of Energy and Economic Development proposes to adopt the above-entitled rules without a public hearing. The Department has determined that the proposed adoption of these rules will be non-controversial in nature and has elected to follow the procedure set forth in Minnesota Statutes §§ 14.21 through 14.28 (Supp. 1983), as amended by Minn. Laws 1984. ch.640 §§ 12-15, 33-34.

Persons interested in these rules shall have 30 days to submit comments in support of or in opposition to the proposed rules. Comments are encouraged. Each comment should identify the portion of the proposed rule addressed, the reason for the comment and any change proposed. The proposed rules may be modified if the modifications are supported by the data and views submitted to the agency and do not result in a substantial change in the proposed language.

Unless 25 or more persons submit a written request for a public hearing within the 30-day comment period, a public hearing will not be held. In the event a public hearing is required, the agency will proceed according to the provisions of Minnesota Statutes §§ 14.14 through 14.18 (Supp. 1983), as amended by Minn. Laws 1984, ch 640, §§ 7-11.

Persons who which to submit comments or a written request for a public hearing should submit such comments or request to:

Mark Schoenbaum
Energy Division
Minnesota Department of Energy & Economic Development
900 American Center Building
150 E. Kellogg Blvd.
St. Paul, MN 55101
(612) 297-3602

Any person requesting a public hearing should state his or her name and address and is encouraged to identify the portion of the proposed rule addressed, the reason for the request, and any change proposed.

Authority for the adoption of these rules is contained in Minn. Laws 1984, ch 604, § 2, subd. 2. Additionally, the Statement of Need and Reasonableness that describes the need for and reasonableness of each provision of the proposed rules and identifies the data and information relied upon to support the proposed rules has been prepared by and is available from Mark Schoenbaum upon request.

Upon adoption of the final rules without a public hearing, the proposed rules, this Notice, the Statement of Need and Reasonableness, all written comments received, and the final rules as adopted will be delivered to the Attorney General for review as to form and legality, including the issue of substantial change. Persons who whch to be advised of the submission of this material to the Attorney General, or who whsh to receive a copy of the final rules as proposed for adoption, should submit a written statement of such request to Mark Schoenbaum.

The rules proposed for adoption relate to the following matters: These rules govern the distribution of community energy council grant funds under the program established in Laws of Minnesota 1984, Chapter 654. Article II, Section 106. The rules establish the grant program, provide for grants of up to $15,000 to cities and counties in support of community energy council activities, and require grantees to provide at least a ten percent local match. The rules provide for the form and contents of applications, evaluation of applications, classification of eligible and ineligible grantee activities and expenditures, grant agreements and grant close-out.

These rules create a state program to be administered by counties and cities, and as such are exempted from the applicability of Minnesota Statutes § 14.115 by Minnesota States § 14.115, Subdivision 7(b). However, these rules do require small business representation on community energy councils and allow grant funds to be expended in support of business energy conservation activities.

Please be advised that Minn. Stat. Chapter 10A requires each lobbyist to register with the State Ethical Practices Board within five days after he or she commences lobbying. Minn. Stat. Section 10A.01, subdivision 11 defines a lobbyist as any individual: (a) engaged for pay or other consideration, or authorized by another individual or association to spend money, who spends more than five hours in any month or more than $250, not including his own travel expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials; or (b) who spends more than $250, not including his own travel expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials. The statute provides certain exceptions. Questions should be directed to the Ethical Practices Board, 41 State Office Building, St. Paul, Minnesota 55155, telephone (612) 296-5615.

Copies of this Notice and the proposed rules are available and may be obtained by contacting Mark Schoenbaum.

Mark B. Dayton, Commissioner of
Energy and Economic Development

STATE OF MINNESOTA

DEPARTMENT OF ENERGY AND ECONOMIC DEVELOPMENT-ENERGY DIVISION

In the Matter of the Proposed Adoption of Rules of the State Department of Energy and Economic Development Governing Distribution of Community Energy Council Grant Funds	ORDER FOR NOTICE OF INTENT TO ADOPT RULES WITHOUT PUBLIC HEARING

IT IS ORDERED this 6th day of June, 19 84 that a Notice of Intent to Adopt Rules Without Public Hearing in the above-entitled matter be given to all persons who have registered their names with the State Department of Energy and Economic Development for that purpose and be published in the State Register.

STATE OF MINNESOTA

Mark B. Dayton

COMMISSIONER OF ENERGY AND ECONOMIC DEVELOPMENT

STATE OF MINNESOTA

DEPARTMENT OF ENERGY AND ECONOMIC DEVELOPMENT

ENERGY DIVISION

In The Matter of the Proposed Adoption of Rules of the State Department of Energy and Economic Development Governing Distribution of Community Energy Council Grant Funds.

AFFIDAVIT OF MAILING

STATE OF MINNESOTA)
)ss.
COUNTY OF RAMSEY)

Jean M. Cannefax, being first duly sworn deposes and says:

That on the 21 day of June, 1984, at City of St. Paul, County of Ramsey, State of Minnesota, she served the attached Notice of Intent to Adopt Rules Without Public Hearing by depositing in the State of Minnesota Central Mail System for United States mailing at said City of St. Paul, a copy thereof, properly enveloped, with postage prepaid, on all persons and associations who have requested that their names be placed on file with the State Department of Energy and Economic Development, Energy Division, for the purpose of receiving notice of the proposed adoption of rules by this Department.

Jean M. Cannefax

Subscribed and sworn to before me
this 21ST day of JUNE, 1984.

Dennis M. Devereaux

DENNIS M. DEVEREAUX
NOTARY PUBLIC-MINNESOTA
RAMSEY COUNTY
My Comm. Expires April 1, 1988

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

CERTIFICATE

In the Matter of the Proposed Adoption
of Rules Governing the Distribution of
Community Energy Grant Funds

I hereby certify that the list of persons, associations and other interested groups who have requested, pursuant to Minnesota Statute 14.14 subd.1, that their names be placed on file with and maintained by the State Department of Energy and Economic Development bot both the Department and the Energy Economic Development Authority for the purpose of receiving notice of the proposed adoption of rules by both the Energy and Economic Development Authority and the Department of

Energy and Economic Development is accurate and complete as of Monday, this 18 day of June, 1984.

Mary Anderson

MINN DEPT OF ENERGY & ECONOMIC DEVELOPMENT
ENERGY DIVISION
POSTAL DATA BASE
RULES & REGULATIONS

COMPILED BY
MARY ANDERSEN

LABELS CONTAINING
THE FOLLOWING NAMES
DELIVERED 06/18/84
TO MARK SCHOENBAUM

LIST OF CODE RULES-POSTAL DATA BASE
84/06/15.

*** ID#	LAST NM	FIRST NM	COMPANY	ADDRESS	CITY	ZIP
* 6677			BASS BROOK TOWN OF	BOX 146	COHASSET	55721
* 16853			BEMIDJI CHAMBER OF COMMERCE	BOX 806	BEMIDJI	56601
* 16854			BEMIDJI CHAMBER OF COMMERCE	BOX 806	BEMIDJI	56601
* 5263			DORSEY & WHITNEY LIBRARY	2200 FIRST BANK PL E	MPLS	55402
* 12455			FRUNDT FRUNDT & JOHNSON	117 FIFTH ST W-BOX 95	BLUE EARTH	56013
* 16786			GRAND RAPIDS CHAMBER OF COMMERCE	WELCOME HOUSE	GRAND RAPIDS	55744
* 16687			GRAVEN & ASSOCIATES	9800 ANN LN	MINNETONKA	55343
* 16696			MANKATO AREA CHAMBER OF COMMERCE	BOX 999	MANKATO	56001
* 16803			MINN DEPT OF HEALTH-COMM DEVEL	717 DELAWARE ST SE	MPLS	55440
* 800			MINNEGASCO	201 SEVENTH ST S	MPLS	55402
* 16807			PROJECT ENVIRONMENT FOUNDATION	2929 FOURTH AVE S	MPLS	55408
* 6678			SCOTT CO HOUSING & REDEVEL AUTH	16049 FRANKLIN TR SE-RM 104	PRIOR LAKE	55372
* 3057			TABOR & SONS CONSTRUCTION	2024 CENTRAL AVE NE	COLUMBIA HTS	55421
* 5885			TROMMALD CITY OF	RT 3-BOX 160	CROSBY	56441
* 452			UNION OIL OF CALIFORNIA	1650 GOLF RD E	SCHAUMBURG	60196
* 6679			WEST CENTRAL INDUS IMPROVEMENT CORP	STEVENS CO COURTHOUSE	MORRIS	56267
* 8660			WHITE BEAR LAKE CITY OF	1281 HAMMOND RD	WHITE BEAR LK	55110
* 16710			YAGGY ASSOCIATES	717 THIRD AVE SE	ROCHESTER	55904
* 8459	AHERN	MICHAEL J	MOSS FLAHERTY CLARKSON & FLETCHER	200 SIXTH ST S-STE 1200	MPLS	55402
* 6680	ALFERS	MARK		2496 145TH ST W	ROSEMOUNT	55068
* 10691	AMBROSE	ROBERT P	COOPERATIVE POWER ASSN	14615 LONE OAK RD	EDEN PRAIRIE	55344
* 8544	ANDERSON	HERBERT K		418 EIGHTH ST S	VIRGINIA	55792
* 16661	ANDRE	JAMES	ROSEVILLE CITY OF	2024 CLEVELAND AVE N	ROSEVILLE	55113
* 16862	BARKER	BRUCE	BOISE CASCADE WOODLAND	BOX 1152	INTL FALLS	56649
* 8505	BARNIER	LEON	MINN RURAL ELECTRIC ASSN	4901 77TH ST W	MPLS	55435
* 16760	BARTHELEMY	AL	BENTON CO LAND USE TECH	COURTHOUSE	FOLEY	56329
* 4742	BAUMGARTEN	ALLAN	MINN LEGIS AUDITOR	VETERANS SERVICE BLDG-RM 122	ST PAUL	55155
* 8549	BECKER	LLOYD G	GOLDEN VALLEY CITY OF	7800 GOLDEN VALLEY RD	GOLDEN VALLEY	55427
* 5261	BELAU	JANE	CONTROL DATA CORP	8100 34TH AVE S	MPLS	55440
* 16673	BERG	GARY	BROOKLYN PARK CITY OF	5800 85TH AVE N	BROOKLYN PK	55430
* 16721	BIFOSS	R BEN	MONTEVIDEO CITY OF	BOX 676	MONTEVIDEO	56265
* 16641	BIXBY	ROBERT	ST CLOUD STATE UNIV	STEWARD HALL-RM 301	ST CLOUD	56301
* 8482	BIZZANO JR	JOSEPH D	NORTHERN STATES POWER	414 NICOLLET MALL	MPLS	55401
* 8545	BJORHUS	RUSS	U S DEPT OF AG-FARMERS HOME ADM	316 ROBERT ST N-RM 252	ST PAUL	55101
* 16674	BODINE	VIRGINIA	EDINA CHAMBER OF COMMERCE	5200 73RD ST W	EDINA	55435
* 9861	BRANNON	ROD	EDINA COMMUNITY ED	5701 NORMANDALE RD	MPLS	55424
* 16828	BREKKE JR	CURT	BRAINERD COMM DEVEL ADMIN	CITY HALL	BRAINERD	56401
* 11695	BROEKER	JOHN M	BROEKER HARTFELDT HEDGES & GRANT	2850 METRO DR-STE 800	BLOOMINGTON	55429
* 8508	BROMMER	BERNARD L	A F L-C I O	175 AURORA AVE	ST PAUL	55103
* 8555	BROOKS JR	WILLIAM F		405 SECOND AVE S-RM 900	MPLS	55401
* 16845	BUCKLER	ROBERT		336 ROBERT ST N-RM 908	ST PAUL	55101
* 8015	BUNGE	DARREL	MINN PETROLEUM COUNCIL	386 WABASHA ST N-RM 1025	ST PAUL	55102
* 8502	BUREK	KATHY	MINN LEGIS COMM 510-REVIEW ADM RULES	STATE OFFICE BLDG-RM 430	ST PAUL	55155
* 8674	BURK	ROBERT S	POPHAM HAIK SCHNOBRICH KAUFMN&DOTY	80 EIGHTH ST S-RM 4344	MPLS	55402
* 16871	BUTLER	ROBERT S	BUTLER RESEARCH & ENG CO INC	1306 CO RD F W	ST PAUL	55112
* 10789	CARLSON	GLENN	ST CLOUD AREA CHAMBER OF COMMERCE	20 FOURTH AVE S-BOX 487	ST CLOUD	56302
* 8511	CASPER	M D	BRECKENRIDGE CITY OF	420 NEBRASKA AVE	BRECKENRIDGE	56520
* 16761	CATANIA	THOMAS F	MINN ATTORNEY GEN OFC-ANTITRUST DIV	117 UNIV AVE-SECOND FLR	ST PAUL	55155
* 16625	CHAPMAN	B B	BARTON-ASCHMAN ASSOC	610 SIXTH ST S	MPLS	55454
* 60067	CHASTEEN	JERRY	SOUTHWEST REG DEVEL COMM	2524 BROADWAY AVE-BOX 265	SLAYTON	56172
* 8512	CLAESON JR	LOUIS W	MINN AUTO DEALERS ASSN	277 UNIVERSITY AVE	ST PAUL	55103
* 16742	COMSTOCK	BECKY A	DORSEY WINDHRST HANNAFRD WHITNY&HALDY	220 SIXTH ST S-RM 2300	MPLS	55402
* 16767	CORDES	AL D	INTERSTATE POWER CO	1000 MAIN ST	DUBUQUE	52001
* 4722	CRASSWELLER	DONALD B	DONOVAN MCCARTHY CRASSWELLR LARSN&MAGIE	ALWORTH BLDG-RM 1000	DULUTH	55802

