

March 20, 2023

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

RE: Senate File 2958, Commercial PACE modification for certain agricultural land and water improvements

Dear Chair Frentz, Senator Weber, and Committee Members,

On behalf of Clean Energy Economy Minnesota, I write today on SF2958, a bill adding farmland to the definition of commercial real property to make it eligible for the Commercial Property-Assessed Clean Energy (C-PACE) financing program. The improvements must be either permanent improvements that result in better agricultural productivity or resiliency and reduces environmental impact; or water conservation measures.

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.

With the great strides made in the electrical power generation sector, the agricultural, forestry, and land-use sector is now the second largest source of emissions.¹ Minnesota must combine state policies encouraging energy efficiency and water conservation efforts with giving farmers and landowners the necessary tools to make strategic investments to save money and reduce their GHG emissions and water usage.

We thank Sen. Weber for once again authoring this bill and Chair Frentz for hearing it in committee. These changes to the C-PACE program will help farmers be even better stewards of their land with the ability to finance energy-efficient upgrades and water conservation measures. While Minnesota works toward a clean energy future, it is imperative that tools like C-PACE financing programs are available to assist in efforts to decarbonize the agricultural sector.

Thank you for this opportunity to share our support for SF2958, modifying the C-PACE program to include certain agricultural land and water improvements. Please let us know if you have any questions, CEEM and our member businesses are ready to engage.

Sincerely,



George Damian
Director of Government Affairs
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¹ 2023 MPCA GHG Report, <https://www.pca.state.mn.us/sites/default/files/lraq-2sy23.pdf>