

2G. Consideration of authorizing a payment to the Coalition of Utility Cities (CUC) for Monticello’s share of the 2023-2024 membership dues in the amount of \$43,019

Prepared by: City Administrator	Meeting Date: 7/10/2023	<input checked="" type="checkbox"/> Consent Agenda Item <input type="checkbox"/> Regular Agenda Item
Reviewed by: Finance Director	Approved by: N/A	

ACTION REQUESTED

Motion to authorize payment of 2023-24 membership dues to the Coalition of Utility Cities in the amount of \$43,019.

REFERENCE AND BACKGROUND

The Coalition of Utility Cities (CUC) is comprised of communities that host nuclear and coal powered electric generation facilities. By combining resources, the host communities maintain a coordinated, unified voice at the State Legislature on issues of common concern.

The 2023-24 dues amounts were discussed at the annual meeting on June 14, 2023. Taking into consideration recent budgets and expected workload, the organization voted to maintain the same budget as last year. However, the Coalition voted to increase the base fee paid by all members. This reduced the remaining amount of the budget to be paid based on a percentage of power plant market value. Monticello’s annual dues amount was reduced by approximately \$1,000 to a total of \$43,019.

The pace of the Coalition’s work is not anticipated to decline in the coming year, rather the group seeks to build on recent successes with additional efforts to benefit host communities. A list of 2023 CUC legislative accomplishments is attached as supporting data.

- I. **Budget Impact:** \$43,019 from the administration department in the General Fund.
- II. **Staff Impact:** Periodic, scheduled meetings occur approximately three times per year, attended by the City Administrator and/or her designee. Additional meetings are scheduled as needed to update the group on legislative action or other information.
- III. **Comprehensive Plan Impact:** Woven throughout the Monticello 2040 Comprehensive Plan are references to the vital economic impact of Xcel Energy’s Monticello Nuclear Power Generating Plant. The Plan acknowledges the ongoing importance of strategically planning for its future in Monticello, both during and after its licensed used.

STAFF RECOMMENDED ACTION

City staff recommends authorizing a payment to the Coalition of Utility Cities for Monticello's share of the 2023-24 membership dues in the amount of \$43,019.

SUPPORTING DATA

- A. Coalition of Utility Cities Invoice
- B. 2023 Legislative Outcomes



DATE	INVOICE NO
6/15/2023	0113011

BILL TO
CITY MANAGER/ADMINISTRATOR CITY OF MONTICELLO 505 WALNUT ST #1 MONTICELLO, MN 55362

DUE DATE
8/1/2023

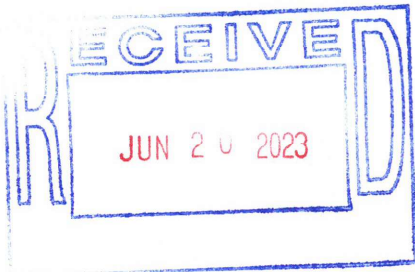
DESCRIPTION	QUANTITY	EFFECTIVE RATE	AMOUNT	DISCOUNT	CREDIT	BALANCE
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PREVIOUS OUTSTANDING BALANCE 0.00

PROPOSED DUES - COALITION OF UTILITY CITIES PROPOSED 2023-2024 DUES:

COALITION OF UTILITY CITIES-DUES	1.00	43,019.00	43,019.00	0.00	0.00	43,019.00
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INVOICE TOTAL: 43,019.00 0.00 0.00 43,019.00



PLEASE DETACH BOTTOM PORTION & REMIT WITH YOUR PAYMENT

For questions please contact us at (651) 385-3600

Customer Name: CITY MANAGER/ADMINISTRATOR CITY OF MONTICELLO
Customer No: 012498
Account No: 0000999 - Coalition of Utility Cities Dues

DUE DATE	INVOICE NO
8/1/2023	0113011



Please remit payment by the due date to:

City of Red Wing
315 West 4th Street
Red Wing, MN 55066

Invoice Total:	43,019.00
Discounts:	0.00
Credit Applied:	0.00
Ending Balance:	43,019.00

INVOICE BALANCE: \$43,019.00
AMOUNT PAID: _____



2023 Legislative Session Outcomes

Issue	CUC Proposal	Governor	House	Senate	Outcome
Tax Base Transition Aid (HF 1427/SF 1172)	- Full tax base replacement paid by state in year 1 following generating unit retirement - Up to 20 years of aid	No proposal	CUC's proposal w/ DOR-suggested date changes:	Same as House	<u>Passed</u> Proposal included in final tax bill, HF 1938 , Art. 4, Sec. 21.
Funding for Community Energy Transition (CET) Grants (HF 1398/SF 1173)	- \$10 million	\$10 Million	- \$10 million	\$10 million total, split between: - \$5M RDA (Xcel-only) - \$5M General Fund (statewide)	<u>Passed</u> Included in SF 3035 , Art. 20, Sec 2
Policy for CET Grants (HF 1398/SF 1173)	- Change grants from competitive to rolling - Expand eligibility - Increase grant cap from \$500k to \$1M - Clarify that capital costs of public infrastructure are eligible	No proposal	Same as CUC	Same as CUC	<u>Passed</u> Included in SF 3035 , various sections
Extension of the Energy Transition Advisory Committee (Governor's revised budget recs)	Supported Governor's request	- Remove sunset of ETAC - Extend through June 30, 2027 - Change meetings from monthly to quarterly	Same as Governor	Same as Governor	<u>Passed</u> Included in SF 3035 , Art. 15, Sec. 5



2023 Legislative Session Outcomes

Issue	CUC Proposal	Governor	House	Senate	Outcome
Property Tax Exemption for Energy Storage Systems (HF 178/SF 369)	- CUC opposed this proposal because it would undermine local tax base	- No position	- Heard the bill but did not include in omnibus tax bill	- Included scaled-back proposal in omnibus tax bill that: - Did not allow for the exemption in communities where a coal plant has retired - Did not allow an exemption for systems larger than 300 MWH	<u>Did not pass</u>
Changes to PUC Intervenor Compensation to allow advocacy organizations to receive compensation from utilities for intervening in a broader range of PUC dockets than is currently allowed	- Joined with numerous labor organizations and utility companies to advocate for limiting the scope of docket types eligible for compensation and the amount that intervenors can be compensated.	- No position	- Expansive proposal that would compensate parties for participation in several dockets, including Integrated Resource Plans and project-specific dockets	- Proposal was limited, and notably did not include IRPs and other types of dockets likely to directly threaten plants or projects in CUC communities	<u>Passed</u> , but as a hybrid between the House and Senate approaches. Most significantly, key proceedings like resource plans are not included.