

April 18, 2023

Minnesota Senate
Finance Committee
Minnesota Senate Building, Rm 1200
St. Paul, MN 55155

RE: Senate File 2847 - Senate Energy, Utilities, Environment, and Climate Omnibus

Dear Chair Marty, Senator Pratt, and Committee Members,

On behalf of Clean Energy Economy Minnesota (CEEM), I write today to support SF2847 the Senate Energy, Utilities, Environment, and Climate Omnibus bill. The work of the committee this year builds upon years of Minnesota transitioning to a clean energy economy and the passage of the 100% Clean Energy by 2040 law passed earlier this year. We wholeheartedly support many provisions within this bill and highlight a few of them below.

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.

CEEM is incredibly excited that funding for Energy Alley was included in the Senate bill. This proposal will nurture and support our energy entrepreneurs and emerging businesses in developing the next generation of energy technologies across our state to meet our 100% by 2040 clean energy goals. Just as our state became world-renowned for the development of medical devices, Minnesota must develop this market and support network for entrepreneurs in the clean energy technology space. Energy Alley is our way to do just that.

We also applaud the inclusion of the following funding priorities:

- Funding for the St. Thomas Center for Microgrid Research for them to continue their groundbreaking work that has attracted millions in federal funding and private investment;
- Increased funding for the Solar on Schools program and creation of a solar on public buildings program;
- Increased funding for the Solar*Rewards program as well as the establishment of a similar energy storage incentive program;
- Grants to ease interconnection issues for distributed energy projects and assist small utilities in upgrading and improving their distribution grid system;
- A grant for a project to increase transmission capacity between Minnesota and North Dakota;
- A grant for a wood dehydrator to deal with the emerald ash borer waste issue; and

- Funding to help Minnesotans electrify their homes with grants to upgrade electric panels as well as a separate program to assist Minnesotans upgrading to heat pumps from traditional heating and cooling options.

We are also pleased to see efforts to modernize and expand the community solar garden program move forward in this proposal. The removal of continuous county requirements, increased size of projects, and exciting development of a new distributed generation market is something our business members have been asking for. We look forward to continued negotiations with stakeholders on this issue. Likewise, efforts to transition state fleets to electric vehicles (EVs) and offer rebates to consumers to hasten the transition to EVs are exciting developments. Ownership of EV infrastructure and the ability to have market competition in this space will be vital to ensure an efficient and just transition to EVs.

Furthermore, due to the additional duties and responsibilities of the Department of Commerce, Division of Energy Resources and the Minnesota Public Utilities Commission, we support the increases in their operating budgets. They each will play an integral role in transitioning our economy to a clean energy future with the passage of 100% Clean Energy by 2040, as well as the implementation of the federal Infrastructure Investment and Jobs Act (IIJA), and the Inflation Reduction Act (IRA).

Finally, we are also pleased to see the committee prioritize looking at the future of clean energy and fully decarbonizing our economy by including Buy Clean and Buy Fair legislation to ensure public projects continue to decrease their carbon footprint; funding a study to evaluate the potential costs, benefits, and impacts of advanced nuclear technology reactor power generation in Minnesota; and grants to support the development of green fertilizer in rural Minnesota.

We thank Chair Marty and the committee for hearing the Energy, Utilities, Environment, and Climate Omnibus bill that will support Minnesota's clean energy economy and help to ensure we will reach our clean energy goals. We look forward to continuing to work together with the legislature to move Minnesota toward a clean energy future.

Sincerely,



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