

March 30, 2023

Minnesota Senate
Environment, Climate, and Legacy Committee
Minnesota Senate Building, Rm 1150
St. Paul, MN 55155

RE: Senate File 2438 – Environment and Climate Budget Omnibus Bill

Dear Chair Hawj, Senator Eichorn, and Committee Members,

On behalf of Clean Energy Economy Minnesota (CEEM), I write today regarding Senate File 2438 the Senate Environment and Climate Budget Omnibus bill, specifically the lack of funding for the removal, collection, and disposal of Emerald Ash Borer (EAB) wood waste. There are approximately 1 billion ash trees in Minnesota and many trees are already infected by the EAB.

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.

The EAB infestation has been a long-time problem for Minnesota and its trees since 2009 and has since spread to more than 3 dozen counties. Minnesota's Environmental Quality Board Report on the EAB in 2019 estimated that 1.67 million tons of ash wood material would require disposal within the seven-county metro area. CEEM respectfully asks the Senate to consider at least taking on the House's funding levels for appropriations regarding wood waste from the EAB infestation:

- \$37 million EAB Response Grant
 - \$28 million grant to the District Energy Cogeneration Facility
 - \$9 million to local units of government responding or actively preparing to respond to EAB infestation
- \$4 million to Koda Energy LLC in Shakopee for a wood dehydrator to facilitate the disposal of EAB infested wood

Currently, 250,000 tons of EAB waste is collected and processed by the District Energy facility annually – that represents two-thirds of the seven-county metro area EAB waste. We encourage fully funding their request of \$35 million to avoid the costly pile-up of EAB waste, this will allow the District Energy Cogeneration Facility to continue operating for the next seven years.

This proposal is needed to meet the challenge of dealing with our state's EAB waste and putting it to productive use in the form of renewable energy – contributing to Minnesota's 100% clean

energy goals. The main alternative to get rid of this waste is open-pit burning which would be a massive source of GHG emissions.

Thank you for the opportunity to share our thoughts and the importance of funding these EAB solutions. Please reach out with any questions, CEEM and our members are ready to provide expertise on this urgent issue.

Sincerely,



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Director of Government Affairs
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