*	16972	CREME	FRANCINE	BARR ENGINEERING CO	6800 FRANCE AVE S	MPLS	55435
*	8560	DAILEY	THOMAS M	HENKEL CORP	7900 78TH ST W	MPLS	55435
*	6692	DAWSON	JEAN	MI[illegible] GOVERMENT REPORT	STATE CAPITAL B[illegible]G-PRESS RM B2 8	ST PAUL	55155
*	8562	DAYTON	CHARLES K	DAYTON HERMAN GRAHAM & GETTS	10 FIFTH ST S-STE 930	MPLS	55402
*	8671	DEBEIR	ELAINE	MINN POWER CO	30 SUPERIOR ST W	DULUTH	55802
*	60688	DEBLON	WILLIAM S	FRIDLEY CITY OF	6431 UNIVERSITY AVE NE	FRIDLEY	55432
*	16966	DEML	BERNARD J		BOX 76	CARLOS	56319
*	16837	DIAL	ALBERT D	DAIRYLAND POWER COOPERATIVE	BOX 817	LACROSSE	54601
*	8514	DIRACLES	JAMES C		80 EIGHTH ST S-RM 4040	MPLS	55402
*	16697	DONAHUE	DANIEL J	NEW HOPE CITY OF	4401 XYLON AVE N	NEW HOPE	55428
*	8515	DRAWZ	JOHN E		120 SIXTH ST S-RM 2000	MPLS	55402
*	8516	DULLINGER	GIL A	BROOKLYN PARK CITY OF	5800 85TH AVE N	BROOKLYN PK	55443
*	8565	DZUGAN	KENNETH	ST PAUL PORT AUTHORITY	25 FOURTH ST W-STE 1305	ST PAUL	55102
*	16789	EDEL	SUSAN		86 HILLSDALE COURT	WINONA	55987
*	16935	EDMAN	JOHN F	ENRIGHT & ASSOC	220 ROBERT ST S	ST PAUL	55107
*	16728	ELDEM	THOMAS	MONTICELLO CITY OF	250 BROADWAY ST E	MONTICELLO	55362
*	16643	ENGER	CHRIS	EDEN PRAIRIE CITY OF	8950 EDEN PRAIRIE RD	EDEN PRAIRIE	55344
*	8518	ERICKSON	GLENN A	ST PAUL CITY OF	25 FOURTH ST W-RM 445	ST PAUL	55102
*	8568	ETTESVOLD	BRIAN	MINN SERVICE STATION ASSN	2700 RICE ST	ST PAUL	55113
*	16987	FIELDSETH	HENRY	NORTHERN SUN ALLIANCE	1519 FRANKLIN AVE E	MPLS	55404
*	8571	FITZPATRICK	LEO C		8138 HENSLOWE AVE S	COTTAGE GROVE	55016
*	17266	FLAIM	JOSEPH J	CHAMPION INTL CORP	2250 WABASHA ST-BOX 43260	ST PAUL	55114
*	9759	FLANNERY	JAMES D	AUSTIN COMM COLLEGE	1600 EIGHTH AVE NW	AUSTIN	55912
*	12363	FLOHRS	WAYNE		COURTHOUSE-RM 105	FAIRMONT	56031
*	8521	FORSBERG	WINFIELD	FORSBERG AGRIC SERV	518 SUMMIT AVE	NEW ULM	56073
*	8573	FRANCE	ALFRED E	LAKE SUPERIOR INDUSTRIAL BUREAU	NORWEST CTR-RM 828	DULUTH	55802
*	2267	FRANK	DONALD J		STATE CAPITOL BLDG-RM G28	ST PAUL	55155
*	11596	FRANK	RICHARD	HOUSTON CO OFFICES	COURTHOUSE	CALEDONIA	55921
*	36561	FRAZELL	KEVIN	MENDOTA HTS CITY OF	750 PLAZA DR S	MENDOTA HTS	55118
*	16775	FRAZIOR	DOUGLAS	BRAINERD AREA CHAMBER OF COMMERCE	SIXTH & WASHINGTON STS	BRAINERD	56401
*	8574	FREDIN	CONRAD M	JOHNSON FREDIN KILLEN THIBODEAU&SEILER	NORWEST CTR-RM 811	DULUTH	55802
*	16817	FRICKE	DAVID	MINN TOWNSHIPS ASSN OF	BOX 246	ST MICHAEL	55376
*	16681	FRICKE	C R	VIRGINIA DEPT OF PUBLIC UTILITIES	618 SECOND ST S-BOX 1048	VIRGINIA	55792
*	8667	FRISON	FRANK	N E C A	200 ROBERT ST S-RM 305	ST PAUL	55107
*	16705	FRITSCHEL	LINDA	MPLS PUBLIC LIBRARY-ENVIRON CONSERV	300 NICOLLET MALL	MPLS	55401
*	16915	FURE	ERIC	GREATER DULUTH COACT	2904 THIRD ST W	DULUTH	55806
*	10133	GARDENBRING	SANDRA S	MINN POLLUTION CONTROL AGENCY	1935 CO RD B2 W	ROSEVILLE	55113
*	8455	GASTERLAND	JAN P	BLOOMINGTON BLDG & INSPECT DIV	2215 OLD SHAKOPEE RD W	BLOOMINGTON	55431
*	5281	GERLOCK	FRANK	HASTINGS CITY OF	100 SIBLEY ST	HASTINGS	55033
*	7390	GOSTOVICH	JOHN	MINN PUBLIC INTEREST RESEARCH GROUP	2412 UNIVERSITY AVE SE	MPLS	55414
*	6681	GRABOW	RICHARD	DETROIT LAKES CITY OF	10225 ROOSEVELT AVE-BOX 647	DETROIT LAKES	56501
*	16811	GREEN	JOHN C	U OF M-GEOLOGY DEPT	10550 OLD NORTH SHORE RD	DULUTH	55812
*	6682	GREENWALD	MARTHA		2222 ELM ST SE	MPLS	55414
*	6683	GROSSMAN	BARB	ST PAUL PUB HOUSING AGENCY	BREMER BLDG-RM 380	ST PAUL	55107
*	16824	GRUNIG	FARLEY	COTTONWOOD CO OFFICES	COURTHOUSE	WINDOM	56101
*	16974	GUHIN	MARY	LUVERNE CITY OF	203 MAIN ST E	LUVERNE	56156
*	9485	HAHN	DOUGLAS	HORMEL & CO	BOX 800	AUSTIN	55912
*	10211	HAIK	RAYMOND A	POPHAM HAIK SCHNOBRICH KAUFMN&DOTY	414 NICOLLET MALL	MPLS	55401
*	8582	HALLMAN	W A	ASSOCIATED MOTOR CARRIERS	1745 UNIVERSITY AVE	ST PAUL	55104
*	16913	HANSEN	LAWRENCE D	WATERVILLE CITY OF	BOX 9	WATERVILLE	56096
*	16683	HANSMEYER	LEN	MINN POWER CO	30 SUPERIOR ST W	DULUTH	55802
*	6684	HANSON	DOROTHY M	MINN DEPT OF REVENUE	CENTENNIAL BLDG	ST PAUL	55145
*	7005	HARJU	RUSS	ST PAUL PUBLIC HOUSING AUTHORITY	419 ROBERT ST N-RM 380	ST PAUL	55101
*	16636	HARRIS	VIRGINIA	CARVER CO OFFICES	600 FOURTH ST E	CHASKA	55318
*	16988	HAUBENSAK	RICHARD	PEOPLES NAT GAS CO	25 MAIN PLACE	COUNCIL BLUFFS	51501
*	8584	HAUN	DR J W	GENERAL MILLS INC	BOX 1113	MPLS	55440
*	121	HAUSCHULZ	BRUCE	UNITED POWER ASSN		ELK RIVER	55330
*	16716	HAWK	JACK	GRANITE FALLS AVTI	HWY 212 W	GRANITE FALLS	56241
*	36557	HEDGES	THOMAS L	EAGAN CITY OF	3830 PILOT KNOB RD	EAGAN	55123
*	16762	HEIL	GERALD	MINN DEPT OF AGRICULTURE	90 PLATO BLVD W	ST PAUL	55107
*	1088	HENNEMUTH	WILLIAM H	RIEKE CARROLL MULLER ASSOC	1011 FIRST ST S-BOX 130	HOPKINS	55343
*	16703	HERING	DIANA	FARIBAULT AREA CHAMBER OF COMMERCE	228 CENTRAL AVE-BOX 434	FARIBAULT	55021
*	4741	HERMAN	JOHN H	DAYTON HERMAN GRAHAM & GETTS	10 FIFTH ST S-STE 930	MPLS	55402
*	16708	HESTER	RALPH K	MILACA CITY OF	145 CENTRAL AVE S	MILACA	56353

