

March 18, 2024

Dear Chair Frentz & Members of the Senate Energy, Utilities, Environment, and Climate Committee:

We are writing to urge your support of Senate File 4760 (Mitchell), a bill to accelerate deployment of thermal energy network pilot projects.

Minnesota is transitioning to a more equitable clean energy future. It's a future we can all be part of. For both renters and owners, from multifamily buildings to manufactured homes, **every Minnesotan should have a clean, comfortable, and affordable place to live.**

However, we have our work cut out for us. Minnesota has over 1.6 million owner-occupied homes and over 600,000 rented homes. And, according to the Minnesota Pollution Control Agency's most recent biennial report on greenhouse gas emissions, **pollution from residential buildings is trending in the wrong direction, increasing 14% between 2005 and 2020.** To reverse that, we'll need to innovate and scale our solutions, creating more and easier opportunities for homeowners to opt-in to cleaner heating and cooling.

The good news is **there are solutions, such as Thermal Energy Networks**, or TENs, which can deliver carbon-free heating and cooling efficiently and affordably for many Minnesotans. Thermal Energy Networks are systems that use a shared network of water pipes to transfer heat in & out of nearby buildings. This heat energy can be exchanged and stored between sources like the stable underground temperature of the earth, lakes & rivers, wastewater systems, or between the buildings themselves.

To figure out what works best where and for whom, we'll need to continue to innovate and learn together. Senate File 4760 would help us do that, building on Minnesota's Natural Gas Innovation Act (NGIA) in the following ways:

1. **Increasing investment in Thermal Energy Network pilots** by ensuring that at least 15% of subsequent NGIA budgets at large natural gas utilities be invested in TENs.
2. **Studying site suitability for TENs** by providing support to the Department of Commerce to produce a statewide report on the ideal locations for thermal energy networks.

We urge your support for Senate File 4760. It's one way we can help ensure all Minnesotans get to participate in our transition to a more equitable clean energy future.

Signed,
100%
ISAIAH
Unidos
Fresh Energy

Geoexchange
Conservation Minnesota
Climate Generation
Cool Planet
Vote Solar
City of Minneapolis
Former Senator Ellen Anderson
Institute for Local Self-Reliance
Sierra Club North Star Chapter
Green Committee, Oak Grove Presbyterian
Minnesota Interfaith Power and Light
Resilient Cities and Communities