



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

Senator Carla Nelson
Chair, Senate Taxes Committee
95 University Avenue W.
Minnesota Senate Bldg., Room 3235
St. Paul, MN 55155

Chair Nelson and members of the Senate Taxes Committee:

I write to thank you for the inclusion of Senator Housley's Senate File 3641 to create Electric Generation Transition Aid program in the Senate Tax Bill. 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 to support 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 the local governments and property taxpayers who will be directly impacted by these transitions. It is vital that legislation like this move forward as swiftly as possible. 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 program will be an essential tool to support our community and local 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 SAZahrt@flaherty-hood.com.

Sincerely,

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