*	8470	HETMAN	FRANK W	DEVAC INC	10130 HWY 55	MPLS	55441
*	6166	HILL	JAMES R	HILL ASSOCIATION	8200 HUMBOLDT AVE S	BLOOMINGTON	55420
*	8586	HINIKER JR	JAMES J	MINN DEPT OF ADMIN	50 SHERBURNE AVE-RM 200	ST PAUL	55155
*	1786	HIPPE	H EUGENE	REGION SIX EAST REG DEVEL COMM	311 SIXTH ST W	WILLMAR	56201
*	16839	HOFF	MICHAEL	DONOHUE & ASSOCIATES	7400 METRO BLVD-STE 450	MPLS	55435
*	8588	HOGLUND	RICHARD C	WILLMAR CITY OF	333 SIXTH ST SW-BOX 755	WILLMAR	56201
*	16980	HOLIEN	JERRY	YELLOW MEDICINE PLANNING OFFICE	BOX 675	CLARKFIELD	56223
*	16840	HOPKE	KENNETH	STEARNS CO OFFICES	BOX 604	ST CLOUD	56301
*	4651	HORNER	JOHN	MINN MULTI HOUSING ASSN	3100 LAKE ST W	MPLS	55416
*	8464	HUBER	PAUL	HUBER LTD	1821 UNIVERSITY AVE	ST PAUL	55104
*	8547	ILSE	RICHARD	ARROWHEAD REG DEVEL COMM	200 ARROWHEAD PL	DULUTH	55802
*	8591	INGRAM	ALAN W	NATIONAL SOCIAL WORKERS ASSN	614 PORTLAND AVE	ST PAUL	55102
*	16777	IRELAND	DR DONALD W	U OF M-SCHL OF BUSINESS & ECON		DULUTH	55812
*	16975	ISBERG	GUNNAR	ISBERG & ASSOC	BOX 115	NORTHFIELD	55057
*	60188	JACK	JAMES	MANKATO STATE UNIV	BOX 36	MANKATO	56001
*	8446	JERONIMUS	DAVID		4808 TIOGA ST	DULUTH	55802
*	36663	JILK	STEPHAN	LACRESCENT CITY OF	315 MAIN ST	LACRESCENT	55947
*	8602	JOHNSON	LESLIE M	BLAINE CITY OF	9150 CENTRAL AVE NE	BLAINE	55434
*	6685	JOHNSON	ZACK	CONSULTING ENGINEERS DIVERSIFIED	7200 HEMLOCK LN N-STE 200	MAPLE GROVE	55369
*	8600	JOHNSON	GORDON	LUTHERAN SOCIAL SERVICE	2414 PARK AVE	MPLS	55404
*	8599	JOHNSON	G ROBERT	POPHAM HAIK SCHNOBRICH KAUFMN&DOTY	80 EIGHTH ST S-RM 4344	MPLS	55402
*	16640	JOHNSON	MARK	ST LOUIS CO PLANNING & ZONING OFF	COURTHOUSE	DULUTH	55802
*	16810	JOPKE	RICHARD	RICHFIELD CITY OF	6700 PORTLAND AVE	RICHFIELD	55423
*	60405	JORGENS	THOMAS	NORTHWEST REG DEVEL COMM	425 WOODLAND AVE	CROOKSTON	56716
*	8448	KARON	JUDY	RAMSEY CO COMM BOARD	COURTHOUSE-STE 316	ST PAUL	55102
*	16858	KAUFMAN	BARBARA W	MINN VOLUNTARY SOC SERV ASSN OF	1821 UNIVERSITY AVE-RM 141S	ST PAUL	55104
*	16978	KEMP	LONI	MINN PROJECT-S E OFFICE	BOX 4	PRESTON	55965
*	16642	KEMP	WILLIAM A	N A H R O-MINN CHAPTER	14 FIFTH ST S-STE 300	ST CLOUD	56301
*	16620	KENNEDY	TIMOTHY	GRAND MARAIS CITY OF	COURTHOUSE	GRAND MARAIS	55604
*	6686	KESSLER	MARTHA	BUREAU OF NATIONAL AFFAIRS	420 FORD RD-RM 318	ST LOUIS PK	55426
*	16741	KINN	PAUL D	WADENA AVTI	405 COLFAX AVE SW-BOX 566	WADENA	56482
*	8605	KIRCHNER	ROBERT	ANOKA CITY HALL	2015 FIRST AVE	ANOKA	55303
*	5565	KLAMPE	E J	SUN CONTROL PRODUCTS	431 FOURTH AVE SE	ROCHESTER	55904
*	16781	KNAPP	JOHN A	HESSIAN MCKASY & SODERBERG	1500 MIDWEST PLAZA	MPLS	55402
*	42736	KNOSALLA	LARRY	REGION FIVE REG DEVEL COMM	611 IOWA AVE	STAPLES	56479
*	6687	KOEGLER	MARK	VAN DOREN HAZARD STALLINGS	3030 HARBOR LN N-STE 104	PLYMOUTH	55441
*	16951	KOMAREK	LUKE R	MINNEGASCO	201 SEVENTH ST S	MPLS	55402
*	8635	KROEGER	CHARLES	Q S S INC	BOX 838	FARIBAULT	55021
*	10681	LANDWEHR	MARY ELLEN	SOUTHERN MINN MUNI POWER AGENCY	21 FIRST ST SW-STE 400	ROCHESTER	55902
*	16660	LANGLOIS	WILLIAM J	3 M COMPANY	2501 HUDSON RD-BOX 225 2N06	ST PAUL	55144
*	16880	LANSDOWNE	PETER	SOUTHERN MINN REG LEGAL SERVICES	MEDICAL ARTS BLDG-RM 310	ALBERT LEA	56007
*	8474	LANZ	JOHN	WHITE EARTH RESERVATION	BOX 418	WHITE EARTH	56591
*	8465	LEE	A J	HENNEPIN CO OFFICES	300 SIXTH ST S-RM A2307	MPLS	55487
*	6688	LEHMANN	ERNEST K	LEHMANN & ASSOC INC	1409 WILLOW ST-RM 300	MPLS	55403
*	8478	LEIFER	JOHN P	DAIRYLAND POWER COOPERATIVE	2615 EAST AVE S	LACROSSE	54601
*	16806	LEWIS	BERNARD J	U OF M-FORESTRY DEPT	GREEN HALL-RM 10	ST PAUL	55108
*	16780	LICKE	W J	BLANDIN PAPER CO	115 FIRST ST SW	GRAND RAPIDS	55744
*	16886	LIE	GREGORY B	HOPKINS ENVIRONMENT & ENERGY DEPT	320 WASHINGTON AVE S	HOPKINS	55343
*	16941	LOCKYEAR	ROBERT		14900 61ST ST N	STILLWATER	55082
*	16947	LUNN	ROBERT	DONALDSON CO	1400 94TH ST W-BOX 1299	MPLS	55440
*	16666	MARONEY	DAVID	NORTHFIELD CITY OF	801 WASHINGTON ST	NORTHFIELD	55057
*	16724	MARTIN	SCOTT A	CHANHASSEN CITY OF	690 COULTER DR	CHANHASSEN	55317
*	88	MARTIN	DAVID M	OWATONNA PUBLIC UTILITIES	208 WALNUT AVE S-BOX 800	OWATONNA	55060
*	16872	MATSON	GLENN A	U S DEPT OF COMMERCE	110 FOURTH ST S-RM 108	MPLS	55401
*	6689	MCGRATH	FRANCIS X	DEVAC INC	10130 HWY 55	MPLS	55441
*	16831	MCMICHAEL	DALE	HENNINGSON DURHAM & RICHARDSON	5401 GAMBLE DR-RM 300	MPLS	55416
*	8460	MCMILLAN	JOHN G	HENNEPIN CO OFFICES	300 SIXTH ST S-RM A2208	MPLS	55487
*	16829	MEININGER	PHILIP G	MPLS CITY COORDINATORS OFFICE	350 FIFTH ST S-RM 210	MPLS	55415
*	6690	MELENA	THOMAS	MANKATO COMM DEVEL OFFICE	202 JACKSON ST E	MANKATO	56001
*	8454	MEYER	HERBERT W	BLOOMINGTON CITY MGRS OFFICE	2215 OLD SHAKOPEE RD W	BLOOMINGTON	55431
*	16793	MICHAND	CARL	METRO COUNCIL	121 SEVENTH ST E-RM 300	ST PAUL	55101
*	8480	MILLER	ROGER C	LEVANDER GILLEN MILLER & MAGNUSON	633 CONCORD ST-RM 402-BOX 298	S ST PAUL	55075
*	16731	MITCHELL	RUSTY	INVER HILLS COMM COLLEGE	8445 COLLEGE TR	INVER GROVE HTS	55075
*	16652	MOCO[illegible]	DAVID L	WI[illegible]NA CITY HALL	FOURTH & LAFAYE[illegible]E ST-BOX 378	WINONA	55987
*	16822	MOO[illegible]	THOMAS O	OL[illegible]STED CO PLANNING DEPT	1421 THIRD AVE SE	ROCHESTER	55901
*	16669	MORRIS	RANDY	MINN RETAIL MERCHANTS ASSN	121 SEVENTH ST E-STE 180	ST PAUL	55101

*	5254	MUCKENHIRN	FRANK A	ST PAUL T V I	235 MARSHALL ST	ST PAUL	55102
*	8486	MUSSELL	ADE	COOPERATIVE POWER ASSN	14615 LONE OAK RD	EDEN PRAIRIE	55344
*	8619	MYSTER	JAY D	OTTERTAIL POWER CO	215 CASCADE ST	FERGUS FALLS	56537
*	16754	NELSON	DOUGLAS	DULUTH CITY OF	CITY HALL-RM 409	DULUTH	55802
*	10562	NELSON	LUTHER D	HENNEPIN CO ENVIRON & ENERGY OFFICE	320 WASHINGTON AVE S	HOPKINS	55343
*	16663	NGO	VIET	E W A INC	12800 INDUS PK BLVD	PLYMOUTH	55441
*	8625	OCONNELL	RAYMOND E	MINN COMMERCE & INDUSTRY ASSN OF	480 CEDAR ST-RM 300	ST PAUL	55109
*	16658	ODONNELL	DENNIS	WASHINGTON CO PLANNING DEPT	14900 61ST ST N	STILLWATER	55082
*	6917	OHMAN	JON G		1732 LONDON RD	DULUTH	55812
*	8536	OLOFSON	ARTHUR W	MPLS BLDG OWNERS & MGRS ASSN	105 FIFTH ST S-RM 927	MPLS	55402
*	16662	OLSEN	RICHARD A	SOUTH ST PAUL CHAMBER OF COMMERCE	LIVESTOCK EXCH BLDG-RM 217	S ST PAUL	55075
*	16787	OLSEN	DR DALE	U OF M-DULUTH POLITICAL SCIENCE DEPT	HOME EC BLDG-RM 242	DULUTH	55812
*	16763	OLSON	ROLAND E		5416 70TH ST W-RM 2	EDINA	55435
*	6691	OLSON	GEOFF		1380 FROST AVE	MAPLEWOOD	55109
*	16928	OLSON	ROGER	U S HOUSING & URBAN DEVEL	220 SECOND ST S	MPLS	55401
*	16648	ORSELLO	JEAN	MINN BOARD OF AGING	121 SEVENTH ST E-RM 204	ST PAUL	55101
*	16962	OSTERUD	DRU	MINN COACT-LEGAL SERV ADVOC PROJ	60 FOURTH ST E-RM 300	ST PAUL	55101
*	59166	OSTREM	JOHN	HEADWATERS REGIONAL DEVEL COMM	722 15TH ST-BOX 586	BEMIDJI	56601
*	16934	PEPIN JR	RICHARD G	DAYTON HERMAN GRAHAM & GETTS	10 FIFTH ST S-STE 930	MPLS	55402
*	16893	PERKINS	STEVEN L	REGION EIGHT REG DEVEL COMM	214 SECOND ST NW	PIPESTONE	56164
*	2286	PETERSON	DALE S	EAGAN BLDG INSPEC DEPT	3795 PILOT KNOB RD-BOX 21 199	EAGAN	55121
*	16848	PETERSON	VERNON	METRO MUNICIPAL ASSN	183 UNIVERSITY AVE E	ST PAUL	55101
*	4723	PETTRY	SHELBY	NATIONAL HOMES MFG CO	BOX 7680	LAFAYETTE	47903
*	16618	PFEFFERLE	ROBERT	BONNESTRO & ASSOCIATES	2335 HWY 36 W	ST PAUL	55113
*	8628	PHILLIPS	WILLIAM L	PHILLIPS LEGISLATIVE SERVICE INC	459 RICE ST	ST PAUL	55103
*	16898	PICHA	DWIGHT W	WOODBURY CITY OF	2100 RADIO DR	WOODBURY	55125
*	16952	PIETRUS	JOSEPH T	EXPERIENCE INC	527 MARQUETTE AVE-RM 1930	MPLS	55402
*	6693	PLUYM	JANET	JANESVILLE CITY OF	219 MAIN ST N	JANESVILLE	56048
*	16896	PRICE	WILLIAM	SUBURBAN ENGINEERING INC	12350 RIVER RIDGE BLVD	BURNSVILLE	55337
*	16852	QUINLIVAN	JOHN	THIEF RIVER FALLS CITY OF	CITY HALL-BOX 528	THIEF RIVER FLS	56701
*	8673	RAHKO	REYNOLD S	UNITED POWER ASSN	HWY 10 E	ELK RIVER	55330
*	16719	RAIMO	DAVID A	DULUTH CHAMBER OF COMMERCE	325 HARBOR DR	DULUTH	55802
*	803	RAPP	CRAIG R	CIRCLE PINES UTILITIES	9201 LEXINGTON AVE N	CIRCLE PINES	55014
*	16943	READ	LARRY A	ZENK ENGINEERING	BOX 689	ALBERT LEA	56007
*	8637	REARDON	HELEN J	WEST CENTRAL COMM SERV CTR INC	1125 SIXTH ST SE-BOX 787	WILLMAR	56201
*	16960	REICHERT	ROBERT J	PLANNING & DEVEL CONST	ALWORTH BLDG-RM 505	DULUTH	55802
*	16799	RENNER JR	ROBERT G		120 SIXTH ST S-RM 1700	MPLS	55402
*	16743	ROBERTS	MARILYNNE K	HAMLINE UNIV SCHOOL OF LAW	1536 HEWITT AVE	ST PAUL	55104
*	8538	ROBERTS	JAMES A	MINN POWER CO	30 SUPERIOR ST W	DULUTH	55802
*	16938	ROE	JAN M		1788 HENNEPIN AVE S-RM 37	MPLS	55403
*	8640	ROSENTHAL	ABE	MINN TRANSPORT SERV ASSN	1821 UNIVERSITY AVE-RM 310N	ST PAUL	55104
*	8641	ROSS	ALFRED J		6356 WARE RD	LINO LAKES	55014
*	8676	ROWE	BRUCE T	DULUTH COMM HEALTH SERV	325 LAKE AVE S-STE 604	DULUTH	55802
*	16795	RUHLE	SAM	MPLS ADMIN HEARING OFFICE	310 FOURTH AVE-RM 400	MPLS	55415
*	16971	RUTFORD	JOHN	METRO COUNCIL	121 SEVENTH ST E	ST PAUL	55101
*	36538	RUTH	HELMER A	HERMANTOWN CITY OF	3161 MAPLE GROVE RD	HERMANTOWN	55811
*	16650	SALLSTROM	CRAIG	MINN PLANT FOOD & CHEM ASSN	1821 UNIVERSITY AVE-RM 253	ST PAUL	55104
*	16682	SALO	JACK D	SALO INC	15 FIRST ST E	DULUTH	55802
*	11999	SATHER	GORDON I	ROCHESTER BLDG & SAFETY DEPT	1605 CASCADE ST NW	ROCHESTER	55901
*	8646	SCHADE	BARRY C	MINN POLLUTION CONTROL AGENCY	1935 CO RD B2 W	ROSEVILLE	55113
*	8539	SCHARMER	PAT	NORTHWEST REG DEVEL COMM	425 WOODLAND AVE	CROOKSTON	56716
*	36556	SCHLENVOGT	WILLIAM	CLOQUET CITY OF	508 CLOQUET AVE	CLOQUET	55720
*	16739	SCHMID	OTTO	UPPER MINN VALLEY REG DEVEL COMM	323 SCHLIEMAN AVE W	APPLETON	56208
*	16884	SCHOENECKER	MICHAEL A	CONSULTING ENGINEERS DIVERSIFIED	7200 HEMLOCK LANE-STE 200	MAPLE GROVE	55369
*	8617	SCOTT	JOHN O	MOSTCA INC	BOX J	PERHAM	56573
*	8461	SEXTON	MARK G	TRI COUNTY COMM ACTION PROG	404 SECOND AVE NE	LITTLE FALLS	56345
*	8649	SHIPMAN	JAMES C	MINN COUNTIES ASSN OF	555 PARK ST-STE 300	ST PAUL	55103
*	5	SHUKLE JR	EDWARD J	BENSON CITY OF	1411 PACIFIC AVE	BENSON	56215
*	11	SJOLUND	WALTER C	BRAINERD LIGHT & WATER DEPT	501 LAUREL ST-BOX 373	BRAINERD	56401
*	16647	SKUBIC	MARK	MINN DEPT OF HEALTH-COMM DEVEL OFF	717 DELAWARE ST SE	MPLS	55440
*	16863	SLATER JR	JAMES E	BECHTEL POWER COMPANY	15740 SHADY GROVE RD	GAITHERSBURG	20877
*	8651	SLETTOM	EDWARD E	MINN COOPERATIVES ASSN OF	480 CEDAR ST-RM 380	ST PAUL	55101
*	16905	SMITH	JAMES A	DONOVAN COMPANIES INC	1080 MONTREAL AVE	ST PAUL	55116
*	4672	SMITH	CARL A	PILLSBURY CO	200 SIXTH ST S	MPLS	55402
*	16922	SMITH	JAMES L	U S DEPT OF INTERIOR-FISH &WILDLIFE	333 SIBLEY ST-RM 570	ST PAUL	55101

