



March 22, 2023

RE: **SF 1172**

Dear Honorable Members:

Thank you for the opportunity to provide testimony for Senate File 1172, as authored by Senator Mathews, Senator Hauschild, Senator Housley, Senator Eichorn, and Senator McEwen. **Minnesota Power (MP) stands in strong support of SF 1172 and the Host Community Transition Aid Program.**

MP has a long history of partnering with our host communities to advance economic development opportunities and tax base growth in northeastern Minnesota. We worked with our communities in the 1990's to establish "Energy Parks" utilizing company land to attract business investment and job creation in the region, work that continues to this day. More recently, we prioritized investments like a solar array project adjacent to the Laskin Energy Center, a former coal-fired power plant located in Hoyt Lakes that was converted to natural gas in 2015, to reinvest directly into our region utilizing local union labor and locally manufactured solar panels. And finally our team spends considerable time, energy, and resources to position communities like Cohasset, home of the Boswell Energy Center, to be able to attract world-class projects like the proposed Huber Engineered Woods plant. Unfortunately, this \$440M planned investment that would have provided 150 direct jobs within sight of the Boswell facility was scrapped last month after two-and-a-half years of work. This has sent Cohasset back to the drawing board on a transition strategy and proves once again just how daunting the task ahead is for host communities proactively trying to diversify their tax base, especially in Greater Minnesota.

As the state's energy transition continues to accelerate with the passage of the 100% Carbon-Free by 2040 bill, we believe support for host communities most impacted by this transition must match the moment. The Host Community Transition Aid Program thoughtfully and meaningfully extends the runway these communities have to undertake the daunting task of reshaping their local economies. The work of economic development in Greater Minnesota is a marathon, not a sprint. The work of ensuring a just transition for communities is just beginning, and we look forward to continuing to work with you into the future as we advance our joint goals around supporting host communities beyond this bill and session.

We respectfully ask for your support of the Host Community Transition Aid Program and appreciate your time and consideration. Thank you for the opportunity to share these comments with you.

Sincerely,

Arik Forsman  
Regional Development Lead