

March 11, 2025

Chair Frentz and members of the Senate Energy, Utilities, Environment, and Climate Committee:

On behalf of the 14,000 members of the Laborers' International Union of North America (LIUNA) Minnesota and North Dakota, I am writing to express our support for SF 1455, which would reduce unnecessary costs and delays associated with making our natural gas system more resilient by updating a 60 year-old threshold.

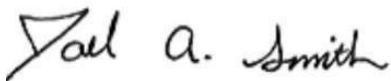
LIUNA members build and maintain the natural gas pipeline and distribution infrastructure that keeps the majority of Minnesota homes and businesses warm during the winter months. As Committee members are aware, Minnesota and the nation as a whole have recently experienced winter storms that are more longer-lasting, more severe and more widespread than in the past, which is putting pressure on the ability of our electric and gas utilities to maintain affordable and reliable service.

In 2021, natural gas supply shocks caused by Winter Storm Uri jeopardized critical natural gas supplies and forced utilities to purchase fuel at inflated prices. While there is no magic bullet that can prevent impacts from such a major storm, expanding fuel storage can both enhance reliability during extreme weather and hedge against price spikes. If Minnesota's gas utilities had additional available storage during Uri, the full cost of building and operating the storage might have been recouped in a matter of days.

SF 1455 will make it easier for gas utilities to add storage where it makes sense without undergoing a costly Certificate of Need process intended for large energy facilities such as large gas-fired power plants and oil pipelines. SF 1455 will not provide utilities with a "blank check" to build storage because the Minnesota Public Utilities Commission retains oversight and authority to reject recovery for any expenditures that are not shown to be reasonable and prudent. Instead, the bill avoids the need to hold burdensome proceedings over minor projects, allowing regulators and utility staff to focus their efforts on matters with more significant ratepayer impacts.

We urge Committee members to adopt this needed change and thank you for your consideration.

Respectfully,



Joel Smith
President and Business Manager