*	8653	SNYDER	ROBERT W	U OF M	1994 BUFORD AVE-RM 248C	ST PAUL	55108
*	16894	SOLEM	JAMES	MINN HOUSING FINANCE AGENCY	333 SIBLEY ST-RM 200	ST PAUL	55101
*	12760	STANTON	MARY E	MINN STATE UNIV SYSTEM	555 PARK ST-STE 230	ST PAUL	55105
*	16632	STEWART	JOHN	MAIER STEWART ASSOC	BREMER BLDG-RM 600	ST PAUL	55101
*	16991	STRAND	JEFFREY J	LEFEUERE LAW FIRM	120 SIXTH ST S-RM 2000	MPLS	55402
*	16984	STROBEL	JACK C	JENOS INC	525 LAKE AVE S	DULUTH	55802
*	16725	STUTZ	TODD M	COLUMBIA HTS HOUSING & REDEVEL AUTH	590 40TH AVE	COLUMBIA HTS	55421
*	16876	SWANSON	MARLENE	MINN DEPT OF TRANS-DRIVER&SERV	JOHN IRELAND BLVD-RM 161	ST PAUL	55155
*	36525	TADDEL	JAMES	ALEXANDRIA CITY OF	114 SEVENTH AVE W-BOX 369	ALEXANDRIA	56308
*	16990	TAKATS	JOSEPH	COMMONWEALTH ASSOC	209 WASHINGTON AVE E	JACKSON	49201
*	8675	THIBAULT	WILLIAM	ST LOUIS PARK CITY OF	5005 MINNETONKA BLVD	ST LOUIS PK	55416
*	16835	TROSKA	GREGORY F		804 11TH ST E	GLENCOE	55336
*	17200	TURNQUIST	P JEROME	CARLTON COUNTY OFFICES	COURTHOUSE-BOX 316	CLOQUET	55720
*	6694	UNMACHT	DAVID J		420 MAIN ST E	BELLE PLAINE	56011
*	4654	VANDERWALL	JAN	IND SCHOOL DIST 623	1251 CO RD B2 W	ROSEVILLE	55113
*	8661	VIITALA	W C	HONEYWELL INC	HONEYWELL PLAZA-BOX 524	MPLS	55440
*	16864	VIRKUS	THERESA		1031 SIXTH ST E	DULUTH	55805
*	4639	WALDRON	CRAIG	REGION NINE REG DEVEL COMM	410 FIFTH ST S-BOX 3367	MANKATO	56001
*	16712	WEBBER	ROBERT	KLEINSCHMIDT & WEBBER INC	4240 FIFTH ST	WINONA	55987
*	16706	WEBER	WILLIAM	BENNET RINGROSE WOLSFELD INC	2829 UNIVERSITY AVE SE	MPLS	55414
*	16889	WEIVODA	CLYDE A	ALBANY CITY OF		ALBANY	56307
*	8663	WELK	G V	NORTHERN STATES POWER	414 NICOLLET MALL	MPLS	55401
*	16637	WELTY	LLOYD	ROCHESTER CHAMBER OF COMMERCE	212 FIRST ST SW	ROCHESTER	55902
*	16965	WESTRA	MARK	FABYANSKE SUOBODA & WESTRA	400 ROBERT ST N-RM 100	ST PAUL	55101
*	16890	WIEBER	STANLEY	FERGUS FALLS CHAMBER OF COMMERCE	202 COURT ST S-BOX 724	FERGUS FALLS	56537
*	16764	WIETECKI	KEITH H	NORTHERN STATES POWER CO	414 NICOLLET MALL	MPLS	55403
*	16785	WILDE	DENNIS L	WILLMAR AVTI	BOX 1097	WILLMAR	56201
*	5433	WINTER	DAVID G	HENNEPIN CO PUBLIC WORKS	320 WASHINGTON AVE S	HOPKINS	55343
*	10030	WISCHMANN	ROBERT	LAKEWOOD COMM COLLEGE	3401 CENTURY AVE N	WHITE BEAR LK	55110

11 MCAR § 1.8058 Delivery.

Licensed or authorized "off-sale" retail liquor dealers and no other class of dealers may make deliveries of intoxicating liquor from their stores to the residence of a purchaser or other location, provided however, that such delivery shall be made only to a person ~~18~~ 19 or more years of age; and provided further, that such delivery shall not be made to beer taverns or other public or private place in violation of law or ordinance.

OFFICIAL NOTICES

Pursuant to the provisions of Minn. Stat. § 15.0412, subd. 6, an agency, in preparing proposed rules, may seek information or opinion from sources outside the agency. Notices of intent to solicit outside opinion must be published in the *State Register* and all interested persons afforded the opportunity to submit data or views on the subject, either orally or in writing.

The *State Register* also publishes other official notices of state agencies, notices of meetings, and matters of public interest.

Department of Education
Executive Division

Notice of Application for Software Pilot Test

Application to provide test software for a state conducted pilot test of existing microcomputer finance accounting and reporting systems for school districts is hereby solicited. The system selected will be consistent with UFARS requirements and will be used by one to four school districts as an alternative system during a portion of the 1984-85 school year. The system tested will be considered for designation as a state approved alternative system following successful completion of the pilot test. For more information or to apply, developers should contact:

Stan Tikkanen, Director
School Financial Management
865 Capitol Square Building
550 Cedar Street
St. Paul, MN 55101
(612) 296-9786

or Joanne Carlson, Executive Director
ESV Computer Council
862 Capitol Square Building
550 Cedar Street
St. Paul, MN 55101
(612) 297-3152

Applications will be accepted until 4:00 p.m. on May 31.

Department of Energy and Economic Development
Energy Division

Outside Opinion Sought on Rules Governing Distribution of Community Energy Council Grant Funds

Notice is hereby given that the Minnesota Department of Energy & Economc Development, Energy Division, is seeking information or opinions, from sources outside the department in preparing to promulgate new permanent rules governing distribution of community energy council grant funds. The promulgation of these rules is authorized by laws of Minnesota 1984, Chapter 604, which permits the Commissioner of the Department of Energy & Economic Development to adopt rules pursuant to Chapter 14.

The department requests information and comments concerning the subject matter of these rules. Interested or affected persons or groups may submit statements of information or comment orally or in writing. Written statements should be addressed to:

Mark Schoenbaum
Energy Division
Minnesota Department of Energy & Economic Development
900 American Center Building
St. Paul, MN 55101

Oral statements will be received during regular hours over the telephone at (612) 297-3602, and in person at the above address.

All statements of information and comment shall be accepted until a final rule is adopted. Any written material received by the department shall become part of the record in the event that the rules are promulgated.

May 7, 1984

Mark B. Dayton
Commissioner
Minnesota Department of Energy
and Economic Development

Department of Energy and Economic Development Financial Management Division

Outside Opinion Sought Regarding Proposed Rules Governing Procedures in the Granting of Allocations of Authority to Issue Bonds or Other Obligations Subject to a Federal Limitation Act

Notice is hereby given that the Minnesota Department of Energy and Economic Development, Financial Management Division, is seeking information of opinions from sources outside the department in preparing to promulgate new rules governing the granting of allocations of authority to issue bonds or other obligations subject to a Federal Limitation Act. The promulgations of these rules is authorized by Minnesota Laws 1984, ch. 582, section 1, subd. 2, which requires the department to adopt rules, including temporary rules under sections 14.29 to 14.36, to provide for the allocation of the amount of issuance authority allocated pursuant to section 11, subdivision 3.

The Minnesota Department of Energy and Economic Development requests information and comments concerning the subject matter of these rules. Interested or affected persons or groups may submit statements of information or comment orally or in writing. Written statements should be addressed to:

Richard Nadeau
Financial Management Division
Minnesota Department of Energy and Economic Development
150 E. Kellogg Blvd., Room 900
St. Paul, Minn. 55101

Oral statements will be received during regular business hours over the telephone at 612/297-4398 and in person at the above address.

All statements of information and comments shall be accepted until June 11, 1984. Any written material received by the Minnesota Department of Energy and Economic Development shall become part of the record in the event the rules are promulgated.

Department of Health Emergency Medical Services Section

Emergency Medical Services Licensure Application for Grand Rapids, Minnesota

As of May 21, 1984, a complete application for an expansion of primary service area of advanced life support transportation service was submitted by Meds-1 Ambulance Service, Inc., to operate from their previous base of operation at 330 W. 3rd St., Grand Rapids, Minnesota.

DEPARTMENT OF ENERGY AND ECONOMIC DEVELOPMENT
Energy Division

Outside Opinion Sought On Rules Governing Distribution of Community Energy Council Grant Funds

Notice is hereby given that the Minnesota Department of Energy & Economic Development, Energy Division, is seeking information or opinions, from sources outside the department in preparing to promulgate new permanent rules governing distribution of community energy council grant funds. The promulgation of these rules is authorized by Laws of Minnesota 1984, Chapter 604, which permits the Commissioner of the Department of Energy & Economic Development to adopt rules pursuant to Chapter 14.

The department requests information and comments concerning the subject matter of these rules. Interested or affected persons or groups may submit statements of information or comment orally or in writing. Written statements should be addressed to:

Mark Schoenbaum
Energy Division
Minnesota Department of Energy & Economic Development
900 American Center Building
St. Paul, MN 55101

Oral statements will be received during regular hours over the telephone at (612) 297-3602, and in person at the above address.

All statements of information and comment shall be accepted until a final rule is adopted. Any written material received by the department shall become part of the record in the event that the rules are promulgated.

May 7, 1984

Mark B. Dayton
Commissioner
Minnesota Department of Energy
and Economic Development

E. remittance of return premiums to the person entitled to the remittance.

Withdrawals on behalf of a client may not be greater than the sum of the deposits and interest made on behalf of that client.

2767.0900 BOND AMOUNTS.

Subpart 1. Administrator not commingling funds. The amount of the fidelity bond required under part 2767.0400, subpart 2, item F for an administrator that does not commingle funds of either its fiduciary account or claims-paying account must be in the amount of the average daily balance of all trust accounts, or $500,000, whichever is greater, up to a maximum of $2,000,000.

Subp. 2. Administrator commingling funds. The amount of the fidelity bond required under part 2767.0400, subpart 2, item F for an administrator that commingles funds of either its fiduciary account or claims-paying account must be in the amount of the average daily balance of all trust accounts, or $1,000,000, whichever is greater, up to a maximum of $5,000,000.

2767.0950 DENIAL, SUSPENSION, REVOCATION, OR CENSURE OF LICENSES.

Subpart 1. Commissioner's findings. The commissioner will investigate and may by order deny, suspend, or revoke any license, or may censure a license if the commissioner finds:

A. that the order is in the public interest; and

B. that the applicant or licensee, or in the case of a corporation or partner, any officer, director, partner, employee, subcontractor, or any person occupying a similar status or performing similar functions, or any person directly or indirectly controlling the licensee, or controlled by the licensee:

(1) has filed an application for a license which is incomplete in any material respect or contains any statement which, in light of the circumstances under which it is made, is false or misleading with respect to any material fact;

(2) has engaged in a fraudulent or deceptive practice as defined by Minnesota Statutes, chapters 60A and 72A, and rules adopted thereunder;

(3) is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of insurance administration;

(4) failed to act reasonably as a supervisor so as to cause injury or harm to the public;

(5) failed to act reasonably in the conduct of claims adjustment or claims administration;

(6) does not possess the necessary organization, background, expertise, and financial integrity to supply the services sought to be offered; or

(7) violated or failed to comply with any provision for proper claims administration as set forth in Minnesota Statutes, chapters 60A to 79, and 176, and any rules adopted thereunder.

