

Becker + Cohasset + Granite Falls + Hoyt Lakes + Monticello + Oak Park Heights + Red Wing

Senator Bill Weber Chair, Subcommittee on Property Taxes 95 University Avenue W. Minnesota Senate Bldg., Room 2109 St. Paul, MN 55155

Re: Support for the inclusion of SF 3641 in the Property Tax Division Report

Chair Weber and members:

I write to thank you for the inclusion of Senator Housley's Senate File 3641 in the Senate's property tax division report. I serve as Director of City Operations for the City of Cohasset and as President of the Coalition of Utility Cities—a group of seven cities that host some of the state's largest remaining investor-owned power plants. Each of our communities will see massive impacts in the relatively near future as these plants are retired to make way for new energy sources to come online.

By creating a transition aid program that supports communities that see major tax base disruption resulting from the retirement of a power plant, this bill is a massive step forward in the state's commitment to protecting communities and local property taxpayers who will be directly impacted by power plant retirements, and it comes with urgency. Our colleagues in Becker will see the first of three units at Xcel's Sherco Plant retire next year, followed in 2026 by another Sherco retirement, and in 2028 by the retirement of the King Plant in Oak Park Heights.

Here in Cohasset, Minnesota Power is currently proposing to the PUC the early retirement of the two remaining coal-fired units at the Boswell Plant in our city by 2030 and 2035. This will be essential in supporting our community and local property taxpayers who will be directly impacted by these retirements.

In closing, thank you again for the inclusion of this bill. We hope that this program can be created this year. If you have any questions as session proceeds, please contact the Coalition's government relations representative Shane Zahrt at (651) 295-1123 or <u>SAZahrt@flaherty-hood.com</u>.

Sincerel

Max Peters Director of City Operations, City of Cohasset President, Coalition of Utility Cities