January 22, 2025

Chair Frentz and Members of the Committee:

Minnesota Center for Environmental Advocacy (MCEA) is a St. Paul and Duluth based nonprofit advocacy organization with a 50-year history of using science and the law to defend Minnesota's environment and the health of its people. We thank Chair Frentz for having a hearing on the important topic of proposed data centers in Minnesota.

As the data center industry expands in Minnesota, we need to ensure that the benefits touted by data centers evolve from talking points into reality. At present, these benefits are voluntary–entirely at the discretion of a data center company. For example, many large data center companies, such as Microsoft, highlight their sustainability goals as evidence that they will help serve their significant electric needs with clean energy. Yet, Microsoft's new data center in Wisconsin will be powered by new gas plants[1] with backup power provided by diesel.[2]

What happens if the 10 data centers currently planned for Minnesota do not bring clean energy either? Minnesota utilities, businesses, and residents have all made changes to help Minnesota transition to a clean energy mix and reduce greenhouse gas emissions. We cannot allow one industry to undo this progress.

Instead, we need to plan thoughtfully for this industry, thinking through questions such as:

- How do we ensure data centers do not erode Minnesota's climate progress?
- How do we ensure data centers are served with clean energy, and not more fossil fuels?
- How can host communities be included in the process so their needs are addressed *before* construction and key information is shared with them and not hidden behind non-disclosure agreements?
- How will we know if an aquifer can support a data center's significant water demands?
- Can Minnesota electric utilities meet the increasing electricity demands of data centers, *and* electric vehicles, electric appliances, and electrified heating? If so, can they do this without building new fossil fuel generators or postponing coal plant retirements?
- How do we ensure data centers located in Minnesota use the most energy-efficient technology available to reduce their electricity demand?
- What other benefits can data centers bring and how do we ensure those benefits materialize?

We appreciate the committee's careful consideration of this issue during the 2025 session and we look forward to working with stakeholders to ensure data centers built in Minnesota bring climate solutions, are transparent with local governments about their energy and water needs, and accountable to the citizens of Minnesota.

Amelia Vohs, Climate Program Director
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[1] https://wisconsinexaminer.com/briefs/environmental-groups-urge-microsoft-to-skip-gas-in-favor-of-solar-wind-to-power-data-center/#:~:text=A%20coalition%20of%20environmental%20and,Electric's%20%E2%80%9Clargest%20electric%20load.%E2%80%9D
[2] https://www.wpr.org/news/microsoft-to-use-diesel-fired-generators-as-backup-power-for-data-centers