Subp. 2. Informal conferences. The commissioner may request an informal conference to discuss and resolve any allegations of violations.

Department of Energy and Economic Development Energy Division

Proposed Rules Governing Community Energy Council Grants

Notice of Intent to Adopt Rules without a Public Hearing

NOTICE IS HEREBY GIVEN that the Department of Energy and Economic Development proposes to adopt the above-entitled rules without a public hearing. The Department has determined that the proposed adoption of these rules will be noncontroversial in nature and has elected to follow the procedure set forth in Minnesota Statutes §§ 14.21 through 14.28 (Supp. 1983) as amended by Minn. Laws 1984 ch. 640 §§ 12-15, 33-34.

Persons interested in these rules shall have 30 days to submit comments in support of or in opposition to the proposed rules.

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.

Comments are encouraged. Each comment should identify the portion of the proposed rule addressed, the reason for the comment and any change proposed. The proposed rules may be modified if the modifications are supported by the data and views submitted to the agency and do not result in a substantial change in the proposed language.

Unless 25 or more persons submit a written request for a public hearing within the 30-day comment period, a public hearing will not be held. In the event a public hearing is required, the agency will proceed according to the provisions of Minnesota Statutes §§ 14.14 through 14.18 (Supp. 1983), as amended by Minn. Laws 1984, ch. 640, §§ 7-11.

Persons who wish to submit comments or a written request for a public hearing should submit such comments or request to:

Mark Schoenbaum
Energy Division
Minnesota Department of Energy & Economic Development
900 American Center Building
150 E. Kellogg Blvd.
St. Paul, MN 55101
(612) 297-3602

Any person requesting a public hearing should state his or her name and address and is encouraged to identify the portion of the proposed rule addressed, the reason for the request, and any change proposed.

Authority for the adoption of these rules is contained in Minn. Laws 1984, ch. 604, § 2, subd. 2. Additionally, the Statement of Need and Reasonableness that describes the need for and reasonableness of each provision of the proposed rules and identifies the data and information relied upon to support the proposed rules has been prepared by and is available from Mark Schoenbaum upon request.

Upon adoption of the final rules without a public hearing, the proposed rules, this notice, the Statement of Need and Reasonableness, all written comments received, and the final rules as adopted will be delivered to the Attorney General for review as to form and legality, including the issue of substantial change. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the final rules as proposed for adoption, should submit a written statement of such request to Mark Schoenbaum.

The rules proposed for adoption relate to the following matters: These rules govern the distribution of community energy council grant funds under the program established in Laws of Minnesota 1984, Chapter 654. Article II, Section 106. The rules establish the grant program, provide for grants of up to $15,000 to cities and counties in support of community energy council activities, and require grantees to provide at least a ten percent local match. The rules provide for the form and contents of applications, evaluation of applications, classification of eligible and ineligible grantee activities and expenditures, grant agreements and grant close-out.

These rules create a state program to be administered by counties and cities, and as such are exempted from the applicability of Minnesota Statutes § 14.115 by Minnesota Statutes § 14.115, Subdivision 7(b). However, these rules do require small business representation on community energy councils and allow grant funds to be expended in support of business energy conservation activities.

Please be advised that Minn. Stat. Chapter 10A requires each lobbyist to register with the State Ethical Practices Board within five days after he or she commences lobbying. Minn. Stat. Section 10A.01, subdivision 11 defines a lobbyist as any individual: (a) engaged for pay or other consideration, or authorized by another individual or association to spend money, who spends more than five hours in any month or more than $250, not including his own travel expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials; or (b) who spends more than $250, not including his own travel expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials. The statutes provides certain exceptions. Questions should be directed to the Ethical Practices Board, 41 State Office Building, St. Paul, Minnesota 55155, telephone (612) 296-5615.

Copies of this notice and the proposed rules are available and may be obtained by contacting Mark Schoenbaum.

Mark B. Dayton, Commissioner of
Energy and Economic Development

Rules as Proposed (all new material)

4160.5100 DEFINITIONS.

Subpart 1. Scope. For purposes of parts 4160.5200 to 4160.5900, the following terms have the meaning given them.

Subp. 2. Commissioner. "Commissioner" means the commissioner of the Department of Energy and Economic Development.

Subp. 3. Community energy council. "Community energy council" means a council, committee, board, or other body formed by a city or county, individually or through the exercise of joint powers agreements, to address local energy issues.

Subp. 4. Department. "Department" means the Department of Energy and Economic Development.

Subp. 5. Eligible applicant. "Eligible applicant" means a Minnesota city or county.

4160.5200 PURPOSE.

Parts 4160.5100 to 4160.5900 establish the method by which the department provides funds to Minnesota cities and counties in support of community energy council activities, as authorized by Laws of Minnesota 1984, chapter 654, article II, section 106.

4160.5300 GRANT PROGRAM.

Subpart 1. Application schedule. After announcement by the department in the *State Register*, the department shall accept applications for community energy council grants from cities and counties, individually, collectively, or through the exercise of joint powers agreements. The department shall consider for funding only applications received by the deadline announced in the *State Register*.

Subp. 2. Review process. The commissioner shall select the members of a committee to assist him or her to review and rank applications. The review committee shall score applications according to criteria in part 4160.5500 and transmit its recommendations to the commissioner. The commissioner shall approve, disapprove, or return for further consideration applications recommended by the committee. Upon approval by the commissioner, a grant agreement may be negotiated with the department in accordance with part 4160.5800.

Subp. 3. Maximum award amount. The maximum amount of a community energy council grant is $15,000 and requires at least a ten percent local match.

4160.5400 APPLICATION FOR COMMUNITY ENERGY COUNCIL GRANT.

Subpart 1. Form. Applications must be submitted in a form prescribed by the department.

Subp. 2. Contents. Applications must contain the following information:

A. Documentation of the existence of a community energy council must include a copy of the resolution of the governing body establishing a community energy council, and a list of members appointed by the governing body to serve on the community energy council, including the members' relevant affiliations, if any.

B. Applicants shall include a work plan that explains how the applicant intends to undertake program planning and implementation during the grant period. Applicants shall specify major tasks to be undertaken and a project schedule that includes beginning and ending dates for each task. The expected results or product of each task must be identified.

C. The budget must identify major expenditure categories and amounts and the amount and source of the local match.

D. Applicants shall submit a copy of the resolution or resolutions that authorize the submission of the application to the department.

4160.5500 EVALUATION OF GRANT APPLICATION.

Subpart 1. Criteria. The review committee shall evaluate grant applications according to the following criteria:

A. Community energy councils must include representatives of labor, small business, volunteer organizations, senior citizens, and low and moderate income residents, and may include city and county officials, and other interested parties.

B. A work plan will be evaluated to determine its potential to reduce energy use and energy costs in the applicant community. Positive indicators of this potential are:

(1) a work plan that implements one or more eligible activities as listed in part 4160.5600, subpart 1, during the grant period;

(2) a work plan that demonstrates how the applicant will coordinate activities undertaken with community energy council grant funds with activities of other energy service providers; or

(3) a work plan that indicates efforts that are underway or planned to secure funds in addition to a community energy council grant for project implementation.

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.

C. Past or current experience in conducting energy-related community programs will be considered by the review committee as an indicator of the applicant's capability in this area and commitment to energy programs.

D. A grant application must be clear, concise, and complete.

Subp. 2. **Point values for applications.** The review committee shall award points to each application as follows:

A. representation of community energy council membership, up to a maximum of 35 points;

B. adequacy of applicant work plan, up to a maximum of 40 points;

C. energy-related program experience, up to a maximum of 15 points; and

D. clarity, conciseness, and completeness, up to a maximum of ten points.

4160.5600 CLASSIFICATION OF ELIGIBLE AND INELIGIBLE GRANTEE ACTIVITIES.

Subpart 1. **Eligible activities.** Planning, promotion, coordination, and implementation of the following activities are eligible for community energy council grants:

A. Residential energy conservation activities may include energy audits, workshops, distribution of energy conservation materials and information, and financing programs.

B. Business energy conservation activities may include meetings and workshops, energy audits, distribution of energy conservation materials and information, and financing programs.

C. Transportation energy conservation activities may include car-care clinics, promotion of energy efficient transportation modes, and traffic flow synchronization.

D. Community energy planning activities may include development of community energy use and cost profiles and estimates of energy conservation and alternative energy potentials.

E. Local government energy conservation activities may include energy use and cost accounting, fleet management, procurement of energy efficient vehicles and equipment, and recycling.

F. Energy efficient land use planning activities may include developing and amending comprehensive plans and zoning ordinances, subdivision regulations, and other land use controls to facilitate energy efficient development and the use of renewable energy resources.

G. Alternative energy activities may include projects the objective of which is the substitution of alternative energy sources for fossil fuels.

Subp. 2. **Ineligible activities.** The following activities are ineligible for community energy council grants:

A. projects conducted outside a grantee's corporate boundaries by the grantee alone; and

B. real property acquisition.

4160.5700 CLASSIFICATION OF ELIGIBLE AND INELIGIBLE GRANTEE EXPENDITURES.

Subpart 1. **Eligible grantee expenditures.** The following are eligible grantee expenditures:

A. salaries and wages;

B. fringe benefits;

C. in-state travel;

D. space rental and utilities;

E. rental and lease of equipment;

F. consumable supplies;

G. telephone;

H. postage;

I. printing and printed materials; and

J. insurance.

Subp. 2. **Ineligible grantee expenditures.** The following are ineligible grantee expenditures;

A. out-of-state travel, unless specifically approved in an agreement between the grantee and the department;

B. purchase of real property;

C. purchase of equipment, except consumable supplies: and

D. retroactive payment of grant funds for activities undertaken prior to the effective date of the grant agreement.

4160.5800 GRANT AGREEMENT.

Subpart 1. Contents. An agreement must specify the grant amount and the duration of the grant. The agreement must include assurance that the local share will be provided and that the work program agreed upon will be carried out. A grant agreement based upon a joint application must be executed by the applicant city or county that will be directly responsible for financial management of the grant, and that will be responsible for the required reports in part 4160.5800, subpart 5, and the records required in part 4160.5800, subpart 6. Amendments and extensions may only be made in writing and must be signed by all parties.

Subp. 2. Funding period. Grants will be approved for a period of up to one year, unless other terms are agreed to by the commissioner.

Subp. 3. Disbursement schedule. The department shall disburse 80 percent of the grant money when it receives an invoice of projected costs. The department shall disburse the remaining 20 percent when the grantee work program is complete and the department receives a satisfactory final report.

Subp. 4. Required reports. The grantee shall submit to the department on the first of each month a one to two page report briefly stating the activities that have taken place during the month. The grantee shall provide the department with three copies of a final report and financial statement, describing all activities that took place during the grant period. The final report must summarize planning and implementation steps in chronological order and identify all parties involved during the grant period.

Subp. 5. Records. The grantee shall maintain financial records according to generally recognized accounting methods for a period of not less than three years from the date of the execution of the contract of all transactions related to the receipt and expenditure of grant money.

Subp. 6. Grant agreement deviations. Unless the department agrees in writing, no grant funds may be used to finance activities by consultants or local staff if the activities are not included in the grant agreement. Unless the department agrees in writing, a grantee may not contract out all its energy-related activities to consultants.

4160.5900 GRANT CLOSE-OUT.

Subpart 1. Evaluation. The department shall conduct an evaluation of the final report and all the required reports and financial documents within 60 days of their submission by the grantee to the department. The evaluation shall assess:

A. whether the local share contributed was equal to or greater than ten percent of the total cost of the preliminary planning project;

B. whether the agreed upon work program was completed; and

C. whether the governing body has formally reviewed the completed final report.

Subp. 2. Review. Upon completion of a satisfactory evaluation by the department, the department shall disburse the remaining 20 percent of the grant to the grant recipient. If the results of the evaluation are unfavorable to the grantee and the grantee does not agree with the findings of the evaluation, the grantee may request a review by the commissioner.

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.

