

March 12, 2025

Chair Frentz Senate Energy, Utilities, Environment, and Climate Committee Re: S.F. 1393

Chair Frentz and Committee Members,

CURE is a rurally based, non-profit organization dedicated to protecting and restoring resilient towns and landscapes by harnessing the power of the people who care about them. We appreciate the opportunity to testify in opposition to S.F. 1393.

Less than three months ago, Amazon Data Services asked the Public Utilities Commission (PUC) for expedited review of its request for an exemption to the typical Certificate of Need process required under Minnesota law. Amazon is seeking to build a hyperscale data center in Becker and wants to have emergency backup generation available if Xcel is unable to provide power. According to their filing, Amazon would build 250 generators, operating on polluting diesel fuel, for a combined capacity of up to 600 MW—approximately the amount of electricity generated at the Monticello nuclear plant. Just two weeks ago, the PUC determined that Amazon *does* need to obtain a Certificate of Need for its proposed backup generation. Still, Amazon wants you, the legislature, to end-run the expert agency's decision to suit the company's needs. That alone should be cause for concern.

This bill would exempt diesel engines used for emergency backup generation with a combined capacity greater than 50 MW from Certificate of Need proceedings. It would also allow for minimal environmental review and expedited permitting under the "standard" or local review processes. But this is in no way limited to the data center industry—it applies to anyone who wishes to install over 50 MW of emergency diesel generation. In other words, anyone, anywhere in Minnesota, could construct and operate a fossil fuel generation facility of a size that we normally permit as a power plant without having to prove that the generation is needed, without thoroughly evaluating its environmental and human health impacts, and without showing that the same goal cannot be met through less harmful means.

This is concerning because diesel generators, like those proposed by Amazon, can emit high levels of particulate matter, including fine particles and ultrafine particles, nitrogen oxides, and other toxic and carcinogenic air contaminants. Even if operated under the parameters of "emergency backup generation" (which does allow for operation in non-emergency situations), the size and scale of this facility means the surrounding community could still face a serious pollution burden which cannot be causally dismissed.

¹ Amazon Data Services, *In the Matter of Amazon Data Services, Inc.'s Petition for an Exemption from Certificate of Need Requirements for Emergency Backup Generators at Becker, Minnesota*, eDockets Document No. 202412-213305-01, https://www.edockets.state.mn.us/documents/%7BA0131894-0000-CA1F-896D-37D55FD8A087%7D/download?contentSequence=0&rowIndex=17.

The bill would also create a huge loophole in our bedrock environmental protections and would allow businesses to utilize the Alternative Urban Areawide Review (AUAR) process to circumvent typical environmental review. AUARs are intended to allow local governments to analyze different development scenarios, not the impacts of specific projects. Unsurprisingly, AUARs have less stringent requirements when it comes to the level of detail of environmental review and allow for less community engagement during the review process. Generally, AUARs are completed before projects for the area are even announced, making public input almost impossible due to the timing of comment versus when information is available. Indeed, the AUAR that Becker completed prior to the Amazon proposal mentions data centers but has no real or detailed assessment of the environmental impacts expected from facility of this size and scope.² AUARs were certainly not intended for the use of private companies to avoid compliance with the Minnesota Environmental Policy Act.

It's clear from the sudden, intense lobbying efforts we've seen this year that Minnesota does need to address if and how we want data centers to be built and operate in our state. But Minnesotans should be driving that conversation, not the private companies who would benefit from changes to the law. CURE urges this committee to think about the impetus of this bill, who would benefit from its passage, and who would be harmed. As the AI and hyperscaler sector surges forward, we ask committee members to consider the implications of allowing some of the most powerful and wealthy companies to establish their own AI fiefdoms, above the law and unaccountable to the people and the State of Minnesota.

Sincerely,

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² Xcel Energy/City of Becker Alternative Urban Areawide Review (AUAR), Jan. 2023, https://www.ci.becker.mn.us/DocumentCenter/View/2689/Xcel-Energy--City-of-Becker-AUAR.