

March 1, 2023

Minnesota State Senate
Committee on Energy, Utilities, Environment and Climate
Minnesota Senate Building, Room 1150
Saint Paul, MN 55155

RE: Senate File 1315 & SFXXXX (Electrified Mining Equipment Pilot), Supporting proposals to enhance transmission and mine truck electrification project

Dear Chair Frentz, Senator Hauschild, and Committee Members,

On behalf of Clean Energy Economy MN (CEEM), I write today in support of SF1315, which aims to enhance transmission capacity on our electrical grid, and a pilot program to electrify mining equipment. Both bills are one-time funding that will dedicate state funds to match federal opportunities much like the competitiveness fund passed earlier this session. These proposals will help overcome two of the biggest hurdles Minnesota has in meeting our goals of decarbonizing our economy: constricted transmission lines and decarbonizing energy-intensive sectors like heavy industry.

CEEM is an industry-led, nonpartisan, non-profit organization representing the business voice of energy efficiency and clean energy in Minnesota. We work to educate Minnesotans about the economic benefits of transitioning to a clean energy economy and are committed to delivering a 100% clean energy future where all Minnesota businesses and citizens will thrive. Our business membership consists of nearly 50 clean energy companies ranging from start-up businesses to Fortune 100 and 500 corporations that employ tens of thousands of Minnesotans across the state.

Transmission is one of the biggest hurdles to overcome as we build Minnesota's clean energy future and SF1315 takes an important step in solving this problem. By investing \$25 million, Minnesota will increase the competitiveness of Minnesota Power's application for \$50 million in federal funds from the Department of Energy's Grid Resilience program under the Infrastructure Investment and Jobs Act, (IIJA) and help to lower the cost of this critical infrastructure project. This transmission project will upgrade the current high voltage direct current lines connecting Duluth to Center, North Dakota adding new capacity to ease congestion – nearly doubling capacity of the lines with plans for additional growth in the future.

Increasing transmission capacity is necessary to meet our clean energy goals and will allow more renewable projects to come online in more places across the state. By leveraging federal opportunities, Minnesota can increase access for renewable energy development, improve grid reliability, and bring modern technology to this line that has been in service for 40 years, all while avoiding many of the hassles that come with developing brand-new transmission lines. This will also stimulate new economic activity across Greater Minnesota as renewable energy projects and the job opportunities they provide come online.

CEEM also supports the funding request for a pilot for the electrification of mining equipment. The importance of decarbonizing heavy industry, especially the energy-intensive mining industry key to procuring minerals critical to the clean energy transition, cannot be overstated. Like the competitiveness fund passed out of this committee last month and SF1315 also heard today, this investment will help bring federal IIJA funds to Minnesota – lowering the cost of the pilot project and speeding the clean energy transition.

Thank you for this opportunity to share our support for these bills. We look forward to their passage. If you have any questions, please let us know.

Sincerely,



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Director of Government Affairs
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