STATE OF MINNESOTA

Department of Energy & Economic Development

In the Matter of the Proposed Adoption of Rules of the State Department of Energy & Economic Development Governing Distribution of Community Energy Council Grant Funds (4160.5100-4160.5900)

Findings of Fact, Conclusions & Order Adopting Rules

Laws of Minnesota 1984, Chapter 654, Article II, Section 106 [Minn. Stat. 116J.381 established a community energy program in the Department of Energy & Economic Development, provided for the creation of community energy councils with certain powers and duties by cities and counties, and empowered the commissioner to provide assistance to communities. The 1984 Legislature also made an appropriation for community energy councils in Laws of Minnesota 1984, Chapter 654, Article II, Section 15, of which $145,000 is for "grants to communities." Laws of Minnesota 1984, chapter 604, section 2, subdivision 2 [Minn. Stat §116J.035] empowers the Commissioner of Energy & Economic Development to adopt rules pursuant to chapter 14 as necessary to carry out his duties and responsibilities pursuant to this chapter [Minn. Stat. 116J].

On May 21, 1984, a Notice of Intent to Solicit Outside Opinion on Rules Governing Distribution of Community Energy Council Grant Funds was published in

the State Register at 8 S.R. 2479 - 2480. On June 25, 1984 a Notice of Intent to Adopt Rules without a Public Hearing and Proposed Rules Governing Community Energy Council Grants were published in the State Register at 8 S.R. 2769-2773. Copies of the Notice of Intent to Adopt Rules without a Public Hearing were sent to all persons pursuant to Minn. Stat. §14.22.

After affording interested persons an opportunity to submit comments on the proposed rules for 30 days after notice, receiving no requests for public hearing within the 30-day comment period, having considered all the evidence upon the records, files and proceedings herein, I make the following findings:

FINDINGS

1. Comments submitted during the comment period suggested certain changes to the proposed rules. Additional changes to the proposed rules are recommended by the Department. The Department believes that the proposed rules, as modified by these findings, are needed and reasonable for the reasons set forth in the Statement of Need & Reasonableness and these findings. Furthermore the Department believes that the changes proposed in these findings do not substantially change the proposed rules as published.

2. Department response to comments:

a. The Department received comments from the cities of New Ulm, Moorhead & Winona regarding membership requirements for community energy councils. As explained in the Statement of Need & Reasonableness, the membership requirements in the proposed rules are from the statute establishing the program, and the Department believes it is bound by the statutory requirements. With regard to Winona's request for further definition of the membership categories, the

Department believes that the membership categories as provided in proposed 4160.5500, subpart 1, item A are adequately specific to communicate membership requirements to prospective applicants, and to ensure that there is an adequate basis for evaluation of the membership criteria while providing applicants a reasonable amount of flexibility in filling community energy council positions.

b. The Department received comments from Ottertail Power Company pertaining to "accountability", "efficiency" and "equity". The Department believes that parts 4160.5800 & 4160.5900 (Grant Agreement & Grant Closeout) adequately address OtterTail's concerns regarding "accountability" by providing for reporting and recordkeeping similar to what OtterTail suggests. With regard to OtterTail's comments on "efficiency", the Department believes that the rules provide for maximum energy savings by creating a program that encourages implementation of energy projects, leveraging of state funds and coordination with other energy service providers in part 4160.5500, subpart 1, item A. With regard to OtterTail's "equity" concern, the rules provide an equal opportunity for all communities in the state to participate in this competitive program.

c. The Department received questions and comments from the Mayor's Energy Committee of the City of Winona. Five of Winona's comments suggest changes in the rules, in addition to suggestions on membership discussed above.

First, Winona states that workplan contents should be more definitive. The Department believes that the work plan described in part 4160.5500, subpart 1, item A contains the usual components of a program or proposal workplan. The components merely establish a minimum of required information, and applicants are free to provide additional information if they believe it strengthens their application.

Secondly, Winona objects to awarding points to the criteria of clarity, conciseness and completeness in part 4160.5500, subpart 2, item D. As stated in the Statement of Need and Reasonableness, the Department believes this item is reasonable because it recognizes the relatively small but important factor in the application evaluation process that is contributed by the applicant's ability to communicate clearly and unambiguously.

Thirdly, Winona comments that the wording of part 4160.5600, subpart 1, regarding the list of eligible activities may not be inclusive enough. The Department believes that the existing language merely lists some examples of the types of activities that would be eligible under items A through G. Also with regard to part 4160.5600, subpart 1, Winona questions whether items, D,E and F will result in significant energy conservation implementation. The Department believes that these types of activities, either alone or as a part of a broader energy program, can indeed result in energy savings. Item D, community energy planning activities, can assist in the selection of those implementation projects that offer the greatest potential for energy savings. Item E, local government enegy conservation activities, can result in direct savings of energy and of local tax dollars. Item F, energy efficient land use planning activities, can produce energy savings through planning, zoning and subdivision regulations that lead directly to energy conservation savings.

Fourthly, Winona states that the eligible expenditures in part 4160.5700, subpart 1, should be limited to a percentage of the grant amount. The Department believes it has demonstrated the need and reasonableness of this subpart on page 14 of the Statement of Need & Reasonableness.

Finally, Winona requests quarterly reports rather than the monthly reports provided in part 4160.5800, subpart 4. The department believes that the short

one to two page report required in this subpart will not be unduly burdensome to any grantee and is a reasonable means of informing the department of the progress of the grantee's work.

The remainder of Winona's submission to the Department were questions about the rules to which Mark Schoenbaum, the Department lead staff person for this rulemaking, responded in a telephone conversation with Pam Lazaris, secretary of the Winona energy committee on August 1, 1984. Ms. Lazaris stated that the Department's responses to Winona's questions were satisfactory.

3. Recommended changes to proposed rules

a. Changes correcting typographical errors.

Upon review of the proposed rules in the State Register, minor errors were discovered in two parts, as follows:

1. 4160.5800, subpart 1. This subpart makes reference to "The required reports in part 4160.5800, subpart 5, and the records required in part 4160.5800, subpart 6". The required reports referred to are actually discussed in part 4160.5800, subpart 4, and the records referred to are actually discussed in part 4160.5800, subpart 5.

2. 4160.5900, subpart 1. Item A of this subpart states that the evaluation discussed in this subpart shall assess "whether the local share contributed was equal to or greater than ten percent of the total cost of the preliminary planning project". The term "preliminary planning project" was erroneously used. Preliminary planning projects are not a part of this program. They are a part of the department's district heating grant program

upon whose rules these rules are partially modelled. The corresponding term in this program is "agreed upon work program", which appears in item B of this subpart. "Agreed upon work program" should be substituted for "preliminary planning project". The meaning of this item remains essentially the same with this substitution.

b. The Department received comments from Hennepin County regarding the need to better encourage cooperation and partnerships between prospective applicants. The Department agrees with the thrust of these comments. The increased efficiencies achieved by effective partnerships, as represented by competitive joint applications, can further stretch the limited state funds allocated to this program.

Hennepin County's proposed rule changes, however, do not accomplish this purpose as simply or effectively as the Department believes possible. An example application of Hennepin County's proposed modification of the maximum grant amount in part 4160.5300, subpart 3 illustrates this defect. Under this proposal Bloomington, the largest suburb in Hennepin County and the fourth largest city in the state, would bring to a joint application an eligibility for a grant amount of only $2900 (Bloomington population of 80,000 divided by state population of 4,000,000 times the state appropriation of $145,000). This is not close enough to the $15,000 Bloomington could qualify for as an individual applicant to provide an incentive to Bloomington to cooperate on a joint application with one or more other communities. The Department does not believe that Hennepin County's proposed changes to part 4160.5500, adding a totally separate criteria and point value for cooperation with other jurisdictions, will have any effect at all given the financial disincentive to cooperation contained in

Hennepin County's proposed changes to part 4160.5300. Hennepin County's proposed changes thus do not accomplish their purposes and are neither needed nor reasonable.

The Department does agree with Hennepin County that changes are needed to encourage greater cooperation among prospective applicants. The Department recommends that proposed part 4160.5300, subpart 3 be changed to allow joint applications to be eligible for a maximum grant amount of $15,000 for the first applicant plus $13,500 for each additional applicant up to a maximum of $50,000. The department also recommends that proposed part 4160.5500, subpart 1, item 2 be changed to add an explicit reference to cities and counties. The changes are needed to better encourage cooperation between prospective applicants. The changes to part 4160.5300 are reasonable because they make it possible for partners in a joint application to have access to a larger grant than either would qualify for individually. The changes to part 4160.5300 are also reasonable because they reduce the paperwork required for separate applications, and by setting the additional amount per community close to but lower than the $15,000 maximum for a single applicant, the changes recognize that some cost savings are possible in a joint application through central administration, shared staff and other economies of scale. It is necessary and reasonable to provide a maximum grant amount for a joint application so that one large joint application (for example, a joint application from all the municipalities in a county) does not receive all the available funds and preclude the opportunity of communities throughout the state to receive a grant. The change to part 4160.5500 is reasonable because it makes explicit a factor that had been implied in the rules in a way that makes it clear that the cooperation of joint applicants with each other may improve an application's score.

The Department believes the changes to parts 4160.5300 and 4160.5500 are not substantial changes. The changes to part 4160.5300 do not change the amount available per community in any substantial way, and the cap of $50,000 per joint application protects the opportunity for all Minnesota communities to compete for funds afforded in the proposed rules. The change in part 4160.5500 merely makes explicit wording that was inherent in the proposed rule language.

Based on the foregoing findings, I make the following

CONCLUSIONS:

1. The Department gave proper notice of its intent to adopt the proposed rules without a public hearing.

2. The Department has fulfilled the procedural requirements of Minnesota Statutes §14.21-14.28, and all other procedural requirements of law or rule.

3. The Department has statutory authority to adopt the proposed rules and fulfilled all other substantive requirements of law or rule within the meaning of the Minnesota Administrative Procedures Act.

4. The Department has demonstrated the need and reasonableness of its proposed rules in its Statement of Need and Reasonableness and the foregoing findings.

ORDER

Notice of the Commissioner's intent to adopt the above-entitled rules without a public hearing was published in the State Register on June 25, 1984

and was sent by United States Mail to all persons on the list maintained by the Department pursuant to Minnesota Statutes section 14.14, subdivision 1a on June 21, 1984. After affording interested and affected persons an opportunity to submit comments for a public hearing within the 30-day comment period, reviewing and considering the comments, and determining the need and reasonableness of the above-captioned rules,

NOW, THEREFORE IT IS ORDERED that these rules identified as Rules Governing Community Energy Council Grants (4160.5100-4160.5500) are adopted this 10th day of August 1984 pursuant to authority invested in me by Laws of Minnesota 1984, Chapter 602, Section 2, Subdivision 2.

STATE OF MINNESOTA

Connie Lewis

Connie Lewis
Senior Administrative Officer of
The Department of
Energy and Economic Development,
Acting Pursuant to a Delegation
of Authority from the Commissioner
Dated July 25, 1984.

STATE OF MINNESOTA

DEPARTMENT OF ENERGY AND ECONOMIC DEVELOPMENT

ENERGY DIVISION

In the Matter of Proposed Rules Governing Distribution of Community Energy Council Grant Funds (4160.5100-4160.5900)

Statement of Need and Reasonableness

I. INTRODUCTION

The 1984 Legislature established a community energy program and appropriated funds for grants to communities. Laws of Minnesota 1984, chapter 654, article II, section 106, codified as Minnesota Statutes 116J.381, established a community energy program in the Department of Energy and Economic Development, provided for the creation of community energy councils with certain powers and duties by cities and counties, and empowered the commissioner to provide assistance to communities. (Hereafter in this statement the phrase "the statute" refers to Laws of Minnesota 1984, Chapter 654, Article II, Section 106.)
The 1984 Legislature also made an appropriation for community energy councils in Laws of Minnesota, Chapter 654, Article II, Section 15, of which $145,000 is for "grants to communities."

Laws of Minnesota 1984, Chapter 604, Section 2, Subdivision 2 [Minn. Stat §116J.035] empowers the Commissioner of Energy and Economic

Development to adopt rules pursuant to Chapter 14 as necessary to carry out his duties and responsibilities pursuant to this Chapter [Minn. Stat. §116J]. This Statement of Need and Reasonableness describes the manner in which the department will provide financial assistance to cities and counties in support of community energy council activities. The proposed rules are modelled on the rules of the department and other state agencies which operate similar types of financial assistance programs.

II. IMPACT ON SMALL BUSINESS

The proposed rules create a program of state financial assistance to cities and counties in support of community energy council activities, and as such have no direct affect on small businesses. Rules covering areas such as this are exempted from Minnesota Statute §14.115 by Minnesota Statute §14.115, Subdivision 8 (b).

Nonetheless, there are two particular instances in the proposed rules relating to small business that merit discussion in this statement. Proposed part 4160.5500, subpart 1, item A states "Community energy councils must include representatives of labor, small business, volunteer organizations, senior citizens, and low and moderate income residents, and may include city and county officials, and other interested parties." (The need and reasonableness of this item is discussed later in this statement. As discussed later in this statement, this is a requirement from the statute, and the department believes it is crucial to the ability of those affected by the rule to comprehend its meaning and effect.) This item will have a beneficial affect on small business because it provides small business a voice in determining the activities of community energy

councils. This item establishes no compliance or reporting requirements or performance, design or operational standards for small businesses.

