

March 24, 2025

Minnesota Senate  
Committee on Energy, Utilities, Environment, and Climate  
1150 MSB  
Saint Paul, MN 55155

RE: Senate File 1037 - Funding for anaerobic digester project processing organic food waste

Dear Chair Frentz and committee members,

On behalf of Clean Energy Economy MN (CEEM), we write today in support of Senate File 1037, a bipartisan bill requesting a \$10 million grant from the Renewable Development Account for the anaerobic digester project in Louisville Township. The Dem-Con HZI Bioenergy, LLC (DCHZI) anaerobic digester will source organic food waste from Ramsey and Washington County. The public-private partnership between the Ramsey and Washington County Recycling and Energy Partnership and the joint venture between Dem-Con Companies and Hitachi Zosen Inova (HZI) will provide an innovative solution for transforming waste into renewable energy, advancing sustainable waste management and energy production in Minnesota.

CEEM is an industry-led, nonpartisan, non-profit organization representing the business voice of energy efficiency and clean energy in Minnesota. We are focused on educating Minnesotans about the economic benefits of transitioning to a clean energy economy. Our business membership is comprised of over 70 clean energy companies ranging from start-up businesses to Fortune 100 and 500 corporations that employ tens of thousands of Minnesotans across the state. CEEM stands committed to delivering a 100% clean energy future where all Minnesota businesses and citizens will thrive.

As Ramsey and Washington County continue to expand access to its organic food waste collection program, the project is estimated to process 40,000 tons of food waste and 35,000 tons of other organic material per year - causing an even greater demand to invest in innovative solutions to manage the waste. The DCHZI anaerobic digester will create a commercial-scale demonstration project with a processing capacity of up to 75,000 tons of organic waste per year and the production of an estimated 10,000 tons of biochar and 170,000 MMBtu of renewable natural gas (RNG) annually - which already has an end-market demand from utilities like CenterPoint and Xcel.

The DCHZI anaerobic digester will immensely help Minnesota meet its 75% recycling by 2030 goal, carbon neutral by 2050 goal, and 100% clean energy by 2040 law. We thank Senator Xiong for bringing SF1037 forward and Chair Frentz for hearing it in committee today. We encourage the committee's support of this request. If you have any questions, please let us know. Thank you.

Sincerely,



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