Proposed part 4160.5600, subpart 1, item B allows grant funds to be expended for the planning, promotion, coordination, and implementation of business energy conservation activities. This item may have a beneficial impact on small businesses, which may receive energy conservation assistance from those grantees that choose to undertake business energy conservation activities. This item establishes no compliance or reporting requirements or performance, design or operational standards for small businesses. This item is permissive rather than mandatory, and as such grantees and/or small businesses may choose whether or not to participate in business energy conservation activities, thus "exempting themselves" from this section of the rules.

III. NEED AND REASONABLENESS OF EACH RULE PROVISION

A. DEFINITIONS

Proposed part 4160.5100 defines terms which have a distinct meaning when used within the context of these rules. Subpart 2 defines "commissioner" as the commissioner of the Department of Energy and Economic Development, and subpart 4 defines "department" as the Department of Energy and Economic Development. These terms are defined for purposes of designating a short-hand terminology to afford greater readability to the rules when the terms are used in context. The need and reasonableness of these shorthand definitions are self-evident.

Proposed part 4160.5100, subpart 3, defines the term community energy council to include all bodies formed by local governments to accomplish the

purposes of the legislation. This definition is needed to clarify that the community energy council function may be fulfilled by a body named according to existing local government practice. This definition is reasonable because it provides for the conformance of community energy council designations with existing local government practice.

Proposed part 4160.5100, subpart 5 defines eligible applicant to be a Minnesota city or county. This definition clarifies and administratively interprets the statute, which provides for the creation of community energy councils by cities and counties. This definition is needed to identify those entities which are eligible to apply for funds, and it is reasonable because it relies on the administrative capacities of cities and counties.

B. PURPOSE

Proposed part 4160.5200 states the purpose of the proposed rules, citing statutory authority for the financial assistance program. This part is needed to introduce the proposed rules, and its reasonableness is self-evident.

C. GRANT PROGRAM

Proposed part 4160.5300 describes the application schedule, review process, and local match requirements of the program. Proposed part 4160.5300, subpart 1 establishes an announcement by the department in the State Register that applications will be accepted and provides that only applications received by the deadline announced in the State Register shall be considered for funding. This subpart is needed to establish an official

means of communicating when applications will be accepted by the department, and it is reasonable because it provides notice to the public and potential applicants of the department's intention to accept applications.

Proposed part 4160.5300, subpart 2 describes the application review process and the respective roles of the commissioner and the review committee selected by the commissioner. The review committee shall score applications according to criteria in proposed part 4160.5500 and transmit its recommendations to the commissioner, who shall approve, disapprove or return for further consideration applications recommended by the committee. This subpart also provides for negotiation of a grant agreement in accordance with proposed part 4160.5800 upon approval by the commissioner. This proposed subpart is needed to define the roles and responsibilities of the commissioner and the review committee. Further, it is needed to define a mechanism - the grant agreement - to award funds to approved applications. This proposed subpart is reasonable because it recognizes the statutory authority of the commissioner to provide assistance for community energy council activities and provides the commissioner assistance, in the form of a review committee, in evaluating applications. Furthermore, this proposed subpart is reasonable because it specifies the use of a grant agreement, which is a legally binding agreement frequently employed in other state administered grant programs (e.g. Small Cities Development Program, District Heating Grant Program, Land & Water Conservation Fund), as the vehicle by which funds are awarded to grantees.

Proposed part 4160.5300, Subpart 3 establishes $15,000 as the maximum amount of a community energy council grant and requires at least a ten

percent local match. It is necessary to restrict the maximum size of grant awards to prevent a single applicant from receiving the total amount of funds available. The proposed grant limit is reasonable because it allows for at least nine applicants to receive funds from the Legislature's $145,000 grant appropriation for the program. The limit is also reasonable because it allows for grants of sufficient size to significantly contribute to grantee expenditures incurred in the conduct of eligible activities. Community energy council grants are not likely to cover all expenditures incurred in the conduct of local activities, however, and thus it is necessary to include the ten percent local match requirement to demonstrate to the department that the applicant will make a financial commitment to contribute its own resources under the grant so that the combination of state and local funds will provide sufficient resources to carry out the applicant's work plan. The ten percent local match requirement is reasonable because it sets a minimum matching requirement the department believes applicants can meet. While it could be argued that a different grant limit or local match requirement be proposed, the department believes that this proposed subpart achieves the reasonable objective of maximizing the number of grants in such a manner that combined state and local resources will be provided to accomplish applicant work plans.

D. APPLICATION FOR COMMUNITY ENERGY COUNCIL GRANT

Proposed part 4160.5400, subpart 1 requires applications to be submitted in a form prescribed by the department. This subpart is necessary to provide a consistent format for all applications. It is reasonable because, in providing for application forms rather than describing a laundry list of required information, the proposed subpart

establishes a structure and format to assist the applicant in identifying, organizing and presenting the necessary information. As the granting authority, it is also reasonable for the department to develop the required form.

Proposed part 4160.5400, subpart 2 prescribes the required content of applications. This subpart is necessary to inform prospective applicants of the contents of the application and the documentation requirements. This subpart is reasonable because the information required is only that which is necessary for evaluation of the application.

Proposed part 4160.5400, subpart 2, item A requires documentation of the existence of a community energy council. This item is necessary to enable the commissioner and the review committee to determine whether a community energy council exists in the applicant community and whether the community energy council's membership includes the representation required in Laws of Minnesota 1984, Chapter 654, Article II, Section 106, Subdivision 2. This item is reasonable because it requests information necessary to determine whether representation on applicants' community energy councils is in compliance with this statute.

Proposed part 4160.5400, Subpart 2, item B requires that applicants include a work plan that explains how the applicant intends to undertake program planning and implementation during the grant period. This item is necessary to provide the review committee and the commissioner with information on which to evaluate the proposed activities for which grant funds would be used. It is reasonable because the information requested, on tasks to be undertaken and results expected, is germane to evaluating the applicant's proposed activities.

Proposed part 4160.5400, subpart 2, item C requires a budget that identifies major expenditure categories and amounts and the amount and source of the local match. This item is necessary to provide information on the proposed use of grant funds and provision of the local match required in proposed part 4160.5300, subpart 3. It is reasonable because it requires only that information necessary to determine how the applicant proposes to spend grant funds.

Proposed part 4160.5400, subpart 2, item D requires that applicants submit a copy of the resolution or resolutions that authorize submission of the application to the department. This item is necessary to indicate whether submission of the application resulted from an official action of the applicant, and it is reasonable because it demonstrates support for the application.

E. EVALUATION OF GRANT APPLICATION

Proposed part 4160.5500 describes the criteria on which applications will be evaluated and the points the review committee may award for each criteria. This section is necessary to describe the basis on which applications will be judged. It is reasonable because it provides a clear method for decision making that is known to all parties.

Proposed part 4160.5500, subpart 1 enumerates the evaluation criteria. Item A recites the sentence in Laws of Minnesota 1984, Chapter 654, Article II, Section 106, Subdivision 2 regarding community energy council membership requirements. This item is necessary and crucial to communicate to affected parties the specific directive given by the statute on membership requirements. The statute states that community energy councils must include

representatives of labor, small business, volunteer organizations, senior citizens, and low and moderate income residents, and may include city and county officials, and other interested parties. This statutory language is quite specific on membership requirements, and the department believes that it is reasonable, given this specificity, to include the statutory language on membership requirements in the rule so that prospective applicants will clearly understand this statutory requirement.

Item B states that the criteria for evaluating applicant work plans is the work plan's potential for reducing energy use and costs in the applicant community. This criteria is needed to provide a basis for evaluating the applicant's proposed activities. It is reasonable because it contains a basis for evaluation that reflects and administratively interprets the legislative purpose of this financial assistance program, which is to encourage programs that are described in the statutory findings as "an effective means of implementing improved energy practices including conservation, greater efficiency in energy use, and the use of alternative resources." A common standard for evaluating the likely effectiveness of proposed energy conservation and alternative energy activities is the proposed activity's potential to reduce energy use and cost.

Subitems 1,2 and 3 state indicators of a workplan's potential to reduce energy use and cost. These subitems are necessary to delineate work plan features that indicate this potential so that applicants and the review committee will have a common understanding of the meaning the phrase "potential to reduce energy use and costs" has in this program. The first indicator (subitem 1) is a work plan that implements one or more eligible activities during the grant period. This indicator is reasonable because it

is based on the relationship between reducing energy use and costs and implementing activities. Although the planning of activities is an allowable part of a grantee's work plan, it is only the actual conduct of activities that can reduce energy use and costs. The second indicator (subitem 2) is a work plan that demonstrates how the applicant will coordinate activities undertaken with grant funds with activities of other energy service providers. This indicator is reasonable because it provides for consideration that greater reduction in energy use and cost can potentially be achieved with community energy council grant funds if proposed applicant activities are undertaken in coordination with other providers. The third indicator (subitem 3) is a work plan that indicates efforts that are underway or planned to secure funds in addition to a community energy council grant for project implementation. The reasonableness of this subitem is similar to that of subitem 2, in that it provides for consideration of applicant efforts to supplement state grant funds in order to provide an optimal level of resources for project implementation to obtain the greatest reduction possible in energy use and costs.

Item C states the criteria that past or current experience in conducting energy-related community programs will be considered as an indicator of the applicant's capability and commitment to energy programs. This item is necessary to inform prospective applicants that the review committee will consider capability and commitment in its evaluation of applications so that applicants have an oportunity to provide information on this subject. It is reasonable to include this criteria so that a determination can be made whether the applicant has the capability and commitment to make

effective use of limited state resources to accomplish the purposes of the statute. Cities and counties are not and have not been required to operate community energy programs in Minnesota. Communities with experience conducting community energy programs have conducted these programs in addition to performing their required and usual duties, and the department believes that such experience is a reasonable indicator of capability and commitment.

Item D provides that grant applications must be clear, concise and complete. This item is necessary to inform prospective applicants that the substantive information in the application must be clearly communicated and presented completely and concisely. This requirement is reasonable because it encourages applications that will lend themselves to accurate interpretation and evaluation.

Proposed part 4160.5500, subpart 2 establishes the maximum points the review committee may award to applications as it evaluates applications according to the criteria established in subpart 1. Since the department expects more applications for funds than will be available for distribution, it is both necessary and reasonable to provide a procedure so that applications can be ranked for purposes of making grant award decisions. Applications which, upon evaluation by review committee members, closely approach each criteria will receive higher numerical scores than those which do not as closely approach each criteria.

The proportional weighting of each criteria is necessary to indicate the relative emphasis which the department will give to each criteria. It makes it possible for potential applicants to know, prior to the decision to

apply, the general manner in which their applications will be evaluated. The highest point value, up to a maximum of 40 points, is assigned to item B, adequacy of applicant work plan. This item is reasonable because the work plan, in which the applicant states how grant funds will be used, is the section of the application that best indicates the potential for a grant award to accomplish the purpose of the statute - the implementation of improved energy practices. The next highest point value, up to a maximum of 35 points, is assigned to item A, representation of community energy council membership. This item is reasonable because the statute contains specific membership requirements, and establishes community energy councils as the vehicle to develop and implement community based energy programs. The relatively high point values assigned to items A and B reflect the judgment of the department of the primary importance of a strong work plan and a broadly representative community energy council to successfully undertake effective energy programs. Item C assigns up to a maximum of 15 points for energy-related program experience. This item is reasonable because it provides for recognition of the experience of applicants without unduly restricting the opportunity for inexperienced applicants to receive a grant. Item D assigns up to a maximum of 10 points for clarity, conciseness and completeness. This item is reasonable because it recognizes the relatively small but important factor in the application evaluation process that is contributed by the applicant's ability to communicate accurately and unambiguously. The department believes that the point values contained in this subpart are based on a reasonable combination of the purposes of the statute, understanding based on the department's experience in community energy program development, and common government grantmaking practices.

F. CLASSIFICATION OF ELIGIBLE AND INELIGIBLE GRANTEE ACTIVITIES

Proposed part 4160.5600 classifies eligible and ineligible grantee activities. This part is needed to indicate to prospective applicants and to eventual grantees which activities or types of activities are permitted or prohibited in this program. Proposed subpart 1 describes eligible activities. This subpart is consistent with the statute, which permits community energy councils to "plan, coordinate, advertise, and provide energy programs to minimize negative social and economic impacts," and as such is a reasonable provision of these rules. Items A through G of this subpart further define the "energy programs" of the statute. The energy conservation activities listed include all energy use sectors, energy planning activities, and alternative energy activities. The department believes this subpart to be a reasonable interpretation of the statute, as the statute specifically addresses "conservation, greater efficiency in energy use, and the use of alternative resources" in its findings. This subpart is also reasonable because, in addition to naming eligible activities, items A through G provide examples of common components of each activity to prospective applicants and other readers.

Proposed part 4160.5600, subpart 2 lists ineligible activities. Item A prohibits projects conducted outside a grantee's corporate boundaries by the grantee alone. This item is reasonable because it assures that activities undertaken with grant funds will benefit the grantee community, while at the same time leaving grantees the flexibility to conduct projects jointly with other communities. Item B prohibits real properly acquisition. This prohibition is reasonable to insure that the limited amount of state funds provided for in this program can be used to provide as much benefit to as

many communities as possible. This would not be the case were the department to allow grantees to undertake the extremely expensive activity of property acquisition and the associated relocation obligations that may be incurred as a result. This item is not intended to prohibit the grantee from undertaking property acquisition and relocation with other resources as might be necessary to complete various energy projects.

G. CLASSIFICATION OF ELIGIBLE AND INELIGIBLE GRANTEE EXPENDITURES

Proposed part 4160.5700 classifies eligible and ineligible grantee expenditures. This part is needed to inform affected parties of the types of expenditures for which grant funds may be used in the conduct of eligible activities. Subpart 1 lists eligible grantee expenditures. This subpart allows personnel and energy program support expenditures. This subpart provides for a reasonable range of eligible expenditures given the limited state funds provided. The department has designed this grant program in order to stretch limited state funds as far as possible. Thus the department has provided as eligible expenditures a combination of personnel and program support items which grantees can use to conduct eligible activities. The department believes this approach achieves efficient use of state funds and provides a basis for grantees to leverage additional resources.

Proposed part 4160.5700, Subpart 2, lists ineligible grantee expenditures. The reasonableness of this subpart is complementary to that of proposed subpart 1, in that its purpose is again to direct the use of the grant in such a way as to provide the maximum benefit from limited state funds. Item A, which prohibits out-of-state travel unless specifically approved, is reasonable because it prohibits a type of expenditure that is

not likely to have a direct local benefit while providing flexibility to allow this type of expense in those instances where both the department and the grantee determine it to be appropriate. Items B and C prohibit the purchase of real property and equipment, except for consumable supplies. These items are reasonable because they prohibit the purchase of items that are relatively expensive given the amount of state resources provided and the purchase of which may absorb a high proportion of a grant for a small reduction in energy use and cost. As in subpart 1, the intention in this subpart is to make grant funds available in a manner that encourages grantees to secure additional resources to maximize the benefits obtained from a relatively modest expenditure of state funds. It is necessary and reasonable to include both real property acquisition as an ineligible activity and purchase of real property as an ineligible expenditure, because the property acquisition process involves several steps. These rules provide that neither the expenditure of grant funds nor any other property acquisition activities are to be undertaken in this program.

H. GRANT AGREEMENT

Proposed part 4160.5800 provides the contents of the agreement between the department and each grantee and details other administrative requirements of the program. This part is needed to inform the prospective grantee that an agreement will be entered into by the grantee and the department for purposes of formalizing the duties, activities and obligations of the grantee and the department. This part is reasonable because grant agreements are the standard legal documents used by the department for grantmaking purposes.

Proposed part 4160.5800, subpart 1 details the contents of the grant agreement. It is both needed and reasonable to specify the amount of the grant and its duration, as these are basic components of the contractual arrangement between the department and the grantee. Similarly, it is needed and reasonable that the grant agreement include assurance that the local share will be provided and the agreed upon work plan carried out by the grantee. These assurances affirm the grantee's intent to use the grant in a manner consistent with the application on which the grant award was made. It is reasonable to require that a grant agreement based on a joint application be executed by the applicant directly managing the grant so that the most direct link is established with the department for accountability purposes. It is also reasonable for the department to allow for amendment and extension of grant agreements because of problems or situations which may necessitate program changes. At the same time it is needed and reasonable that amendments and extensions be made in writing and approved by the department and the grantee so that both parties remain aware of their responsibilities and obligations under this program.

Proposed part 4160.5800, subpart 2 provides that grants will be approved for a period of up to one year, unless other terms are agreed to by the Commissioner. This subpart is needed to inform grantees of the duration of the grant agreement. This subpart is reasonable because all scheduled work can likely be completed by the grantee in one year, and because this subpart provides the Commissioner flexibility to agree to a different funding period in those instances where both the department and the grantee agree a different funding period is preferable.

Proposed part 4160.5800, subpart 3 details the disbursement schedule of funds to grantees. This subpart is needed in order for affected parties to

understand the timing and number of payments to grantees. The disbursement of 80 percent of a grantee's funds at the beginning of the grant period is reasonable because of the sudden increase in costs directly associated with the beginning of grant activities, and because this initial disbursement will provide the grantee a sufficient portion of the grant to enable grantee flexibility in meeting the expenses of grant activities as they occur. It is also reasonable for the department to withhold 20 pecent of the grant amount until the grantee work program is complete and the department receives a satisfactory final report. This provides the department assurance that the grantee has completed all of the agreed upon work and satisfied all grantee obligations.

Proposed part 4160.5800, subpart 4 requires grantees to submit monthly and final reports to the department. This subpart is needed to keep the department informed of the status of grant activities and to summarize grantee experience and account for expenditures at the conclusion of the grant. The requirement for monthly reports is reasonable because it will provide information to the department on a timely basis, yet the one to two page length provided for will not be unduly burdensome to grantees. The information on activities undertaken, planning and implementation steps, and parties involved that is required as part of the final report is reasonable because it provides information that will be useful to the department and to other Minnesota communities interested in undertaking similar activities. It is reasonable to require three copies of the final report so that one copy can be duplicated for distribution to interested communities and other parties, in addition to the one copy each required for department program management and fiscal management files.

Proposed part 4160.5800, subpart 5 covers financial recordkeeping and records retention. This subpart is needed to insure that grantees are fully aware of their financial recordkeeping and records retention obligations under this program. The requirement to maintain records according to generally recognized accounting methods for a period of not less than three years is reasonable because it reflects commonly accepted standards of accounting and length of records retention used by the department in grantmaking programs.

Proposed part 4160.5800, subpart 6 covers grant agreement deviations. This subpart is both needed and reasonable because it informs the grantee that it is bound by the grant agreement to fulfill the requirements of that agreement. It also indicates to prospective applicants and grantees that the grant application and grant agreement should accurately state the activities they wish to undertake. It is reasonable to require that any deviations to the agreement be made in writing to assure the department that any deviations are allowable under these rules. It is also reasonable to prohibit grantees from employing consultants to undertake all activities without the department's written agreement in order to encourage cities and counties to directly involve local staff in the grant to at least some extent. Local staff involvement in grant activities is more likely to lead to continuing commitment and ongoing implementation of energy conservation and alternative energy activities than if consultants were the only paid professionals involved, thus stretching the benefits of the department's limited grant funds beyond the end of the grant.

I. GRANT CLOSE-OUT

Proposed part 4160.5900 covers evaluation and review of the grantee's final report and financial documents, and provides for disbursement of the final twenty percent of the grant upon completion of a satisfactory evaluation by the department. This part is needed to determine if the grantee has met all its obligations under the grant agreement before disbursing the remaining grant funds and closing out the grant.

Proposed part 4160.5900, subpart 1 provides for an evaluation of grantee final reports, and all required reports and financial documents within 60 days of their receipt by the department. This subpart is reasonable because it insures that the required reports and work program have been completed and that the agreed upon local share was contributed. It is also reasonable to determine whether the final report has been reviewed by the grantee's governing body because the governing body is responsible for fulfilling the obligations of the grant.

Proposed part 4160.5900, subpart 2 provides that the department shall disburse the remaining twenty percent of the grant to the grantee upon completion of a satisfactory application. This provision is reasonable because it guarantees that all grantee obligations have been satisfied before final payment is made. It is also reasonable to allow grantees to request the commissioner to review an evaluation that is unfavorable and with which the grantee disagrees because this review can provide an opportunity to revise any incorrect evaluation findings.

IV. CONCLUSION

For the reasons stated above, the Department of Energy and Economic Development believes that each of the proposed parts is reasonable to effec-

tively administer the financial assistance program provided in Laws of Minnesota 1984, chapter 654, article II, section 106 and Laws of Minnesota 1984, chapter 654, article II, section 15. It is further believed that the proposed rules are necessary to effectuate the purpose and intent of the statutory authorization.

Dated: Jan 20, 1984

Mark B. Dayton

Commissioner of Energy and

Economic Development

STATE OF MINNESOTA

Department of Energy & Economic Development

In the Matter of the Proposed Adoption of Rules of the State Department of Energy & Economic Development Governing Distribution of Community Energy Council Grant Funds (4160.5100-4160.5900)

Order Adopting Rules

Notice of the Commissioner's intent to adopt the above-entitled rules without a public hearing was published in the State Register on June 25, 1984 and was sent by United States Mail to all persons on the list maintained by the Department pursuant to Minnesota Statutes section 14.14, subdivision 1a on June 21, 1984. After affording interested and affected persons an opportunity to submit comments for a public hearing within the 30-day comment period, reviewing and considering the comments, and determining the need and reasonableness of the above-captioned rules,

NOW, THEREFORE IT IS ORDERED that these rules identified as Rules Governing Community Energy Council Grants (4160.5100-4160.5900) are adopted this 31 day of Aug. 1984 pursuant to authority invested in me by Laws of Minnesota 1984, Chapter 602, Section 2, Subdivision 2.

STATE OF MINNESOTA

Connie Lewis

Connie Lewis
Senior Administrative Officer of
The Department of
Energy and Economic Development,
Acting Pursuant to a Delegation
of Authority from the Commissioner
Dated July 25, 1984.

In the Matter of the Proposed Adoption of Rules of the State Department of Energy and Economic Development Governing Distribution of Community Energy Council Grant Funds (4160.5100 - 4160.5900)

Statement of Compliance with Rulemaking Procedures

I, _____, 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, the rules of the Office of Administrative Hearings, and the rules of the Attorney General have been followed. Any exceptions are noted below.

_____
(Special Assistant Attorney General)

DATED: Sept. 4, 1984

In the Matter of the Proposed Adoption
of Rules of the State Department of
Energy and Economic Development
Governing Distribution of Community
Energy Council Grant Funds

STATEMENT OF COMPLIANCE
WITH RULEMAKING PROCEDURES

I, Thomas J. Barrett, Special Assistant Attorney General, 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, the rules of the Office of Administrative Hearings and the rules of the Attorney General have been followed.

Dated: Aug 15, 1984

Thomas J. Barrett
Special Assistant
Attorney General

q w/ mark Schoenbaum - 8-30-84

they will incorp following changes in subpt b
pg 6, line 25 - 4160.5860

1st sent replace "Unless the dept agrees in writing" to

Unless grantee demonstrates to the department that grantee circumstances has changed since the execution of grant agreement to such an exent that deviation is necessary to complete the agreed upon work program....

2nd sentence delete - "Unless the dept agrees in writing,"

insert at end of sentense after consultants:

Unless grantee demonstrates to the department that such contracting is necessary to complete the work program.

mjc

get 1984 - ch 654, art II, Section 106

SF-00006-03

STATE OF MINNESOTA

DEPARTMENT DEED - Energy Division

Office Memorandum

TO: Attorney General, Administration/Finance Division
Attn: Martha Casserly

DATE:

FROM: Connie Lewis, Deputy Commissioner Connie Lewis

PHONE:

SUBJECT: Review of Community Energy Council Grant Rules

I have withdrawn these rules as of August 30, 1984 in order to correct a defect in 4160.5800, subpart 6.

The Department has corrected the defect in the rules, and I am now resubmitting the rules for the continuation of your review.

Thank you for your assistance.

SF-00006-03

DEPARTMENT REVISOR OF STATUTES

STATE OF MINNESOTA

Office Memorandum

TO: Mark Schoenbaum
Department of Energy and
Economic Development

DATE: August 31, 1984

FROM: Maryanne V. Hruby
Assistant Revisor

PHONE: 297-2948

SUBJECT: AR0521 Adopted Rules Governing Community Energy Council Grants

The revisor's office has approved your adopted rules.

After the rule is filed with the secretary of state, notify our office, and we will prepare a notice of adoption for submission to the State Register.

If you have any questions, please call.

CRS/
Enclosure
ARO

HUBERT H. HUMPHREY, III
ATTORNEY GENERAL

STATE OF MINNESOTA

OFFICE OF THE ATTORNEY GENERAL

ST. PAUL 55155

ADDRESS REPLY TO:
1100 BREMER TOWER
SEVENTH PL. AND MINNESOTA ST.
ST. PAUL, MN 55101
TELEPHONE: (612) 296-9412

August 14, 1984

J. Michael Miles
Assistant Attorney General
Department of Administration
Second Floor - Administration Building
50 Sherburne Avenue
St. Paul, Minnesota 55155

Dear Mr. Miles:

By this letter, I submit for the Rules of the Department of Energy and Economic Development for review by the Attorney General.

There have been no requests for notification of submission of these rules to the Attorney General.

Sincerely yours,

THOMAS J. BARRETT
Special Assistant
Attorney General

Telephone: (612) 296-1265

TJB:bl

Enclosure

RECEIVED
AUG 16 1984
ATTORNEY GENERAL
ADMINISTRATIVE AGENCIES